



## FRANCHISE DISCLOSURE DOCUMENT

Campero USA Corp.  
A Florida corporation  
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Suite 250N  
Dallas, Texas 75251-1803  
(972) 770-2800  
[www.us.campero.com](http://www.us.campero.com)  
[franchising@campero.com](mailto:franchising@campero.com)

The franchise offered is to operate a restaurant under the “POLLO CAMPERO®” name and other trademarks that offers and sells uniquely-flavored chicken products, other food products and beverages.

The total investment necessary to begin operation of a new POLLO CAMPERO® Restaurant is \$2,164,650 to \$3,980,000 for a freestanding outlet and \$1,474,650 to \$2,672,300 for an in-line outlet (excluding real estate costs). This includes \$30,800 to \$41,200 that must be paid to the franchisor or affiliate. If you acquire development rights (a minimum of 3 POLLO CAMPERO® Restaurants) under our current development incentive program, you must pay us a development fee equal to \$20,000 (the initial franchise fee for the first Restaurant) plus a \$15,000 deposit for each subsequent Restaurant’s initial franchise fee (the fee balance is waived if you comply with the development schedule).

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.**

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

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

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

Issuance date: August 20, 2025

## How to Use This Franchise Disclosure Document

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

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

## 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 G.

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 arbitration and/or litigation only in the franchisor's then-current home state (currently Texas). Out-of-state arbitration or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to arbitrate or litigate with the franchisor in its then-current home state (currently Texas) 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 prices the franchisor or they set. These 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.

**THE FOLLOWING PROVISIONS APPLY ONLY TO TRANSACTIONS GOVERNED BY THE  
MICHIGAN FRANCHISE INVESTMENT LAW**

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

- (a) A prohibition on the right of a franchisee to join an association of franchisees.
- (b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.
- (c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.
- (d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) the term of the franchise is less than 5 years and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, 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.

If the franchisor's most recent financial statements are unaudited and show a net worth of less than \$100,000, the franchisor shall, at the request of a franchisee, arrange for the escrow of initial investment and other funds paid by the franchisee until the obligations to provide real estate, improvements, equipment, inventory, training, or other items included in the franchise offering are fulfilled. At the option of the franchisor, a surety bond may be provided in place of escrow.

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

Any questions regarding this notice should be directed to:

State of Michigan Consumer Protection Division  
Attn: Franchise  
670 G. Mennen Williams Building  
525 West Ottawa, Lansing, Michigan 48933  
(517) 335-7567

Notwithstanding paragraph (f) above, we intend to enforce fully the provisions of the arbitration section of our Franchise Agreement. We believe that paragraph (f) is unconstitutional and cannot preclude us from enforcing our arbitration provision. If you acquire a franchise, you acknowledge that we will seek to enforce that section as written, and that the terms of the Franchise Agreement will govern our relationship with you, including the specific requirements of the arbitration section.

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**Item 1**  
**THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS, AND AFFILIATES**

**The Franchisor**

The franchisor is Campero USA Corp. (“we,” “us,” or “our”). “You” means the entity to which we grant a franchise and, if applicable, development rights. Your owners must sign our “Guaranty and Assumption of Obligations” or “Owner’s Undertaking of Non-Monetary Obligations” (depending on the ownership percentage). This means all or some of our Franchise Agreement’s provisions (Exhibit A) also will apply to your owners.

We are a Florida corporation formed on July 3, 2003. Our principal business address is 12404 Park Central Drive, Suite 250N, Dallas, Texas 75251. We also conduct business from our Miami, Florida office located at 201 South Biscayne Boulevard, Suite 800, Miami, Florida 33131. We conduct business primarily under our corporate name and the trademarks “POLLO CAMPERO®” and “CAMPERO” and under no other name.

Our direct parent company is Campero, Inc. (“CI”), whose principal business address is 201 S. Biscayne Boulevard, Suite 800, Miami, Florida 33131. CI’s direct parent company (and our indirect parent company) is Campero International Holdings Corp., whose address is Ave. Paseo de Mar, MMG Tower, Piso 23, Costa de Este, Ciudad de Panama, Republica de Panama. No other parent companies are disclosable in this Item 1. We have no predecessors.

If we have an agent in your state for service of process, we disclose that agent in Exhibit G.

**The Franchise Offered**

We grant franchises to develop and operate Restaurants identified by the Marks that offer and sell uniquely-flavored chicken products, other food products, and beverages. We call these Restaurants “POLLO CAMPERO Restaurants.” In this disclosure document, we refer to your POLLO CAMPERO Restaurant as the “Restaurant.” POLLO CAMPERO Restaurants operate under the trademarks, service marks, and other commercial symbols we periodically designate, including “POLLO CAMPERO®” (the “Marks”), and the mandatory specifications, standards, operating procedures, and rules we periodically specify for POLLO CAMPERO Restaurants (“Brand Standards”). Your Restaurant must offer the products and services we specify.

Unless you are an existing franchisee who desires to acquire an additional POLLO CAMPERO Restaurant franchise to add to your current portfolio, we grant franchises only to qualified franchisees who commit to develop a minimum of 3 POLLO CAMPERO Restaurants within a defined territory according to a pre-determined development schedule. Those franchisees may open and operate their POLLO CAMPERO Restaurants directly or through “Approved Affiliates.” Our Incentive Program Development Rights Rider to Franchise Agreement is Exhibit B (“Incentive Program DRR” or “Rider”).

Franchisees signing our Incentive Program DRR must sign our then-current form of Franchise Agreement for each additional POLLO CAMPERO Restaurant they develop under the Rider. While that form may differ substantially and materially year to year from the first Franchise Agreement they sign for their first POLLO CAMPERO Restaurant to be developed (our current

version of Franchise Agreement is disclosed in this disclosure document), we will reduce the initial franchise fee for the 2<sup>nd</sup> and each subsequent POLLO CAMPERO Restaurant you commit to develop under the Incentive Program DRR. We also commit to charge during the initial franchise term for each POLLO CAMPERO Restaurant you develop under the Incentive Program DRR the same Royalty, Brand Fund contribution, Local Spending Marketing Requirement, and minimum required Market Introduction Program expense we reserve the right to charge you under the first Franchise Agreement you sign. However, if you and your Approved Affiliates are not, when the next franchise agreement is signed, in full compliance with the Incentive Program DRR and all other franchise agreements then in effect with us for POLLO CAMPERO Restaurants, then we reserve the right to charge whatever is our then-current Royalty, Brand Fund contribution, Local Marketing Spending Requirement, and minimum required Market Introduction Program expense.

We began offering franchises and development rights for POLLO CAMPERO Restaurants in September 2003. We have no other material business activities and have not offered franchises in other lines of business. While we have never operated a POLLO CAMPERO Restaurant, our affiliates have operated one or more POLLO CAMPERO Restaurants in the United States since March 2008.

Our affiliates disclosable in this Item 1 are the following:

(1) Pollo Campero®, S.A (“PC”), a Guatemalan company and the originator of the POLLO CAMPERO® concept, first opened its doors to consumers in 1971 in Guatemala, Central America. Its principal business address is Boulevard Los Proceres veinticuatro guion sesenta y nueve, zona diez, Empresarial Zona Pradera, Torre cuatro, Nivel dieciseis y diecisiete, Guatemala, Guatemala. As of December 31, 2024, PC owned and operated 159 outlets in Guatemala. PC has franchised POLLO CAMPERO® Restaurants in Honduras from 2006 to the present and had granted 18 franchises as of December 31, 2024. PC does not offer POLLO CAMPERO® franchises in the United States and has not offered franchises in another line of business.

(2) Pollo Campero Iberia S.L. (“PC Iberia”) franchises POLLO CAMPERO® Restaurants, principally in Spain, through a joint venture. Its principal business address is C/Colquide 6, P.2 1-B, 28231 Las Rozas-Madrid, Spain. As of December 31, 2024, it had granted 7 franchises in Spain, 25 in Ecuador, and 5 in Italy. PC Iberia PC does not offer POLLO CAMPERO® franchises in the United States and has not offered franchises in another line of business.

(3) Pollo Campero Advertising Fund, LLC, whose principal business address is 12404 Park Central Drive, Suite 250N, Dallas, Texas 75251, was formed for the sole purpose of administering the Pollo Campero Fund (discussed in Item 11), which was implemented in August 2008. Pollo Campero Advertising Fund has never operated a POLLO CAMPERO® Restaurant or offered franchises in any line of business.

No other affiliates are disclosable in this Item 1. Besides the international franchising activities of our affiliates described above, affiliates of ours operating outside the United States own and operate 73 POLLO CAMPERO® Restaurants in El Salvador and 2 POLLO CAMPERO® Restaurants in Mexico.

Your Restaurant will offer products and services to the general public throughout the year. The industry for fast-casual and quick-serve restaurants featuring chicken and chicken-related products is mature and competitive. You will face competition from numerous businesses, including international, national, regional, and local chains (both company-owned and franchised), specialty restaurants, grocery and convenience stores, and other foodservice businesses. Many competitors currently are larger and have better financial resources and name recognition than “POLLO CAMPERO” However, we believe POLLO CAMPERO Restaurants will be distinguishable by their high-quality products, uniquely-flavored foods, and flavorful chicken marinated and breaded with a secret formula. POLLO CAMPERO Restaurants also have a distinctive exterior and interior design, décor, color, and identification schemes and furniture that make the brand stand out.

No regulations apply specifically to the industry in which POLLO CAMPERO Restaurants operate. However, federal, state, and local food safety, sanitation, handling, labeling, storage, and other laws governing all foodservice operations might impact your Restaurant’s operations more than others. You must comply with these laws and with laws applying generally to all businesses.

## **Item 2** **BUSINESS EXPERIENCE**

### Global Chief Executive Officer, CMI Foods: Jose Gregorio Baquero

Mr. Baquero has been Global Chief Executive Officer of the Food Business Group of CMI (Corporación Multi Inversiones), based in Guatemala, since January 2025, having served as our Chief Executive Officer from February 2018 to December 2024. Mr. Baquero first joined the CMI Corporate Board and the CMI Foods Advisory Board in June 2016 as an external Director until January 2018.

### Executive President, Chief Operating Officer, and Managing Director: Luis Javier Rodas

Mr. Rodas has been our Executive Vice President, Chief Operating Officer, and Managing Director since March 2018. He was our President from August 2016 to March 2018. Mr. Rodas has also been the President of Campero, Inc. since August 2017, having served as one of its Directors since December 2016. He has been Vice President of multiple operating affiliates of ours (which own and operate Restaurants) since December 30, 2016.

### Director of IT (Information Technology): Jorge de la Parra

Mr. de la Parra has been our Director of IT (Information Technology) since November 2023. Mr. de la Parra was the Director of Restaurant Systems and Support for Ruby Tuesday in Addison, Texas, from March 2022 until November 2023 and served as Director Consulting Services for Jack in the Box in San Diego, California, from September 2004 to January 2022.

Senior Director Sourcing, CMIA USA: Carlos Santiago

Mr. Santiago has been our Senior Director Sourcing, CMIA USA since November 2024, having served as our Director of Supply Chain and Sourcing from January 2024 to October 2024 and as Sourcing and Supply Chain Business Partner from November 2022 to December 2023. Before joining us, Mr. Santiago was Procurement Business Partner for Pollo Campero Central America in Guatemala City, Guatemala, from November 2021 to November 2022 and its Procurement Manager from May 2018 to November 2021.

Vice President of Real Estate and Development: Allyn Taylor

Mr. Taylor has been our Vice President of Real Estate and Development since January 2024, having previously been our Director of Restaurant Development and Construction from August 2020 to January 2024.

Vice President of Marketing: Tracy Ziepprecht

Ms. Ziepprecht has been our Vice President of Marketing since November 2023. She was previously the Vice President of Creative Services for Raising Cane's Chicken Fingers in Dallas, Texas, from 2015 to 2023.

Vice President of Operations: Jose Fernando Perez

Mr. Perez has been our Vice President of Operations since January 2024, having previously been our Senior Director of Operations for corporate outlets beginning in January 2018 and then our Senior Director of Operations for corporate outlets and franchised outlets beginning in June 2019.

**Item 3**  
**LITIGATION**

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**

Franchise Agreement

You must pay us a \$40,000 initial franchise fee in a lump sum when you sign the Franchise Agreement. The initial franchise fee is not refundable under any circumstances. While currently not applicable, we might at some point later in 2025 or in early 2026 offer a \$10,000 incentive initial franchise fee to franchisees (new or existing) who agree to develop POLLO CAMPERO Restaurants in states where none currently exist.

If you purchase an existing Restaurant from a franchisee, you will not pay an initial franchise fee. Instead, we receive a transfer fee from you or the selling franchisee (depending on your arrangement). This payment is not refundable.

You must locate, evaluate, and select the Restaurant's site. We will review potential Restaurant sites that you identify and visit potential Restaurant sites in the Site Selection Area once for no additional fee. We may require you to pay \$2,000 for each site visit after the first visit. This payment is not refundable.

You currently must pay us between \$800 and \$1,200 before your Restaurant opens for access to our Learning Management System, which includes digital versions of our Operations Manual, training resources, restaurant operation resources, and e-learning courses for launches and updates in procedures. This payment is not refundable.

You must spend at least \$20,000 on a market introduction program for the Restaurant beginning approximately 1 month before and continuing for approximately 6 months after the Restaurant opens (although we may specify a different timeframe). We will consult with you about what type of market introduction program we believe is most suitable for your Restaurant's market. At our request, you must pay us the program's anticipated costs, which we then will either spend for you in the Restaurant's market or re-pay you as you send us invoices or receipts confirming your commitment with vendors to move forward with the approved program. If you fail to spend the full amount by the 6-month (or other) deadline, we may debit your bank account automatically for the unexpended portion and spend those monies for you in the Restaurant's market. This payment is not refundable.

We will send an "opening team" (involving the number of people we determine) to the Restaurant as part of its opening for up to 3 days to support the Restaurant during its opening phase and to help you train your supervisory employees on our philosophy and Brand Standards (but not matters relating to labor relations and employment practices). We will pay our opening team's wages and travel-related expenses. However, if in our opinion you and/or the Restaurant needs, or if you request (and we agree to provide), additional or special guidance, assistance, or training during this opening phase, you must pay our personnel's daily charges (including wages) and travel-related expenses. This payment is not refundable.

#### Incentive Program DRR

If you sign our Incentive Program DRR because you commit to develop multiple POLLO CAMPERO Restaurants in a territory (a minimum of 3), we currently charge a development fee that you must pay in full when you sign the Rider. Under an incentive development program now in effect, if we and you fully sign the Incentive Program DRR on or before December 31, 2026, we will waive 50% of the initial franchise fee due for each POLLO CAMPERO Restaurant you commit to develop if it opens for business (even after December 31, 2026) on or before its originally scheduled opening deadline specified in the Rider.

Our typical development fee is the full \$40,000 initial franchise fee for the first Restaurant covered by the Franchise Agreement to which the Incentive Program DRR is attached, plus a \$15,000 deposit for each additional Restaurant you have committed to develop. (The initial

franchise fee typically is \$30,000 for the second and each subsequent Restaurant you have committed to develop.)

However, under our incentive development program, the Development Fee will consist of only a \$20,000 initial franchise fee due under the First Franchise Agreement, plus a deposit of \$15,000 for each additional POLLO CAMPERO Restaurant you have committed to develop. Payment of the remaining portions of our standard initial franchise fees for the POLLO CAMPERO Restaurants to be developed within the Territory—i.e., \$20,000 for the first POLLO CAMPERO Restaurant and \$15,000 for each subsequent POLLO CAMPERO Restaurant—will not be required unless the particular Restaurant does not open for business on or before its originally scheduled opening deadline. In that case, you must pay us immediately upon demand the portion of the initial franchise fee for that Restaurant that we previously waived or were willing to waive (either \$20,000 or \$15,000). (This is the case even if we formally extended that originally scheduled opening deadline, whether at your request or for any other reason.) Two new franchisees took advantage of our incentive development program during 2024.

In all cases, we will identify the number of Restaurants you must develop, the deadlines for developing them, and the applicable development fee before signing the Incentive Program DRR.

The development fee is not refundable under any circumstances. If you sign the Incentive Program DRR, pay the development fee, and then cannot find sites for POLLO CAMPERO Restaurants or choose for another reason not to perform (in which case we terminate the Rider), we may keep the entire development fee and need not return any money to you.

**Item 6**  
**OTHER FEES**

Column 1	Column 2	Column 3	Column 4
Type of Fee <sup>(1)</sup>	Amount <sup>(2)</sup>	Due Date	Remarks
Royalty	5% of Restaurant's weekly Gross Sales <sup>(3)</sup>	Due by Friday after end of each calendar-week period (each calendar week currently begins on Monday and ends on Sunday <sup>(4)</sup> )	<p>We will reduce the Royalty Fee to 2.5% of the Restaurant's Gross Sales during the Restaurant's first 12 months of operation in the following 2 scenarios:</p> <p>(1) you operate under an existing Incentive Program DRR with us and open on or before the originally scheduled deadline in that Incentive Program DRR the Restaurant to which you committed; and</p> <p>(2) you sign a new Incentive Program DRR with us on or before December 31, 2025, and you open the Restaurant that you committed to</p>

Column 1	Column 2	Column 3	Column 4
Type of Fee <sup>(1)</sup>	Amount <sup>(2)</sup>	Due Date	Remarks
			<p>develop on or before its originally scheduled opening date (even if that opening date is after December 31, 2025).</p> <p>You do not receive the 1-year royalty reduction for a Restaurant if you miss its originally scheduled opening date (even if we give you an extension).</p>
Brand Fund Contributions	<p>Not to exceed 5% of Restaurant's weekly Gross Sales<sup>(3)</sup></p> <p>Currently 1% of Restaurant's Gross Sales</p>	Due by Friday after end of each calendar-week period (each calendar week currently begins on Monday and ends on Sunday <sup>(4)</sup> )	
Local Marketing Spend	At least 1% of Restaurant's monthly Gross Sales	Must be spent monthly <sup>(6)</sup>	If you fail to spend the required amounts, we may require you to pay the shortfall to the Brand Fund.
Cooperative Contributions <sup>(5)</sup>	Determined by Cooperative	As specified	<p>We have not yet formed any Cooperatives and do not yet require Cooperative contributions.</p> <p>Footnotes 5 and 6 below describe your local advertising obligations.</p>
Successor Franchise Fee	\$5,000	When you sign successor franchise agreement (if you have that right)	
Transfer of Franchise Rights or Controlling Ownership Interest in Franchisee	\$10,000 (or \$5,000 if proposed transfer is among your existing owners, immediate family members, or an entity you control)	Upon transfer	
Transfer of Non-Controlling Ownership Interest in Franchisee	\$5,000	Upon transfer	

Column 1	Column 2	Column 3	Column 4
Type of Fee <sup>(1)</sup>	Amount <sup>(2)</sup>	Due Date	Remarks
Ongoing and Supplemental Training and Assistance	Our then-current fee for ongoing and supplemental training (not to exceed \$500 per trainer per day, plus our expenses, if at our location; not to exceed \$500 per trainer per day, plus our expenses, if at your Restaurant)	As incurred	We may charge you for ongoing and supplemental training.
Retraining of Managing Owner, Operator, Restaurant Manager, or their Replacements	Our then-current retraining fee (not to exceed \$500 per trainer per day, plus our expenses, if at our location; not to exceed \$500 per trainer per day, plus our expenses, if at your Restaurant)	As incurred	Due if (i) your Managing Owner, Operator, or Restaurant manager fails to complete initial training program, (ii) we must provide additional training or train their replacements, or (iii) we determine that retraining is necessary because the Restaurant is not operating according to Brand Standards.
Learning Management System	Currently \$800 to \$1,200 per year (approximately \$70 to \$100 per month)	Monthly or annually	Our Learning Management System includes digital versions of our Operations Manual, training resources, restaurant operation resources, and e-learning courses for launches and updates in procedures.  We have the right to increase this fee during the franchise term based on cost increases and other factors (although we do not expect the cost to exceed \$2,500 per year).
Annual Meeting / Convention	Will vary under circumstances (not to exceed \$500 per person; does not include your actual out-of-pocket attendance costs paid to third parties)	As incurred	You (or your designated representative we approve) must, at our request, attend an annual franchisee meeting and pay an attendance fee. We will charge this fee even if you do not attend.

Column 1	Column 2	Column 3	Column 4
Type of Fee <sup>(1)</sup>	Amount <sup>(2)</sup>	Due Date	Remarks
Product and Service Purchases	Varies depending on products and services you buy from us or our affiliates	As incurred	During the franchise term, you must buy certain products and services from us or our affiliates, from designated or approved distributors and suppliers, or according to our standards and specifications. If we require you to buy any products or services from us or our affiliates, we will give you a price list identifying the applicable costs.
Testing and Evaluation Costs	Projected testing/evaluation costs to be incurred (amount depends on circumstances, including supplier's location, testing required, and item involved)	As incurred	Covers costs of testing new products/services or inspecting new suppliers you propose.
Computer Software and Technology, Support, and Upgrades	Not to exceed \$600 per month (depending on number of users and locations)	As incurred	We and our affiliates may charge you up-front and ongoing ( <i>e.g.</i> , weekly, monthly, or other) fees for proprietary software or technology licensed to you and related support services; the fee may increase as costs increase.  We do not now provide these services and therefore do not have a set charge; we may charge you if we provide these services at a later time and will notify you when we establish the charge.
Franchise System Website/Intranet	Up to \$100 per month	As incurred	Brand Fund may pay for creating, developing, maintaining, and operating a Franchise System Website and Intranet; we may require you to pay a separate fee if (or to the extent) Brand Fund does not cover these costs. We currently do not charge this separate fee.
Relocation Process	\$5,000 plus reasonable costs we incur	As incurred	Due only if you relocate Restaurant. This payment covers the assistance we provide during the relocation process.

Column 1	Column 2	Column 3	Column 4
Type of Fee <sup>(1)</sup>	Amount <sup>(2)</sup>	Due Date	Remarks
Relocation—Lost Royalties	You must pay us our lost Royalties, which will equal the product of the number of days the Restaurant was closed at its original site before opening at the new site multiplied by the average daily Royalty that was due and payable to us during the 12 months before the Restaurant closed at such site based on the Restaurant's Gross Sales at such site during such timeframe	On demand	Due only if you relocate Restaurant. This compensates us for the Royalties we do not receive because you closed your original Restaurant location before the new Restaurant location opened.
Audit	Cost of inspection or audit, including legal fees and independent accountants' fees, plus travel expenses, room and board, and compensation of our employees (amount depends on nature and extent of your non-compliance)	As incurred	Due if you fail to report or understate Gross Sales by 2% or more.

Column 1	Column 2	Column 3	Column 4
Type of Fee <sup>(1)</sup>	Amount <sup>(2)</sup>	Due Date	Remarks
Inspection Fee	Actual costs of first follow-up audit (including our personnel's wages and travel, hotel, and living expenses)  \$1,500, plus our personnel's travel-related expenses, for the second and each follow-up evaluation we make and for each inspection you specifically request	As incurred	Compensates our costs and expenses for each follow-up inspection to confirm your compliance with Franchise Agreement and Brand Standards.
Interest	Lesser of 1.5% per month or highest commercial contract interest rate law allows	When invoiced	Due on past due amounts.
Administrative Fee	\$250	When invoiced	Due for each late or dishonored payment.
Non-Compliance Fee	\$500 to \$1,500 per violation	When billed	Due if you deviate from contractual requirement, including Brand Standard. This compensates us for administrative and management costs, not for our damages due to your default. The fee is \$500 for the first violation, \$750 for the first repeat violation, and \$1,500 for second and each subsequent repeat violation on one or more consecutive, subsequent visits to Restaurant.
Costs and Attorneys' Fees	Varies under circumstances and depends on nature of your non-compliance	As incurred	Due when you do not comply with Franchise Agreement.

Column 1	Column 2	Column 3	Column 4
Type of Fee <sup>(1)</sup>	Amount <sup>(2)</sup>	Due Date	Remarks
Indemnification	Varies under circumstances and depends on nature of third-party claim	As incurred	You must reimburse us for all claims and losses arising out of (i) Restaurant's construction, design, or operation, (ii) the business you conduct under Franchise Agreement, (iii) your non-compliance or alleged non-compliance with any law, (iv) a data security incident, or (v) your breach of Franchise Agreement.
Management Fee	Up to 10% of Gross Sales, plus any out-of-pocket expenses incurred in connection with Restaurant's management	As incurred	Due if we assume Restaurant's management in certain situations, including your default.
Reimbursement for Third-Party Service Providers	Out-of-pocket cost reimbursement	As incurred	We may require you to reimburse us for costs of third-party quality-assurance, food-safety-audit, guest-satisfaction, and "mystery-shop" programs we institute for POLLO CAMPERO Restaurants.
Reimbursement for Customer Complaints	Out-of-pocket cost reimbursement	As incurred	We may require you to reimburse our out-of-pocket costs if we resolve a customer complaint because you fail to do so.
Tax Reimbursement	Out-of-pocket cost reimbursement	As incurred	You must reimburse us for taxes we must pay any state taxing authority on account of either your operation or your payments to us (except for our income taxes).
Insurance Reimbursement	Out-of-pocket cost reimbursement	As incurred	You must reimburse our costs if we obtain insurance coverage for Restaurant because you fail to do so.
Deficiency Correction Fee	Out-of-pocket cost reimbursement	As incurred	You must reimburse our costs if we correct a Restaurant deficiency because you fail to do so when required.
De-Identification Fee	Cost reimbursement	As incurred	You must reimburse our costs of de-identifying your Restaurant if you fail to do so.

Column 1	Column 2	Column 3	Column 4
Type of Fee <sup>(1)</sup>	Amount <sup>(2)</sup>	Due Date	Remarks
Lost Future Royalties	Depends how much time remains in franchise term when we terminate with cause or you terminate without cause	Within timeframe we specify	These are contract damages if Franchise Agreement is terminated before its expiration date (referenced in Section 19.A of Franchise Agreement).

Notes:

1. Except as noted above and except for product and service purchases, all fees are imposed and collected by and payable to us. We and our affiliates do not impose any fees or payments on, or collect any fees or payments from, you on a third party's behalf. Except as noted above, no fee is refundable. All fees currently are uniformly imposed.
2. We reserve the right to increase any fixed fee, fixed payment, or fixed amount (i.e., not stated as a percentage) under the Franchise Agreement based on changes in the Index (defined below) ("Annual Increase"). An Annual Increase may occur only once per calendar year and may not exceed the corresponding cumulative increase in the Index since the Franchise Agreement's effective date or, as the case may be, since the date on which the last Annual Increase became effective for the particular fixed fee, payment, or amount being increased. Any and all Annual Increases will be made during the same month during each calendar year. "Index" refers to the Consumer Price Index for All Urban Consumers (CPI-U) for the U.S. City Average for all Items (1982 – 1984 = 100), not seasonally adjusted, as published by the United States Department of Labor, Bureau of Labor Statistics, or in a successor index. We also reserve the right, if any fixed fee, payment, or amount due from you under the Franchise Agreement encompasses any third-party charges we collect from you on a pass-through basis (i.e., for ultimate payment to the third party), to increase the fixed fee, payment, or amount beyond the Annual Increase to reflect increases in the third party's charges to us.
3. "Gross Sales" means the aggregate amount of all revenue and other consideration generated from any source, including from selling products, services, and merchandise (including delivery charges paid for deliveries made by the Restaurant's employed staff); other types of revenue you receive, including the proceeds of business interruption insurance; and (if we allow barter) the value of products, services, and merchandise bartered in exchange for the Restaurant's products, services, or merchandise. Gross Sales are not reduced by the amount paid to, collected by, or shared with third-party-food-ordering and delivery systems with which the Restaurant does business. All such transactions must be entered into the Computer System at the full retail price for purposes of calculating Gross Sales. However, Gross Sales exclude: (i) federal, state, or municipal sales, use, or service taxes collected from customers and paid to the appropriate taxing authority; (ii) proceeds from insurance, excluding business interruption insurance; and (iii) proceeds from any civil forfeiture, condemnation, or seizure by government entities.

In addition, Gross Sales are reduced by the value of both employee discounts and permitted promotional or marketing discounts offered to the public not exceeding, in the aggregate, 2% of the Restaurant's weekly Gross Sales and the amount of any credits provided in compliance with our policies. Each charge or credit sale will be treated as a sale for the full price on the day the charge or sale is made, regardless of when you receive payment (whether full or partial, or at all) on that sale. Revenue from gift/loyalty/stored-value cards and similar items we approve for sale at POLLO CAMPERO Restaurants is included in Gross Sales when the card or other item is used to pay for products and services (although we may collect our fees due on that revenue when the card is sold). Your Restaurant may not issue or redeem any coupons or gift/loyalty/stored-value or similar cards unless we first approve in writing their form and content and your proposed issuing and honoring/redemption procedures. We may grant or withhold our approval as we deem best.

We have the right to modify our policies and practices regarding revenue recognition, revenue reporting, and the inclusion or exclusion of certain revenue from "Gross Sales" as circumstances, business practices, and technology change.

4. Each calendar week currently begins on Monday and ends on Sunday, although we may change the first and last days of each calendar week for Royalty (and other payment) calculation purposes. You must authorize us to debit your business checking or other account automatically for the Royalty, Brand Fund contribution, and other amounts due under the Franchise Agreement or otherwise. We will debit your account on or after the payment due date for the Royalty, Brand Fund contribution, and other amounts due. Funds must be available in the account for withdrawal. We may require you to have a specific amount of overdraft protection for your bank account. You must reimburse any "insufficient funds" charges and related expenses we incur due to your failure to maintain sufficient funds in your bank account.

If you fail to report the Restaurant's Gross Sales when required, we may debit your account for 125% of the Royalty and Brand Fund contribution we debited for the previous payment period. If the amount we debit is less than the amount you actually owe us (once we determine the Restaurant's actual Gross Sales), we will debit your account for the balance due on the day we specify. If the amount we debit is greater than the amount you actually owe us (once we determine the Restaurant's actual Gross Sales), we will credit the excess, without interest, against the amount we may debit for the following payment period.

5. We may designate a geographic area for an advertising cooperative (a "Cooperative"). The Cooperative's members in any area will be the owners of POLLO CAMPERO Restaurants located and operating in that area (including us and our affiliates, if applicable). We may require you to contribute up to 2% of the Restaurant's monthly Gross Sales to the Cooperative. All of your Cooperative dues count toward your Local Marketing Spending Requirement for the Restaurant but not toward your market introduction program or required Brand Fund contributions.
6. You must spend at least 1% of the Restaurant's monthly Gross Sales on Marketing Materials (defined as advertising, marketing, promotional, and lead-generation formats and materials) and advertising, marketing, and promotional programs for the Restaurant (the

“Local Marketing Spending Requirement”). We will credit all of your Cooperative contributions toward the Local Marketing Spending Requirement. However, we do not count the market introduction program or Brand Fund contributions toward this minimum obligation. We may review your books and records and have you send us reports to determine your advertising, marketing, and promotion expenses. If you fail to spend (or prove that you spent) the Local Marketing Spending Requirement, we may require you to contribute the shortfall to the Brand Fund.

**Item 7**  
**ESTIMATED INITIAL INVESTMENT**

**YOUR ESTIMATED INITIAL INVESTMENT**

**(FREESTANDING OUTLET)\***

\*A “Freestanding” outlet is one that does not share any common walls with a third party

Column 1	Column 2	Column 3	Column 4	Column 5
Type of expenditure	Amount	Method of payment	When due	To whom payment is to be made
Initial Franchise Fee (Note 1)	\$30,000 – \$40,000	Lump sum	Upon signing Franchise Agreement and (if applicable) Incentive Program DRR	Us
Rent (Note 2)	Variable	Monthly	As incurred	Third Party (your landlord or mortgage holder)
Real Property: Building / Build-Out Costs (Note 2)	\$1,200,000 – \$1,500,000	Lump sum or financed	As incurred	Third Parties (your landlord and/or contractor)
Real Property: Site Development Costs (Note 2)	\$200,000 – \$800,000	Lump sum or financed	As incurred	Third Parties (your landlord and/or contractor)
Soft Costs (Note 7)	\$50,000 – \$400,000	Lump sum	As incurred	Third Parties
Additional Development Costs (Note 6)	\$50,000 – \$125,000	Lump sum or financed	As incurred	Third Parties (your landlord and/or contractor)

Column 1	Column 2	Column 3	Column 4	Column 5
Type of expenditure	Amount	Method of payment	When due	To whom payment is to be made
Restaurant Furniture, Equipment, Fixtures, and Décor (Note 3)	\$350,000 – \$650,000	Lump sum or financed	As incurred	Approved Suppliers
Signs	\$120,000 – \$150,000	Lump sum or financed	As incurred	Approved Suppliers
POS (Note 3a)	\$40,000 – \$60,000	Lump sum or financed	As incurred	Approved Suppliers
Opening Inventory (Note 4)	\$16,500 – \$31,500	Lump sum	Before opening	Approved Suppliers
Business and Operating Permits (Note 8)	\$2,500 – \$5,500	As incurred	As incurred	Licensing Authorities
Initial Training Travel & Living Expenses (Note 10)	\$12,900 – \$37,500	As incurred	As incurred	Employees / Vendors
Insurance (Note 11)	\$10,000 – \$25,000	As incurred	As incurred	Insurance Company / Broker
Uniforms	\$1,500 – \$2,000	Lump Sum	Before Opening	Approved Supplier
Miscellaneous Opening Costs (Note 5)	\$5,250 – \$23,500	As incurred	As incurred	Suppliers, Utilities, etc.
Marketing Start-Up Expenditure (Note 9)	\$40,000 - \$80,000	Lump sum	Before and after opening	Third Parties and Approved Suppliers
Additional Funds—3 Months (Note 12)	\$36,000 – \$50,000	Lump sum	Monthly and as incurred	Third Parties and Employees
Total (Notes 6 and 13)	\$2,164,650 – \$3,980,000	(Does not include real estate costs or security deposits)		

- Except for security and utility deposits, no expenditure in the table is refundable (deposit refundability depends on landlord's and utility's practices).

## YOUR ESTIMATED INITIAL INVESTMENT

### (IN-LINE OUTLET)\*

\*An “In-line” outlet is an outlet that shares a common wall with a third party, e.g., in a strip center

Column 1	Column 2	Column 3	Column 4	Column 5
Type of expenditure	Amount	Method of payment	When due	To whom payment is to be made
Initial Franchise Fee	\$30,000 – \$40,000	Lump sum	Upon signing Franchise Agreement and (if applicable) Incentive Program DRR	Us
Rent (Note 2)	Variable	Monthly	As incurred	Third Party (your landlord or mortgage holder)
Real Property: Building / Build Out Costs (Note 2)	\$840,000 – \$1,250,000	Lump sum or financed	As incurred	Third Parties (your landlord and/or contractor)
Real Property: Site Development Costs (Note 2)	\$20,000 – \$50,000	Lump sum or financed	As incurred	Third Parties (your landlord and/or contractor)
Soft Costs (Note 7)	\$50,000 – \$200,000	Lump sum	As incurred	Third Parties
Additional Development Costs (Note 6)	\$30,000 – \$100,000	Lump sum or financed	As incurred	Third Parties (your landlord and/or contractor)
Restaurant Furniture, Equipment, Fixtures, and Décor (Note 3)	\$295,000 – \$600,000	Lump sum or financed	As incurred	Approved Suppliers
Signs	\$25,000 – \$75,000	Lump sum or financed	As incurred	Approved Suppliers
POS (Note 3a)	\$60,000 – \$100,000	Lump sum or financed	As incurred	Approved Suppliers

Column 1	Column 2	Column 3	Column 4	Column 5
Type of expenditure	Amount	Method of payment	When due	To whom payment is to be made
Opening Inventory (Note 4)	\$16,500 – \$31,500	Lump sum	Before opening	Approved Suppliers
Business and Operating Permits (Note 8)	\$2,500 – \$5,500	As incurred	As incurred	Licensing Authorities
Initial Training Travel & Living Expenses (Note 10)	\$12,900 – \$39,800	As incurred	As incurred	Employees / Vendors
Insurance (Note 11)	\$10,000 – \$25,000	As incurred	As incurred	Insurance Company / Broker
Uniforms	\$1,500 – \$2,000	Lump Sum	Before Opening	Approved Supplier
Miscellaneous Opening Costs (Note 5)	\$5,250 – \$23,500	As incurred	As incurred	Suppliers, Utilities, etc.
Marketing Start-Up Expenditure (Note 9)	\$40,000 - \$80,000	Lump sum	Before and after opening	Third Parties and Approved Suppliers
Additional Funds—3 Months (Note 12)	\$36,000 – \$50,000	Lump sum	Monthly and as incurred	Third Parties and Employees
Total (Notes 6 and 13)	\$1,474,650 – \$2,672,300	(Does not include real estate costs or security deposits)		

- Except for security and utility deposits, no expenditure in the table is refundable (deposit refundability depends on landlord's and utility's practices).

Explanatory Notes to Table:

Note 1: The initial franchise fee for a POLLO CAMPERO Restaurant not offered with development rights is \$40,000. If you acquire development rights (a minimum of 3 POLLO CAMPERO® Restaurants) under our incentive program and sign our Incentive Program DRR, there is no separate required initial investment. You need only pay us a development fee, which

equals the \$20,000 initial franchise fee for the first Restaurant to be developed, plus a \$15,000 deposit for each additional Restaurant you commit to develop.

If you acquire development rights (a minimum of 3 POLLO CAMPERO® Restaurants) but do not sign our Incentive Program DRR on or before December 31, 2026, the development fee you must pay us equals a \$40,000 initial franchise fee for the first Restaurant to be developed plus a \$15,000 deposit for each additional Restaurant you commit to develop.

Item 5 describes these fees in more detail.

Note 2: Real property costs vary considerably according to the type of outlet, fair market values in your area, your real estate interest (leasehold or ownership), location, and whether the location is a ground-up development or conversion of an existing building. Your cost could be zero if the landlord offers a build-to-suit outlet. Your costs can be higher than those above depending on the site's size, code requirements, and other factors.

The typical "Freestanding" POLLO CAMPERO Restaurant generally requires a lot ranging from 15,000 to 40,000 square feet and a building ranging from 2,200 to 3,000 square feet in size. In-line POLLO CAMPERO® Restaurants are generally 2,200 to 3,200 square feet in size on an out-parcel to a shopping center with street exposure in an urban or downtown location with heavy population, preferably with highway exposure or proximity. In-line POLLO CAMPERO® Restaurants also can be in strip shopping centers located in urban areas with heavy population and anchored by grocers or other big-box stores.

Depending how your deal is structured, you might pay some or all of the actual costs. Factors typically affecting your initial investment include your cost to negotiate the lease (or buy the property), local real estate market values, terms under which other locations have been leased, how the costs to renovate or develop the land, building, and other site improvements are allocated between landlord and tenant, interest costs, and the parties' negotiations. Lease terms are individually negotiated and may vary materially from one location or transaction to another.

Building costs include the cost to construct a building. Site development costs include the costs to develop the land and other site improvements, including exterior landscaping, electrical and water hookup, paving, sidewalks, lighting, etc. Some local governments may charge an additional amount for utility connections to offset their costs of maintaining water and sewer plants; these amounts are not included in the above figure. Costs can be higher if soil problems or other environmental issues are encountered. These ranges do not include unusual costs to bring utilities to the property for hookup or government imposed "impact fees" (see Note 6 below).

Your initial investment may be significantly lower if we or your landlord develop the outlet; in that case, however, your annual rent will probably be higher. Your rent will likely be based on development costs and reflect a rate of return on the landlord's initial investment (as well as other factors). Commercial leases are typically "triple net" leases, requiring you to pay rent, all taxes, insurance, maintenance, repairs, common-area-maintenance costs, merchants' association fees, and all other costs associated with the property. Rent will likely exceed the landlord's cost of leasing or financing the purchase of the outlet. You might also have to pay percentage rent and make an initial payment into an escrow fund to cover estimated real estate taxes. The landlord may

require a security deposit. Rent can range from \$60,000 to \$350,000 per year depending on the market and site-specific factors described in this Note 2.

The low end of the “Freestanding” range above is the estimated cost of converting an existing building with minimal to no structural changes. The high end of that range is the estimated cost to build a restaurant from the ground up that is not a build-to-suit lease where the landlord incurs most development costs and you make a lease deposit.

The low end of the “In-line” range above is the estimated cost of an in-line location without a drive-thru component and with minimal to no structural changes. The high end of that range is the estimated cost to build an in-line Restaurant with a drive-thru addition. Your actual costs could be higher or lower.

If you elect to buy rather than lease real estate, your additional costs could be in excess of \$100,000 to \$2,500,000 depending on the real-estate market where you want to operate your Restaurant.

Note 3: This amount includes the estimated costs of furniture, furnishings, installation, equipment, trade fixtures, small-wares, and certain other items at the Restaurant’s premises, the amount and specific items of which depends upon the Restaurant’s location, size, and condition.

Note 3a: The price ranges reflect equipment configurations and solution costs for 2 to 5 point-of-sale systems for an outlet. The number of point-of-sale systems you need depends on the Restaurant’s size and configuration.

Note 4: Before opening your Restaurant, you must purchase an initial inventory of required products from approved suppliers, including products for resale and raw ingredients, containers and other paper, plastic, or similar goods, maintenance and cleaning materials, office supplies, and miscellaneous materials and supplies, including sanitary supplies to comply with Pollo Campero brand COVID protocols, such as masks, gloves, antibacterial stations and sanitizer, additional paper towel dispensers, and cashier area sneeze guard shields.

Note 5:

Miscellaneous Opening Costs

	Estimated range	
Utility Deposits (e.g., Gas, Water, Electricity, and Telephone)	\$0	\$7,500
Petty Cash (including cash register “Opening Banks”)	\$750	\$3,000
Computer, Printer, Router, Service Contract, Web Online Access Fee, etc.	\$4,000	\$6,000

	Estimated range	
Misc. Expenses, e.g., Office Supplies, Banking Pre-Opening Costs, misc. supplies	\$500	\$7,000
Estimated Total	\$5,250	\$23,500

Note 6: The estimated ranges do not include government-imposed “impact fees.” Impact fees are imposed by local governments on a new or proposed development to help pay for a portion of the costs the new development may cause with public services. These fees vary by market. Some local governments may require a performance bond, which is not included above.

Note 7: Soft Costs estimate legal, accounting, administrative, permitting, architectural, design, brokerage, and other miscellaneous professional fees you might incur before you open for business.

Note 8: The cost of obtaining business, health, and other permits and licenses for your Restaurant can vary considerably from area to area. Before signing the Franchise Agreement, you should consult with the appropriate local agencies about likely expenses.

Note 9: You must implement the Market Introduction Program described in Items 5 and 11 to promote the Restaurant’s opening.

Note 10: This estimated range is for up to 4 people to attend our initial training program for 4 to 5 weeks, including transportation, board, and lodging. It also covers the initial cost for access to our Learning Management System.

Note 11: We describe the required insurance coverage in Item 8. This estimated range is for 1 year. Premiums depend on market rates in your area.

Note 12: This line-item estimates the funds needed to cover your other pre-opening expenses as well as initial expenses during the first 3 months of operation (other than the items identified separately in the table), including labor, supplies, rent, and utilities. These expenses do not include any draw or salary for you. We relied on our affiliates’ POLLO CAMPERO Restaurant development and operating experience since 2008 to compile this Additional Funds estimate.

Note 13: We do not offer financing directly or indirectly for any part of the initial investment. Availability and terms of financing depend on many factors, including your creditworthiness and collateral and lending policies of financial institutions from which you request a loan. An estimated initial investment will be incurred for each Restaurant established under an Incentive Program DRR.

**Item 8**  
**RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES**

You must operate the Restaurant according to our Brand Standards. Brand Standards may regulate, among other things, types, models, and brands of required furniture, fixtures, signs, and equipment (including components of and required software licenses for the Computer System) for the Restaurant (collectively, “Operating Assets”); required, authorized, and unauthorized products and services for the Restaurant; and designated and approved manufacturers, suppliers, and distributors of items and services. You must buy or lease all Operating Assets and other products and services for the Restaurant only according to Brand Standards and, if we require, only from manufacturers, suppliers, or distributors we designate or approve (which may include or be limited to us, our affiliates, and/or other restricted sources) at the prices the suppliers choose to charge.

We and our affiliates currently are not approved or designated suppliers of any items or services. However, you currently must buy the Restaurant’s equipment, food ingredients, proprietary seasonings and products, chicken, beverages, logoed paper products and packaging, operating supplies, computer/point-of-sale system, printed marketing/advertising materials, online ordering services, and gift card/loyalty program services only from suppliers we approve or according to our specifications. No officer of ours owns any interest in any current supplier to the franchise system. We restrict your sources of items and services in many cases to protect trade secrets and other intellectual property, help assure quality and a reliable supply of products meeting our standards, achieve better purchase and delivery terms, control third-party use of the Marks, and monitor the manufacture, packaging, processing, sale, and delivery of these items.

At least 15 days before using them, you must send us all Marketing Materials we have not prepared or already approved and all approved Marketing Materials that you propose to change in any way. If we do not approve those materials within 15 days after receiving them, they are deemed to be disapproved. You may not use any Marketing Materials we have not approved or have disapproved. You also will conduct a market introduction program for the Restaurant that we must pre-approve.

You must develop the Restaurant at your expense. We will make available construction guidelines and certain mandatory and suggested specifications and layouts for a POLLO CAMPERO Restaurant (“Plans”), including requirements or recommendations (as applicable) for dimensions, design, interior layout, improvements, color scheme, décor, finishes, signage, and Operating Assets. All other decisions regarding the Restaurant’s development are subject to our review and prior written approval.

You must adapt the Plans for the Restaurant (“Adapted Plans”) and prepare the Restaurant-specific blueprints. You must ensure that the Adapted Plans and blueprints comply with the Americans with Disabilities Act (“ADA”), zoning regulations, environmental laws and regulations, other applicable ordinances, building codes and permit requirements, and lease requirements and restrictions. You must send us the Adapted Plans for pre-approval before the Restaurant’s build-out begins and all revised or “as built” plans and specifications prepared during construction and development. Our review is limited to reviewing compliance with our Plans. Our review is not intended or designed to assess your compliance with applicable laws or lease requirements, which is your responsibility.

We have the right to pre-approve the architect and general contractor you propose to use to develop the Restaurant, and to review all construction bids, before you engage those vendors.

You must at your expense construct, install all trade dress and Operating Assets in, and otherwise develop the Restaurant according to our standards, specifications, and directions. The Restaurant must contain all Operating Assets, and only those Operating Assets, we specify or pre-approve. You agree to place or display at the Restaurant (interior and exterior), according to our guidelines, only the signs, emblems, lettering, logos, and materials we approve.

We periodically may modify Brand Standards, which may accommodate regional or local variations, and those modifications may obligate you to invest additional capital in the Restaurant and/or incur higher operating costs. You must implement any changes in mandatory Brand Standards within the time period we request. However, except for:

- (i) changes in the computer system;
- (ii) changes in signage and logo (i.e., Restaurant exterior and interior graphics);
- (iii) certain changes in connection with a transfer;
- (iv) changes required by the Restaurant's lease or applicable law; and
- (v) general Restaurant upkeep, repair, and maintenance obligations,

for all of which the timing and amounts are not limited during the franchise term, we will not require you to make any capital modifications: (a) during the first 5 years after the Restaurant commences operation; or (b) during the last 2 years of the franchise term, unless the proposed capital modifications during those last 2 years (the amounts for which are not limited) are in connection with Restaurant upgrades, remodeling, refurbishing, and similar activities for your acquisition of a successor franchise.

This means that, besides the rights we reserve above in clauses (i) through (v), we may during the 6<sup>th</sup> through 8<sup>th</sup> years after the Restaurant commences operation (and unrelated to your potential acquisition of a successor franchise) require you substantially to alter the Restaurant's appearance, layout, and/or design, and/or replace a material portion of the Operating Assets, in order to meet our then-current requirements and then-current Brand Standards for new POLLO CAMPERO Restaurants. This could obligate you to make extensive structural changes to, and significantly remodel and renovate, the Restaurant, and/or to spend substantial amounts for new Operating Assets. You must spend any sums required in order to comply with this obligation and our requirements (even if such expenditures cannot be amortized over the remaining franchise term), provided, however, that we will not require you to spend more than \$50,000 in total on any remodeling and renovation during the 6<sup>th</sup> through 8<sup>th</sup> years after the Restaurant commences operation (excluding taxes and delivery charges). Within 60 days after receiving written notice from us, you must prepare plans according to our standards and specifications and, if we require, using architects and contractors we designate or approve, and then submit those plans to us for written approval.

We also periodically may require you to participate in certain test programs for new services, products, and/or Operating Assets.

You must maintain insurance coverage for the Restaurant at your own expense in the amounts, and covering the risks, we periodically specify. Your insurance carriers must be licensed to do business in the Restaurant's state and be rated A-, VII or higher by A.M. Best and Company, Inc. (or satisfy our other criteria). We may periodically increase the required coverage amounts and/or require different or additional insurance coverage at any time to reflect inflation, identification of new risks, changes in law or standards of liability, higher damage awards, or relevant changes in circumstances. Insurance policies must be written in your name and name Campero USA Corp. (including our parent companies, subsidiaries, and all other affiliates, and our and their respective officers, owners, directors, agents, representatives, and employees) as additional insureds for claims arising from your products and operations. You must provide updated insurance policies and proof of payment to us within 10 days of the expiration or termination of such policy or policies.

You currently must have the following minimum insurance coverage: (i) commercial general liability insurance (including coverage for premises, products and completed operations, personal and advertising injury, and contractual liability) in minimum amounts of \$5,000,000 each occurrence; (ii) Commercial Automobile liability insurance covering owned, hired, and non-owned vehicles in the minimum amount of \$5,000,000 combined single limit; (iii) "All Risk" property damage insurance; (iv) plate glass insurance and boiler insurance (if applicable); (v) employer's liability, workers' compensation, and such statutory insurance as may be required in the state in which the Restaurant is located; and (vi) employment practices liability insurance with a limit of not less than \$1,000,000 per occurrence and \$1,000,000 aggregate. Such limits of liability may be secured using a combination of primary and excess or umbrella insurance policies. Commercial general liability, automobile liability, and umbrella insurance must list us as an additional insured on a primary and non-contributory basis and waive your rights of subrogation against us. You also must obtain and maintain all other insurance required under applicable state law.

You must participate in, and comply with the requirements of, our gift/loyalty/stored-value card and other customer loyalty programs and use our mobile or digital-ordering and franchise system applications and other digital channels.

Except as described above, there are no goods, services, supplies, fixtures, equipment, inventory, computer hardware and software, real estate, or comparable items related to establishing or operating the Restaurant that you currently must buy or lease from us (or our affiliates) or designated or approved suppliers. In the future, we may designate other products and services that you must buy only from us, our affiliates, or designated or approved suppliers. To maintain the quality of POLLO CAMPERO Restaurant products and services and our franchise network's reputation, all Operating Assets and other products and services your Restaurant uses or sells (besides those described above that you currently may obtain only from us, our affiliates, and/or approved and designated suppliers) must meet our minimum standards and specifications, which we issue and modify based on our, our affiliates', and our franchisees' experience in operating POLLO CAMPERO Restaurants. Standards and specifications may impose minimum requirements for production, performance, safety, reputation, prices, quality, design, and

appearance. Our Operations Manual, other technical manuals, and written and on-line communications will identify our standards and specifications for you. When appropriate and authorized, you may provide those standards and specifications to suppliers if they agree to maintain confidentiality.

If you want to purchase or lease any Operating Assets or other products or services from a supplier or distributor we have not then approved (if we require you to buy or lease the product or service only from an approved supplier or distributor), then you must establish to our reasonable satisfaction that the quality and functionality of the item or service are equivalent to that of the item or service it replaces and the supplier or distributor is, among other things, reputable, financially responsible, and adequately insured for product-liability claims. You must pay upon request any actual expenses we incur to determine whether or not the items, services, suppliers, or distributors meet our requirements and specifications. We will decide within a reasonable time (no more than 90 days) and may condition supplier approval on product quality and safety, prices, consistency, warranty, reliability, financial capability, customer relations, frequency of delivery, the benefits of concentrating purchases with limited suppliers, standards of service (including prompt attention to complaints), and other criteria.

We have the right to inspect the proposed supplier's or distributor's facilities and require the proposed supplier or distributor to send samples or items either directly to us or to a third-party testing service. We may re-inspect a supplier's or distributor's facilities and items and revoke our approval of any supplier, distributor, product, or service no longer meeting our criteria by notifying you and/or the supplier or distributor. We do not make our supplier approval criteria available to franchisees. Despite these procedures, we may limit the number of approved suppliers and distributors, designate sources you must use, and refuse your requests for any reason, including because we already have designated an exclusive source (which might be us or our affiliate) for a particular item or service or believe that doing so is in the POLLO CAMPERO Restaurant network's best interest. If we approve any supplier or distributor you recommend, we may authorize other POLLO CAMPERO Restaurants to buy or lease any Operating Assets or other products or services from that supplier or distributor without compensating you.

We and/or our affiliates may derive revenue—in the form of promotional allowances, volume discounts, commissions, other discounts, performance payments, signing bonuses, rebates, marketing and advertising allowances, free products, and other economic benefits and payments—from suppliers that we designate, approve, or recommend for some or all POLLO CAMPERO Restaurants on account of those suppliers' prospective or actual dealings with your Restaurant and other POLLO CAMPERO Restaurants. That revenue may or may not be related to services we and our affiliates perform. All amounts received from suppliers, whether or not based on your or other franchisees' purchases from those suppliers, will be our and our affiliates' exclusive property, which we and our affiliates may retain and use without restriction for any purposes we and our affiliates deem appropriate. Any products or services that we or our affiliates sell you directly may be sold to you at prices exceeding our and their costs.

During 2024, we and our affiliates did not receive any revenue from selling or leasing any items or services directly to our franchisees. However, we and our affiliates received a total of \$295,187 from our system's soft-drink supplier on account of its sales to both affiliate-owned and franchised POLLO CAMPERO Restaurants.

Collectively, your purchases and leases from us or our affiliates, from designated or approved suppliers, or according to our standards and specifications represent about 100% of your overall purchases and leases to establish and then to operate the Restaurant.

There currently are no purchasing or distribution cooperatives. We and our affiliates currently negotiate purchase arrangements with suppliers (including price terms) for chicken, grocery items, proprietary seasonings, beverages, and logoed paper goods and packaging. In doing so, we and our affiliates seek to promote the overall interests of the franchise system and affiliate-owned operations and our interests as the franchisor (and not for the benefit of a particular franchisee). We and our affiliates might not obtain the best pricing or most advantageous terms on behalf of POLLO CAMPERO Restaurants. We and our affiliates also are not responsible for the performance of suppliers and distributors to POLLO CAMPERO Restaurants, including if their products or services fail to conform to or perform in compliance with Brand Standards or our contractual terms with the supplier or distributor.

We do not provide material benefits to a franchisee (for example, renewal or granting additional franchises) for purchasing particular products or services or using particular suppliers.

### **Item 9** **FRANCHISEE’S OBLIGATIONS**

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

<b>Obligation</b>	<b>Section in agreement</b>	<b>Disclosure document item</b>
a. Site selection and acquisition/lease	4.A and B of Franchise Agreement and 6 of Incentive Program DRR	7, 8, 11, and 12
b. Pre-opening purchases/leases	4.C and D and 7.D and E of Franchise Agreement	7, 8, and 11
c. Site development and other pre-opening requirements	4.C and D of Franchise Agreement	7, 8, and 11
d. Initial and ongoing training	6 of Franchise Agreement	6, 7, and 11
e. Opening	4.C and D of Franchise Agreement and 3 of Incentive Program DRR	11 and 12
f. Fees	3.G and H, 4.A and C, 5, 6, 7.C, D, E, and F, 10, 13, 15, 16.C, 17, 18.C, 19.A and B, 20.C, D, and E, and 21.C of Franchise Agreement and 3 and 5 of Incentive Program DRR	5, 6, 7, and 8
g. Compliance with standards and policies/operating manual	6.G and 7 of Franchise Agreement	8 and 11

<b>Obligation</b>	<b>Section in agreement</b>	<b>Disclosure document item</b>
h. Trademarks and proprietary information	8, 9, 10, and 11 of Franchise Agreement and Participant Agreement	13 and 14
i. Restrictions on products/services offered	7.C and D of Franchise Agreement	8, 11, 12, and 16
j. Warranty and customer service requirements	7.C of Franchise Agreement	Not Applicable
k. Territorial development and sales quotas	2, 3, and 6 of Incentive Program DRR	11 and 12
l. On-going product/service purchases	7.C, D, and E of Franchise Agreement	6 and 8
m. Maintenance, appearance and remodeling requirements	7.A and C, 16.C.ii.h, and 17 of Franchise Agreement	8, 11, and 17
n. Insurance	20.D of Franchise Agreement	7 and 8
o. Advertising	13 of Franchise Agreement	5, 6, 7, 8, and 11
p. Indemnification	10 and 20.E of Franchise Agreement and Participant Agreement	6
q. Owner's participation/management/staffing	3.G and H, 6, and 7.C.iii of Franchise Agreement	11 and 15
r. Records and reports	14 of Franchise Agreement	6
s. Inspections and audits	15 of Franchise Agreement	6
t. Transfer	16 of Franchise Agreement and 9 of Incentive Program DRR	6 and 17
u. Renewal	17 of Franchise Agreement	6 and 17
v. Post-termination obligations	18.C and 19 of Franchise Agreement	17
w. Non-competition covenants	12, 16.C.i and ii.c, and 19.E of Franchise Agreement	15 and 17
x. Dispute resolution	21.C, F, G, H, I, J, and L of Franchise Agreement	17
y. Consumer Data and Data Security	10 of Franchise Agreement	14
z. Social Media Restrictions	7.C.xiv of Franchise Agreement	8
aa. Compliance with Customer Loyalty Programs	7.C.xii and xiii of Franchise Agreement	6 and 8
bb. Compliance with Customer Complaint Resolution Procedures	7.C.iv of Franchise Agreement	Not Applicable

Obligation	Section in agreement	Disclosure document item
cc. Compliance with All Laws	7.B, 10, and 22 of Franchise Agreement	Not Applicable

**Item 10**  
**FINANCING**

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

**Item 11**  
**FRANCHISOR’S ASSISTANCE, ADVERTISING,  
COMPUTER SYSTEMS, AND TRAINING**

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

Pre-Opening Assistance

Before you begin operating the Restaurant, we will:

1. Review potential Restaurant sites you identify within the Site Selection Area. We will visit the Site Selection Area once for no additional fee to review potential Restaurant sites you propose. We may condition our visit to and acceptance of a proposed site on your first sending us complete site reports and other materials (including photographs and digital recordings) we request. We will give you our then-current criteria for POLLO CAMPERO Restaurant sites (including population density and other demographic characteristics, visibility, traffic flow, competition, accessibility, parking, ingress and egress, size, and other physical and commercial characteristics) to help you in the site-selection process. We may require you to pay \$2,000 for each site visit after the first visit.

We will use reasonable efforts to review and accept or reject each site you propose within 30 days after we receive all requested information and materials. If we do not accept the site in writing within 30 days, the site is deemed rejected. We will not unreasonably withhold our acceptance of a site if, in our and our affiliates’ experience and based on the factors outlined above, the proposed site is not inconsistent with sites that we and our affiliates regard as favorable or that otherwise have been successful sites in the past for POLLO CAMPERO Restaurants. However, we have the absolute right to reject any site not meeting our criteria or to require you to acknowledge in writing that a site you prefer is accepted but not recommended due to its incompatibility with certain factors bearing on a site’s suitability as a location for a POLLO CAMPERO Restaurant. After we accept and you secure a proposed site, we will identify that site as the Restaurant’s address in Exhibit A of the Franchise Agreement. (Franchise Agreement—Section 4.A; Incentive Program DRR—Section 6) We do not own locations for lease to franchisees. If you do not find and secure an acceptable Restaurant site within 120 days after the Franchise Agreement’s effective date (or a different date specified in an Incentive Program DRR), we may

terminate the Franchise Agreement upon written notice to you. The initial franchise fee is not refundable. Under the Incentive Program DRR, we first must accept each new site you propose for each new POLLO CAMPERO Restaurant. After we accept (and you secure) a proposed site, we also will determine the Area of Protection for that Restaurant, as provided in Item 12. Our then-current standards for sites and Areas of Protection will apply.

2. Accept or reject your Restaurant's lease or sublease. You must send us for review both the proposed terms of the lease or sublease (as they appear in, for example, a landlord letter of intent) and the actual lease or sublease, in each case after receipt from the landlord. We will have 20 days after receiving the proposed lease terms, and another 20 days after receiving the actual lease (these timeframes will not overlap or run concurrently), to review and either accept or reject what you send us. The lease or sublease must either (i) include the lease rider attached as Exhibit D to the Franchise Agreement or (ii) include within its body the lease rider's terms and conditions. You may not sign any lease we have not accepted in writing. (Franchise Agreement—Section 4.B)

3. Make template Plans available to you. Our Plans might not reflect the requirements of any federal, state, or local laws, codes, ordinances, or regulations, including those arising under the ADA, or any lease requirements or restrictions. You are solely responsible for complying with all laws and must inform us of any changes to the Restaurant's specifications that you believe are necessary to ensure such compliance.

You must ensure that your Adapted Plans for the Restaurant comply with all laws and lease requirements and restrictions. We have the right to pre-approve the architect and general contractor you propose to use to develop the Restaurant, and to review all construction bids, before you engage those vendors. We must pre-approve in writing the Adapted Plans before the Restaurant's build-out begins and all revised or "as built" plans prepared during the Restaurant's construction and development. You must develop the Restaurant in compliance with the Adapted Plans. During the Restaurant's build-out, we may physically inspect the Restaurant or have you send us pictures and images (including recordings) of the Restaurant's interior and exterior so we can review your development of the Restaurant in compliance with our Brand Standards. (Franchise Agreement—Section 4.C)

4. Provide initial training for up to 4 people, including your Managing Owner, your Operator (this can be your Managing Owner), and two Restaurant managers. We describe this training later in this Item. (Franchise Agreement – Section 6.A)

5. Identify in writing or electronically the Operating Assets, inventory, supplies, and other products and services you must use to develop and operate the Restaurant, the minimum standards and specifications you must satisfy, and the designated and approved suppliers from which you must or may buy or lease items and services (which may include or be limited to us and/or our affiliates). (Franchise Agreement – Sections 4.C, 6.G, 7.D, and 7.E) We and our affiliates currently are not involved in delivering or installing fixtures, equipment, or signs, although we will provide direction for you to comply with our Brand Standards.

6. Send an “opening team” to the Restaurant for at least 2 days to support the Restaurant during its opening phase and to help support/coach your supervisory employees on our philosophy and Brand Standards (but not matters relating to labor relations and employment practices). However, if the Restaurant is your second or subsequent POLLO CAMPERO Restaurant, we may decide the duration of our opening team’s visit to the Restaurant in connection with its opening (with no minimum time required). (Franchise Agreement – Section 6.C)

7. Give you access to our operations manual and other technical manuals (collectively, the “Operations Manual”). The Operations Manual may consist of and is defined to include audio, video, computer software, other electronic and digital media, and/or written and other tangible materials. The Operations Manual contains Brand Standards and information on your other obligations under the Franchise Agreement. We may modify the Operations Manual periodically to reflect changes in Brand Standards, but those modifications will not alter your fundamental rights or status under the Franchise Agreement. If there is a dispute over the Operations Manual’s contents, our master version controls. The Operations Manual currently contains the equivalent of approximately 252 total pages; its current table of contents is Exhibit F. (Franchise Agreement – Section 6.G)

8. Consult with you about the type of market introduction program that we believe is most suitable for the Restaurant. You must send us the proposed program for review at least 45 days before its planned rollout date. If we do not comment on the program in writing within 21 days, it is deemed rejected. You must implement the approved program according to Brand Standards and our other requirements. (Franchise Agreement – Section 13.A)

9. Designate a specific number of Restaurants that you (and your Approved Affiliates) must develop and open at accepted locations within your development Territory (a minimum of 3) and the development deadlines (if we grant you development rights). (Incentive Program DRR – Sections 2, 3, and 6) We will accept your Restaurants’ proposed locations only if they meet our then-current standards for Restaurant sites.

### Ongoing Assistance

During your Restaurant’s operation, we will:

1. Advise you or make recommendations regarding the Restaurant’s operation with respect to standards, specifications, operating procedures, and methods that POLLO CAMPERO Restaurants use; purchasing required or recommended Operating Assets and other products, services, supplies, and materials; supervisory-employee training methods and procedures (although you are solely responsible for the employment terms and conditions of all Restaurant employees); and accounting, advertising, and marketing. We may guide you through our Operations Manual, in bulletins or other written materials, by electronic media, by telephone, and/or at our office or the Restaurant. (Franchise Agreement – Section 6.G)

2. At our option, establish an Intranet for internal system-wide communications. The Intranet might be part of the System Website described later in this Item. The Intranet will provide the features, services, and functionality we periodically specify. You must comply with our requirements for connecting to and using the Intranet. We may discontinue the Intranet or any services offered through the Intranet at any time. (Franchise Agreement – Section 7.F)

3. Give you, at your request and expense (and our option), additional or special guidance, assistance, and training. We have no obligation to continue providing any specific ongoing training, conventions, advice, or assistance. (Franchise Agreement – Section 6.G)

4. Continue to give you access to our Operations Manual. (Franchise Agreement – Section 6.G)

5. Issue and modify Brand Standards. Changes in Brand Standards may require you to invest additional capital in the Restaurant and/or incur higher operating costs. You must comply with those obligations within the timeframe we specify. Item 8 describes certain time limitations on when we may require you to implement certain capital modifications and certain related cost caps. Brand Standards may regulate (to the extent the law allows) maximum, minimum, or other pricing requirements for products and services the Restaurant sells, including requirements for promotions, special offers, and discounts in which some or all POLLO CAMPERO Restaurants must participate and price advertising policies. (Franchise Agreement – Sections 7.A and 7.C)

6. Let you use our Marks. (Franchise Agreement – Section 8)

7. Let you use our confidential information, some of which constitutes trade secrets under applicable law (the “Confidential Information”). (Franchise Agreement – Sections 7.E and 9)

8. Maintain a Brand Fund for advertising, marketing, research and development, public relations, Social-Media management, and customer-relationship-management programs and materials we deem appropriate to enhance, promote, and protect the POLLO CAMPERO brand and franchise system. We describe the Brand Fund and other advertising activities below. (Franchise Agreement – Section 13.B)

9. Periodically inspect and monitor the Restaurant’s operation. (Franchise Agreement – Section 15.A)

10. Periodically offer refresher training courses. (Franchise Agreement – Sections 6.B and D)

11. Review advertising and promotional materials you want to use. (Franchise Agreement – Sections 13.C and D)

## Advertising and Marketing Programs

### Brand Fund

We have established the Brand Fund to which you must contribute the amounts we periodically specify, not to exceed 5% of your Restaurant's weekly Gross Sales. You currently must contribute 1% of your Restaurant's Gross Sales. (Some franchises granted before this disclosure document's issuance date might contribute a different amount to the Brand Fund or at a different rate.) POLLO CAMPERO® Restaurants operated by us and our affiliates will contribute to the Brand Fund on the same percentage basis as franchisees.

We will direct all programs the Brand Fund finances, with sole control over all creative and business aspects of the Fund's activities. The Brand Fund may pay for, among other things, preparing, producing, and placing video, audio, and written materials, Digital Marketing, and Social Media; developing, maintaining, and administering one or more System Websites; creating and administering national, regional, and multi-regional marketing, advertising, and lead-generation programs; using advertising, promotion, and marketing agencies and other advisors to provide assistance; establishing regional and national promotions and partnerships and hiring spokespersons to promote the POLLO CAMPERO brand; establishing on-line systems and other vehicles for centralized customer interaction; and supporting public relations, market research, and other advertising, promotion, marketing, and brand-related activities. ("Digital Marketing" means any domain name, homepage, electronic address, metatag, or other marketing in connection with any website or other online presence. "Social Media" means blogs, common social networks like Facebook and Instagram, professional networks like LinkedIn, live-blogging tools like Twitter, virtual worlds, file, audio, and video-sharing sites, and other similar social-networking media or tools, both existing and developed in the future.)

The Brand Fund may advertise locally, regionally, and/or nationally in printed and on other tangible materials, on radio or television, and/or on the Internet, as we think best. We and/or an outside regional or national advertising agency will produce all advertising and marketing. The Brand Fund periodically may give you sample Marketing Materials at no cost. We may sell you multiple copies of Marketing Materials at our direct production costs, plus any related shipping, handling, and storage charges.

We will account for the Brand Fund separately from our other funds (although we need not keep Brand Fund contributions in a separate bank account) and will not use the Brand Fund for any of our general operating expenses. However, the Brand Fund may reimburse us and our affiliates for the reasonable salaries and benefits of personnel who manage and administer, or otherwise provide assistance or services to, the Brand Fund; the Brand Fund's administrative costs; travel-related expenses of personnel while they are on Brand Fund business; meeting costs; overhead relating to Brand Fund business; and other expenses we and our affiliates incur administering or directing the Brand Fund and its programs, including conducting market research, preparing Marketing Materials, collecting and accounting for Brand Fund contributions, paying taxes due on Brand Fund contributions we receive; and any other costs or expenses we incur operating or as a consequence of the Fund. We will not use the Brand Fund specifically to develop materials and programs to solicit franchisees. However, media, materials, and programs prepared using Brand Fund contributions may describe our franchise program, reference the availability of

franchises and related information, and process franchise leads. Of the Brand Fund's 2024 expenditures, approximately 38% was spent on agency fees and expenses, 14% was spent on media production, 10% was spent on point of purchase materials and other creative material costs (including menu boards), 12% was spent on media, and 26% was spent on other expenses (including research and administrative costs).

The Brand Fund is not a trust, and we do not owe you fiduciary obligations because we maintain, direct, or administer the Brand Fund or for any other reason. The Brand Fund may spend in any fiscal year more or less than the total Brand Fund contributions in that year, borrow from us or others (paying reasonable interest) to cover deficits, or invest any surplus for future use. Unspent monies in the Brand Fund at the end of the year will be rolled over for potential use in the following year. We may use new Brand Fund contributions to pay Brand Fund deficits incurred during previous years. We will use all interest earned on Brand Fund contributions to pay costs before using the Brand Fund's other assets. We will prepare an annual, unaudited statement of Brand Fund collections and expenses and share the statement electronically within 60 days after our fiscal-year end or otherwise give you a copy of the statement upon reasonable request. We may (but need not) have the Brand Fund audited annually, at the Brand Fund's expense, by a certified public accountant we designate. We may incorporate the Brand Fund or operate it through a separate entity whenever we deem appropriate. The successor entity will have all of the rights and duties specified here.

The Brand Fund's principal purposes are to maximize recognition of the Marks, increase patronage of POLLO CAMPERO Restaurants, and enhance, promote, and protect the POLLO CAMPERO brand and franchise system. Although we will try to use the Brand Fund in the aggregate to develop and implement Marketing Materials and programs benefiting all POLLO CAMPERO Restaurants, we need not ensure that Brand Fund expenditures in or affecting any geographic area are proportionate or equivalent to Brand Fund contributions by POLLO CAMPERO Restaurants operating in that geographic area or that any POLLO CAMPERO Restaurant benefits directly or in proportion to its Brand Fund contribution from the development of Marketing Materials or the implementation of programs. (In other words, the Brand Fund need not spend any specific amount in your market area.) We have the right, but no obligation, to use collection agents and institute legal proceedings at the Brand Fund's expense to collect unpaid Brand Fund contributions. We also may forgive, waive, settle, and compromise all claims by or against the Brand Fund. We assume no other direct or indirect liability or obligation to you for collecting amounts due to, maintaining, directing, or administering the Brand Fund.

We may at any time defer or reduce the Brand Fund contributions of any POLLO CAMPERO Restaurant franchisee and, upon 30 days' prior written notice to you, reduce or suspend Brand Fund contributions and operations for one or more periods of any length and terminate (and, if terminated, reinstate) the Brand Fund. If we terminate the Brand Fund, we will either (i) spend the remaining Fund balance on permitted programs and expenditures or (ii) distribute all unspent funds to our then-existing franchisees, and to us and our affiliates, in proportion to their and our respective Brand Fund contributions during the preceding 12 months. (Franchise Agreement – Section 13.B)

### Local Marketing

You must spend at least 1% of your Restaurant's monthly Gross Sales on approved Marketing Materials and programs for the Restaurant. You must prepare, or collaborate with us to prepare, a written local marketing plan for the Local Marketing Spending Requirement and send us the plan for review and pre-approval. (Franchise Agreement – Section 13.D) We may determine which expenses count or do not count toward your Local Marketing Spending Requirement. Generally, Brand Fund contributions, promotional price discounts or reductions, permanent on-premises signs, lighting, personnel salaries, administrative costs, transportation vehicles (even if they display the Marks), and employee-incentive programs do not count. If you do not spend (or prove that you spent) the Local Marketing Spending Requirement, we may, among other rights, require you to contribute the shortfall to the Brand Fund.

The marketing activities in which you engage will materially affect your Restaurant's success or lack of success. The minimum Local Marketing Spending Requirement might be insufficient for you to achieve your business objectives. Subject to the requirements above, you alone are responsible to determine how much to spend on, and the nature of, Marketing Materials and other approved advertising, marketing, and promotional activities for the Restaurant in order to achieve your business objectives.

### Approval of Advertising

All Marketing Materials and advertising, marketing, and promotional activities must be legal and not misleading and conform to our policies. To protect the goodwill that we and our affiliates have accumulated in the "POLLO CAMPERO" name and other Marks, at least 15 days before using them, you must send us samples or proofs of all Marketing Materials that we did not prepare or already approve or that we prepared or approved but you want to change in any way. If we do not approve those Marketing Materials in writing within 15 days after we receive them, they are deemed to be disapproved for use. You may not use any Marketing Materials that we have not approved or have disapproved. We may upon 30 days' prior written notice require you to stop using any previously-approved Marketing Materials. (Franchise Agreement – Section 13.C)

### Advertising Councils

There currently are no franchisee advertising councils advising us on advertising and marketing policies and programs. However, we may form, change, dissolve, or merge any franchisee advertising council.

### Advertising Cooperatives

There currently are no advertising cooperatives. However, we may designate a geographic area for an advertising cooperative (a "Cooperative"). The Cooperative's members in any area will be the owners of all POLLO CAMPERO Restaurants located and operating in that area (including us and our affiliates, if applicable). Each Cooperative will be organized and governed in a form and manner, and begin operating on a date, we determine. There need not be any formal agreements or bylaws to administer the Cooperative. We may change, dissolve, and merge Cooperatives. Each Cooperative's purpose is, with our approval, to administer advertising and marketing programs and develop Marketing Materials for the area the Cooperative covers. You

automatically will become a member of any existing or new Cooperative formed in your market area and must participate in the Cooperative as we require. We may require you to contribute up to 2% of the Restaurant's monthly Gross Sales to the Cooperative. All of your Cooperative dues will count toward the Local Marketing Spending Requirement but not toward the market introduction program or Brand Fund contributions. POLLO CAMPERO Restaurants that we and our affiliates own in the Cooperative's Area will contribute at the same rate. The Cooperative will prepare annual, unaudited financial statements you may review. (Franchise Agreement – Section 13.E)

### System Website and Electronic Advertising

We or our designees may establish a website or series of websites (with or without restricted access) for the POLLO CAMPERO Restaurant network: (1) to advertise, market, identify, and promote POLLO CAMPERO Restaurants, the products and services they offer, and/or the POLLO CAMPERO Restaurant franchise opportunity; (2) to help us operate the POLLO CAMPERO Restaurant network; and/or (3) for any other purposes we deem appropriate for POLLO CAMPERO Restaurants (collectively, the "System Website"). The System Website may, but need not, provide you with a separate interior webpage or "micro-site" (accessible only through the System Website) ("Micro-Site") referencing your Restaurant. You must follow our Brand Standards for Micro-Sites if you have one. We will own all intellectual property and other rights in the System Website, your Micro-Site, and all information they contain. We will control, and may use the Brand Fund's assets to develop, maintain, operate, update, and market, the System Website, including any Micro-Sites.

All Marketing Materials you develop for the Restaurant must comply with Brand Standards and contain notices of the System Website's URL as we specify. You may not develop, maintain, or authorize any Digital Marketing or Social Media mentioning or describing the Restaurant or displaying any Marks without our prior written approval and, if applicable, without complying with our Brand Standards for such Digital Marketing and Social Media. Except for the System Website and approved Digital Marketing and Social Media, you may not conduct commerce or directly or indirectly offer or sell any products or services using any Digital Marketing, Social Media, or website. We have the right to maintain websites other than the System Website and to offer and sell products and services under the Marks from the System Website, another website, or otherwise over the Internet without payment or other obligation to you. (Franchise Agreement – Section 13.F)

### Computer System

You must obtain and use the computer hardware and software, point-of-sale system, dedicated telephone and power lines, modems, printers, tablets, smart phones, on-line, digital, and mobile-app ordering systems, on-line inventory-ordering system, and other computer-related accessories and peripheral equipment we periodically specify (the "Computer System"). You must use the Computer System to input and access information about your sales and operations. The Computer System must permit 24-hours-per-day, 7-days-per-week electronic communications between you and us. (Franchise Agreement – Section 7.E)

Your Computer System must comply with and obtain any technology services necessary to maintain established network-security standards, including PCI compliance. It must be configured to enable you to record and store financial information as we specify and to enable us to communicate directly with your Computer System. All approved systems must be capable of retaining data in the event of a power and/or internet loss. We and our designee have unlimited, independent access to all sales, menu mix, financial, and other operational information on the Computer System, excluding employee or employment-related information. There are no contractual limitations on our right to access the information on your Computer System, except that we will not unreasonably interfere with your Restaurant's operation.

The required Computer System currently consists of a point-of-sale (POS) system and a restaurant information system (RIS). They are NCR Aloha®, NCR Back Office, and NCR Network Security Services®. These are the only approved systems for your Restaurant. We also require you to use a POLLO CAMPERO-specific menu program package. The POLLO CAMPERO online ordering platform is Olo; it is the mandatory and exclusive online-ordering platform for all Restaurants. We estimate the POS system and RIS's cost to range from \$40,000 to \$60,000.

As a cyber-security measure and information technology best practice, we strongly advise you to run 2 separate computers in your restaurant business – a manager workstation and the NCR POS “server” computer. The NCR server computer runs the POS transactions, including sales, credit-card payment processing, labor/payroll related transactions, and cost of goods. The Manager Workstation would be the computer used for office tasks, email, printing, accessing NCR Back Office, and vendor ordering, among other things. The NCR Server must meet NCR requirements to support the full operation of the POS system. Although you must have business computers available, there are no specific requirements for the computer that will be the Manager's Workstation, but it is highly recommended that an up-to-date anti-virus application be installed on the PC. To enable the use of the semi-integrated credit card and gift card functionality for both POS systems, you must sign up with an approved merchant processing service program that is compatible with NCR Aloha. Neither we nor any affiliate has any obligation to provide ongoing maintenance, repairs, upgrades, or updates.

You also need either a back-up Internet solution or a wireless 4G/LTE/5G for back-up online order transmission. We poll our franchisees' POS system regularly, and you must allow us continual access via high-speed Internet (a minimum standard of 10 MBPS Down and 10 MBPS up). All Restaurants must comply with the construction and wiring standards for the POS equipment in the Restaurant, including dedicated isolated grounded power.

The third parties whose computer-related products you buy have no contractual right or obligation to provide ongoing maintenance, repairs, upgrades, or updates unless you obtain a service contract, or a warranty covers the product. When you purchase the POS and RIS systems, you must purchase the first year of software and hardware support (included in the initial system price quoted above). After the first year, you must renew the hardware maintenance, software maintenance, support, and hosted software annually. We estimate the cost for ongoing maintenance, repairs, upgrades, and updates for the current POS and RIS systems to range from \$14,200 to \$16,000 per year. The Computer System generates and maintains sales, menu mix, and other financial information. You must upgrade the Computer System, and/or obtain service and

support, as we require or when necessary, because of technological developments, including complying with PCI Data Security Standards. There are no contractual limitations on the frequency and cost of this obligation. We need not reimburse your costs. You may not use any unapproved computer software or security access codes.

We and our affiliates may condition any license to you of required or recommended proprietary software, and/or your use of technology developed or maintained by or for us, on your signing a software license agreement, liability waiver, and/or similar document, or otherwise agreeing to the terms (for example, by acknowledging your consent in a click-through license agreement), that we and our affiliates require to regulate your use of the software or technology. We and our affiliates may charge you up-front and ongoing fees for any required or recommended proprietary software or technology we or our affiliates license to you and for other Computer System maintenance and support services provided during the franchise term.

Despite your obligation to buy (from our designated third-party vendor), use, and maintain the Computer System according to our standards and specifications, you have sole and complete responsibility for: (1) acquiring, operating, maintaining, and upgrading the Computer System; (2) the manner in which your Computer System interfaces with our and any third party's computer system; (3) any and all consequences if the Computer System is not properly operated, maintained, and upgraded; and (4) independently determining what is required for you to comply (and then complying) at all times with the most-current version of the Payment Card Industry Data Security Standards, and with all laws (including privacy laws) governing the use, disclosure, and protection of Consumer Data and the Computer System, and validating compliance with those standards and laws as periodically required. "Consumer Data" means the names, addresses, telephone numbers, email addresses, dates of birth, demographic or related information, buying habits, preferences, credit-card information, and other personally-identifiable information of customers. Computer systems are vulnerable in varying degrees to computer viruses, bugs, power disruptions, communication-line disruptions, Internet access failures, Internet content failures, and attacks by hackers and other unauthorized intruders. It is your responsibility to protect yourself from these problems, which include taking steps to secure your systems (including continually updating firewalls, password protection, and anti-virus systems) and using backup systems.

### Opening

You must open the Restaurant for business on or before the scheduled opening date appearing in the Franchise Agreement (which we and you negotiate) or 240 days after the Franchise Agreement's effective date, whichever is earlier (subject, if applicable, to an even earlier date specified in an Incentive Program DRR). Your opening timetable depends on how quickly you find the Restaurant's site and finalize the Restaurant's lease; the Restaurant's condition and upgrading and remodeling requirements; the construction schedule; obtaining licenses; the delivery schedule for Operating Assets and supplies; attending and completing training; and complying with local laws and regulations.

You may not open the Restaurant for business until: (1) we or our designee inspects and approves in writing the Restaurant as having been developed in compliance with our specifications and standards; (2) your Managing Owner, your Operator (which can be your Managing Owner), and 2 Restaurant managers complete initial training to our satisfaction; (3) the Restaurant has

sufficient trained employees to manage and operate the Restaurant on a day-to-day basis in compliance with our Brand Standards; (4) your Operator (which can be your Managing Owner) and the Restaurant’s employees complete all required third-party certifications for the food industry; (5) you have satisfied all state and federal permitting, licensing, and other legal requirements and, at our request, have sent us copies of all required permits, licenses, and insurance policies; (6) you have paid all amounts owed to, and are not in default under any agreement with, us, our affiliates, and principal suppliers; and (7) you have met all other opening requirements specified in our Operations Manual. (Franchise Agreement—Sections 4.C and 4.D)

## Training

### Initial Training Program

We will furnish at a designated training location of our choice (which may be our corporate headquarters, an operating POLLO CAMPERO Restaurant, and/or your Restaurant), and/or through video and other electronic means (including our virtual Learning Management System), an initial training program (“Initial Training”) on operating a POLLO CAMPERO Restaurant for your Managing Owner, the Operator (if not your Managing Owner), and 2 Restaurant managers. While we will provide initial training for up to 4 people for no additional fee (excluding access to our Learning Management System), you must pay all travel-related expenses for your training attendees. (Franchise Agreement—Section 6.A) We expect training (which currently is approximately 5 weeks long) to occur after you sign the Franchise Agreement and while you are developing the Restaurant. Before you open the Restaurant for business, your Managing Owner, the Operator (if not also your Managing Owner), and 2 Restaurant Managers must complete Initial Training to our satisfaction and pass applicable operations and proficiency tests.

If this Agreement is for your (or your affiliate’s) second or successive POLLO CAMPERO Restaurant, your Managing Owner and/or Operator (if the same person as with respect to the first POLLO CAMPERO Restaurant) need not repeat the initial training program. The Restaurant must have on staff at least 3 fully-trained on-site managers, which may include the Managing Owner if the Managing Owner also is the Operator.

We plan to be flexible in scheduling training to accommodate our personnel, your Managing Owner and Operator, and the Restaurant’s personnel. There currently are no fixed (i.e., monthly or bi-monthly) training schedules. We use manuals, videos, and other training aids during the training program. Your training attendees must complete training at least 30 days before the Restaurant’s scheduled opening date. Our training program may include a “train the trainer” module so your senior-level personnel can learn how to train your other employees to follow Brand Standards.

The following chart describes our current initial training program, which we may modify for the particular trainees:

## TRAINING PROGRAM

Column 1  Subject	Column 2  Hours of Classroom Training	Column 3  Hours of On-The-Job Training	Column 3  Location*
Crew Member • Restaurant Station Training	8	32	Designated Training Restaurant
Shift Manager • Operations • Management • Administration • Leadership	22	178	
General Manager (Operator) • Operations • Management • Administration • Leadership	32	168	
Managing Owner Orientation • Operations • Management • Administration • Leadership • Project Task	12	28	In Person at Corporate Office/ Designated Restaurant

\* We may schedule your training at a designated company restaurant that is available for the training needed and most convenient to you and us.

Andrea Rascon, our Training Manager, will supervise franchisee training. Ms. Rascon first joined us in September 2018. Since becoming our Training Manager in October 2020, Ms. Rascon has become familiar with all aspects of operating a POLLO CAMPERO Restaurant, including Restaurant management and sales. The rest of our training team also lead all hands-on and instructor-led training; all of them have adequate training and appropriate knowledge to facilitate training in the areas they will teach based on their involvement with our system.

If this is your (or your affiliate's) second POLLO CAMPERO Restaurant, we will provide only 40 hours of initial training; if this is your third POLLO CAMPERO Restaurant, we will provide only 20 hours of initial training; if this is your fourth or subsequent POLLO CAMPERO Restaurant, we have no obligation to provide any initial training.

We will send an "opening team" (involving the number of people we determine) to the Restaurant in connection with its opening to the public for business—but only if this is your first POLLO CAMPERO Restaurant—for up to 3 days of training to support the Restaurant before its opening date and to help train your crew member employees on our philosophy and Brand

Standards (but not matters related to labor relations and employment practices). We have the right to determine in our sole judgment for how long (with no minimum time required) our opening team visits the Restaurant in connection with its opening for business if this is your second or subsequent POLLO CAMPERO Restaurant. We will pay our opening team's wages and travel-related expenses. However, if in our opinion you and/or the Restaurant needs, or if you request (and we agree to provide), additional or special guidance, assistance, or training after the support we provide during the opening phase (excluding training relating to labor relations and employment practices), you must pay our personnel's daily charges (including wages) and travel-related expenses. We may delay the Restaurant's opening until all required training has been satisfactorily completed. (Franchise Agreement—Section 6.C)

### Retraining

If your Managing Owner and Operator (if not your Managing Owner) fails to complete Initial Training to our satisfaction, or we determine after an inspection that retraining is necessary because the Restaurant is not operating according to Brand Standards, they may attend a retraining session for which we may charge our then-current training fee. You must pay all employee compensation and expenses during retraining. We may terminate the Franchise Agreement if your Managing Owner fails to attend Initial Training or to complete it to our satisfaction. (Franchise Agreement—Section 6.B) Our fee for supplemental and ongoing training ranges up to \$500 per trainer per day plus expenses.

### Training for Replacement Operators and Managing Owners

If you no longer employ the Operator or become aware that the Operator intends to leave his or her position, you must immediately seek a new operator for the Restaurant (the "Replacement Operator") in order to protect the POLLO CAMPERO brand. You must appoint the Replacement Operator within 30 days after the former Operator's employment ends. The Replacement Operator must satisfactorily complete training appropriate for the position. You must pay our then-current training fee for all Replacement Operators hired during the franchise term as well as their compensation and expenses during training. (Franchise Agreement—Section 6.E) Our fee for supplemental and ongoing training ranges up to \$500 per trainer per day plus expenses.

If you want or need to change the Managing Owner, you must find a new individual (the "Replacement Managing Owner") for that role within 30 days after the former Managing Owner no longer occupies that position. We must approve in writing the Replacement Managing Owner. The Replacement Managing Owner must, within the timeframe we specify, attend our designated Managing Owner training program. You are responsible for the Replacement Managing Owner's compensation and travel-related expenses during training. (Franchise Agreement—Section 3.G)

### Training for Restaurant Employees

Your Managing Owner, Operator, and other Restaurant managers must properly train all Restaurant employees to perform the tasks for their respective positions. We may develop and make available training tools and recommendations for you to use in training the Restaurant's employees to comply with Brand Standards. We may update these training materials to reflect changes in our training methods and procedures and changes in Brand Standards. (Franchise Agreement—Section 6.F)

### Ongoing and Supplemental Training

We may require your Managing Owner, the Operator (if not your Managing Owner), and the Restaurant's other managers to attend and complete satisfactorily various training courses and programs that we or third parties periodically offer during the franchise term at the times and locations we designate. However, we will not require attendance at these training courses and programs (including any annual meeting of POLLO CAMPERO Restaurant franchisees) for more than 3 consecutive days, or for more than 5 days total, during each calendar year. You must pay their compensation and expenses during training. We may charge our then-current fee for continuing and advanced training. If you request training courses or programs to be provided locally, then subject to our training personnel's availability, you must pay our then-current training fee and our training personnel's travel and living expenses. (Franchise Agreement—Section 6.D) Our fee for supplemental and ongoing training ranges up to \$500 per trainer per day plus expenses.

Besides attending and/or participating in the various training courses and programs described above, at least 1 of your representatives (the Managing Owner, the Operator, or another designated representative we approve) must at our request attend an annual meeting of all POLLO CAMPERO Restaurant franchisees for up to 4 days at a location we designate. You must pay all costs to attend. You must pay any meeting fee we charge even if your representative does not attend (whether or not we excuse that non-attendance). (Franchise Agreement—Section 6.D)

### Learning Management System

You currently must pay us between \$800 and \$1,200 before your Restaurant opens, and then an annual amount that may change during the franchise term (see Item 6), for access to our Learning Management System, which includes digital versions of our Operations Manual, training resources, restaurant operation resources, and e-learning courses for launches and updates in procedures.

## **Item 12** **TERRITORY**

### Franchise Agreement

You will operate the Restaurant at a specific location we first must accept. (We do not “approve” sites; we “accept” them under the circumstances described in Item 11.) If the Restaurant's address is unknown when the Franchise Agreement is signed, you must find, obtain our written acceptance of, and secure a site within 120 days afterward. In that case, we will identify in the Franchise Agreement a non-exclusive Site Selection Area in which you must look for a suitable site. We may terminate the Franchise Agreement if you do not find and secure a site acceptable to us within the 120 days. You may operate the Restaurant only at that site and may not relocate without our prior written consent, which we may grant or deny as we deem best. Whether or not we will allow relocation depends on circumstances at the time and what is in the Restaurant's and our system's best interests. Factors include, for example, the new site's market area, its proximity to other Restaurants in our system, whether you are complying with your Franchise Agreement, and how long it will take you to open at the new site.

Conditions for relocation approval are (1) the new site and its lease are acceptable to us, (2) you pay us a \$5,000 relocation fee and reimburse any costs we incur during the relocation process, (3) you confirm that your original Franchise Agreement remains in effect and governs the Restaurant's operation at the new site with no change in the franchise term or, at our option, you sign our then-current form of franchise agreement to govern the Restaurant's operation at the new site for a new franchise term, (4) you sign a general release, in a form satisfactory to us, of any and all claims against us and our owners, affiliates, officers, directors, employees, and agents, (5) you continue operating the Restaurant at its original site until we authorize its closure, (6) you pay us the lost Royalties we incur if you close the Restaurant at its original site before you begin operating the Restaurant at the new site, and (7) you de-brand and de-identify the Restaurant's former premises within the timeframe we specify and at your own expense so it no longer is associated in any manner (in our opinion) with our system and the Marks.

You will receive an Area of Protection around your Restaurant. We will identify and describe the Area of Protection in the Franchise Agreement before you sign it unless you have not yet found and secured the Restaurant's site. In that case, we will define the Area of Protection after the site is secured within the Site Selection Area. Except in high-density population centers, a Restaurant's Area of Protection consists of the area inside a circle whose center lies at the Restaurant's front door and whose radius extends outward from the circle's center. The specific radius for your Restaurant depends on your market area, including population density, demographics, drive times, and similar factors. There is no set minimum or maximum radius. However, we do not anticipate that the Area of Protection will ever be less than 2 blocks in a densely-populated city or more than a 3-mile radius from the Restaurant's front door. Your Restaurant's specific radius will depend on your market and circumstances. However, if you operate in a Non-Traditional Venue (if you are a franchisee with access to that type of location), your Area of Protection might be limited to the physical footprint of the specific site/premises. We may modify the Area of Protection during the franchise term only if the Restaurant relocates. During the franchise term, we and our affiliates will not, except as described in the next paragraph with respect to Non-Traditional Venues, own or operate, or allow another franchisee or licensee to own or operate, another POLLO CAMPERO Restaurant that has its physical location within the Area of Protection.

The Area of Protection always will be defined and deemed to exclude any and all Non-Traditional Venues physically located within the Area of Protection. This means there are no restrictions whatsoever on our and our affiliates' activities in or at Non-Traditional Venues physically located within the Area of Protection, including our and their right to own and operate and grant others the right to own and operate POLLO CAMPERO Restaurants, and to engage in other foodservice operations under the Marks, at such Non-Traditional Venues. You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control. A "Non-Traditional Venue" means a captive-venue location, including airports, hospitals or medical centers, limited-access highway food facilities, bus or train stations, entertainment and sports complexes, convention centers, military facilities, schools, colleges, and universities, office facilities, department and retail super-stores, mobile units, off-site sales accounts, convenience stores, supermarkets, shopping malls, and home-improvement retailers.

Except for your location rights described above (which are subject to our and our affiliates' rights at Non-Traditional Venues physically located within the Area of Protection), we and our affiliates retain all rights with respect to POLLO CAMPERO Restaurants, the Marks, the sale of similar or dissimilar products and services, and any other activities we and they deem appropriate, whenever and wherever we and they desire, whether inside or outside the Area of Protection. Those rights include the following:

(1) to own and operate, and to allow other franchisees and licensees to own and operate, POLLO CAMPERO Restaurants at any physical locations outside the Area of Protection (including at the boundary of the Area of Protection) and on any terms and conditions we and they deem appropriate;

(2) to offer and sell, and to allow others to offer and sell, both inside and outside the Area of Protection, and on any terms and conditions we deem appropriate, products and services that are identical or similar to and/or competitive with those offered and sold by POLLO CAMPERO Restaurants, whether such products and services are identified by the Marks or other trademarks or service marks, through any advertising media and distribution channels (including the Internet) other than POLLO CAMPERO Restaurants physically located within the Area of Protection;

(3) to establish and operate, and to allow others to establish and operate, anywhere (including both inside and outside the Area of Protection) businesses offering similar products and services under trademarks and service marks other than the Marks;

(4) to acquire the assets or ownership interests of one or more businesses offering and selling products and services similar to those offered and sold at POLLO CAMPERO Restaurants (even if such a business operates, franchises, or licenses "Competitive Businesses"), and operate, franchise, license, or create similar arrangements for those businesses once acquired, wherever those businesses (or the franchisees or licensees of those businesses) are located or operating, including within the Area of Protection;

(5) to be acquired (through acquisition of assets, ownership interests, or otherwise, regardless of the transaction form) by a business offering and selling products and services similar to those offered and sold at POLLO CAMPERO Restaurants, or by another business, even if such a business operates, franchises, or licenses Competitive Businesses inside or outside the Area of Protection; and

(6) to engage in all other activities the Franchise Agreement does not expressly prohibit.

We and our affiliates need not compensate you if we engage in these activities.

Unless you acquire development rights (described below), you have no options, rights of first refusal, or similar rights to acquire additional franchises. Although we have the right to do so (as described above), we and our affiliates have not yet established, and have no current plans to establish, other franchises or company-owned outlets or another distribution channel selling or leasing similar products or services under a different trademark.

Continuation of your franchise does not depend on your achieving a certain sales volume, market penetration, or other contingency.

Your right to operate the Restaurant is limited to products prepared and sold, and services provided, at the Restaurant's physical location. It does not include the right to distribute products and services over the Internet, on a wholesale basis (for resale to another retailer or wholesaler), or through other supply or distribution channels anywhere (for example, unapproved mobile apps, catalog sales, mail-order sales, infomercials, or telemarketing). However, you may deliver the Restaurant's products away from the Restaurant's location for catering purposes using employed delivery staff, and may use third-party-delivery services, if you comply with all Brand Standards for catering and delivery services. Those Brand Standards may include, among other things, limitations on where or how far away from your Restaurant you may deliver those products and requirements for using third-party-delivery services. Under no circumstances may you provide catering services or otherwise deliver the Restaurant's products within another franchisee's area of protection.

You may not develop, maintain, or authorize any Digital Marketing or Social Media mentioning or describing the Restaurant or displaying any Marks without our prior written approval and, if applicable, without complying with our Brand Standards for such Digital Marketing and Social Media. Except for the System Website and approved Digital Marketing and Social Media, you may not conduct commerce or directly or indirectly offer or sell any products or services using any Digital Marketing, Social Media, or website.

#### Incentive Program DRR

You may (if you qualify) develop and operate a number (but not less than 3) of POLLO CAMPERO Restaurants within a specific territory (the "Territory"). We and you will identify the Territory in the Incentive Program DRR before signing it. The Territory typically is a city, cities, counties, or specific zip codes. We base the Territory's size primarily on the number of POLLO CAMPERO Restaurants you agree to develop, demographics, competitive businesses, and site availability. We will determine the number of Restaurants you must develop, and the deadlines for development, to keep your development rights. We and you then will complete the schedule in the Incentive Program DRR before signing it. Under the Rider, we first must accept each new site you propose for each new POLLO CAMPERO Restaurant. After we accept (and you secure) a proposed site, we also will determine the Area of Protection for that Restaurant. Our then-current standards for sites and Areas of Protection will apply.

You may not develop or operate POLLO CAMPERO Restaurants outside the Territory. While the Incentive Program DRR is in effect, we (and our affiliates) will not, except in the situations described below, establish and operate or grant others the right to establish and operate POLLO CAMPERO Restaurants having their physical locations within the Territory. The exceptions to your exclusive right to establish POLLO CAMPERO Restaurants having their physical locations within the Territory are as follows. If:

(1) we become aware during the Incentive Program DRR term of one or more opportunities to establish a POLLO CAMPERO Restaurant at a physical location within the Territory for which that location's owner or manager sets financial, experience, or organizational

standards for an acceptable operator (for example, a national or multi-regional concessionaire) that you do not and cannot satisfy when the opportunity becomes available; or

(2) the location is a Non-Traditional Venue (which is defined to mean a captive-venue location, including airports, hospitals or medical centers, limited-access highway food facilities, bus or train stations, entertainment and sports complexes, convention centers, military facilities, schools, colleges, and universities, office facilities, department and retail super-stores, mobile units, off-site sales accounts, convenience stores, supermarkets, shopping malls, and home-improvement retailers) (the locations referenced in (1) and (2) are referred to collectively as “Restricted Venues”),

then we (or our affiliates) may without restriction pursue the opportunity for that Restricted Venue and establish, or franchise or license another to establish, a POLLO CAMPERO Restaurant at that Restricted Venue. Our, our affiliate’s, or another franchisee’s or licensee’s development and operation of a POLLO CAMPERO Restaurant at a Restricted Venue in the Territory do not count toward your compliance with the development schedule. POLLO CAMPERO Restaurants that you (or your affiliates) are permitted to operate at Non-Traditional Venues physically located in the Territory likewise do not count toward your compliance with the development schedule. You will not receive an exclusive territory under the Incentive Program DRR. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control.

The location rights described above (with the noted exceptions) are the only restriction on our (and our affiliates’) activities within the Territory during the development term. We may terminate the Incentive Program DRR if you do not satisfy your development obligations.

Despite the development schedule in the Incentive Program DRR, we may delay your development and/or opening of additional POLLO CAMPERO Restaurants within the Territory if we believe, when you apply for another Restaurant, or after you (or your Approved Affiliate) have developed and constructed but not yet opened a particular Restaurant, that you (or your Approved Affiliate) are not yet operationally, managerially, or otherwise prepared (no matter the reason) to develop, open, and/or operate the additional Restaurant in full compliance with our standards and specifications. We may delay additional development and/or a Restaurant’s opening for the time period we deem best if the delay will not in our reasonable opinion cause you to breach your development obligations under the development schedule (unless we are willing to extend the schedule to account for the delay).

Except as described above, continuation of your territorial rights does not depend on your achieving a certain sales volume, market penetration, or other contingency. We may not alter your Territory during the Incentive Program DRR term. Although we have the right to do so, we and our affiliates have not established, and have no current plans to establish, other franchises or company-owned outlets or another distribution channel selling or leasing similar products or services under a different trademark.

**Item 13**  
**TRADEMARKS**

You may use certain Marks in operating the Restaurant. Campero, Inc. owns the following principal Marks on the Principal Register of the United States Patent and Trademark Office (the “USPTO”):

MARK	REGISTRATION NUMBER	REGISTRATION DATE
CAMPERO	3,161,568	10/24/2006
POLLO CAMPERO	1,783,043	07/20/1993
POLLO CAMPERO	2,598,281	07/23/2002
CAMPERO	2,843,358	05/18/2004
POLLO CAMPERO	3,005,932	10/11/2005
CAMPERO	2,920,992	01/25/2005
	4,668,531	01/06/2015
	4,668,530	01/06/2015
	5,014,750	08/02/2016
	5,392,131	01/30/2018
CAMPERITOS	5,492,046	06/12/2018

MARK	REGISTRATION NUMBER	REGISTRATION DATE
	6,146,368	09/08/2020
	6,146,367	09/08/2020
	6,225,745	12/22/2020
	6,150,828	09/15/2020
YOU ARE WHAT YOU EAT BE FLAVORFUL	6,146,364	09/08/2020

Campero, Inc. has applied to register the following Mark on the Principal Register of the USPTO based on its intent to use the Mark:

MARK	APPLICATION NUMBER	APPLICATION DATE
	98456011	03/19/2024
	98456010	03/19/2024

Campero, Inc. does not have a federal registration for the last 2 Marks appearing above. Therefore, the Marks do not have many legal benefits and rights as a federally-registered trademark. If our right to use the trademarks is challenged, you may have to change to an alternative trademark, which may increase your expenses. However, as noted above, Campero, Inc. already has federal registrations for multiple iterations of the “POLLO CAMPERO” Mark.

Campero, Inc. already has filed, or will file, all required affidavits when due. It already has renewed, or will renew, all trademark registrations for the trademarks that remain important to the POLLO CAMPERO brand.

Campero, Inc. has licensed us the right to use and sublicense the Marks in our franchise program. The license agreement was executed in January 2018 and is for a 5-year term, with unlimited 1-year renewal terms. We have the right to renew the license agreement if we are not in default. Campero, Inc. has the right to terminate the license agreement if we default and do not cure the default within the specified timeframe. Campero, Inc. also may choose not to renew the license agreement by notifying us 45 days before its then-current term expires. If the license agreement is terminated, Campero, Inc. will continue to license the Marks to you on the terms in your Franchise Agreement. No other agreement limits our right to use or sublicense any Mark.

There are no currently-effective material determinations of the USPTO, the Trademark Trial and Appeal Board, or any state trademark administrator or court, and no pending infringement, opposition, or cancellation proceedings or material litigation, involving the principal Marks. We do not actually know of either superior prior rights or infringing uses that could materially affect your use of the Marks in any state where we currently intend to offer franchises.

You must follow our rules and other Brand Standards when using the Marks, including giving proper notices of trademark and service-mark registration and obtaining required fictitious or assumed-name registrations. You may not use any Mark as part of your corporate or legal business name; with modifying words, terms, designs, or symbols (other than logos we license to you); in selling any unauthorized products or services; or in connection with any Digital Marketing, or in any user name, screen name, or profile in connection with any Social media sites, without our consent or, if applicable, without complying with our Brand Standards.

If we believe at any time that it is advisable for us and/or you to modify, discontinue using, and/or replace any Mark, and/or to use one or more additional or substitute trademarks or service marks, you must comply with our directions within a reasonable time after receiving notice. We need not reimburse your expenses to comply with those directions (such as your costs to change signs or replace supplies for the Restaurant), any loss of revenue due to any modified or discontinued Mark, or your expenses to promote a modified or substitute trademark or service mark.

You must notify us immediately of any actual or apparent infringement or challenge to your use of any Mark, any person’s claim of any rights in any Mark (or any identical or confusingly similar trademark), or unfair competition relating to any Mark. You may not communicate with any person other than us and Campero, Inc., our respective attorneys, and your attorneys regarding any infringement, challenge, or claim. We and Campero, Inc. may take the action we or it deems

appropriate (including no action) and control exclusively any litigation, USPTO proceeding, or other administrative proceeding or enforcement action arising from any infringement, challenge, or claim or otherwise concerning any Mark. You must sign any documents and take any other reasonable actions that we and our, and Campero, Inc.'s, attorneys deem necessary or advisable to protect and maintain our and its interests in any litigation or USPTO or other proceeding or enforcement action or otherwise to protect and maintain our and Campero, Inc.'s interests in the Marks.

We will reimburse your damages and expenses incurred in any trademark infringement proceeding disputing your authorized use of any Mark, provided your use has been consistent with the Franchise Agreement, the Operations Manual, and Brand Standards communicated to you and you have timely notified us of, and complied with our directions in responding to, the proceeding. At our option, we and/or our affiliates may defend and control the defense of any proceeding arising from or relating to your use of any Mark.

The Incentive Program DRR does not grant you the right to use the Marks. These rights arise only under Franchise Agreements you sign with us.

#### **Item 14** **PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION**

No patents or patent applications are material to the franchise. We and our affiliates claim copyrights in the Operations Manual (containing our trade secrets and Confidential Information), Restaurant blueprints and other design features, signage, advertising and marketing materials, our System Website, and similar items used in operating POLLO CAMPERO Restaurants. We and our affiliates have not registered these copyrights with the United States Copyright Office but currently need not do so to protect them. You may use copyrighted items only as we specify while operating your Restaurant (and must stop using them at our direction). You have no other rights under the Franchise Agreement with respect to a copyrighted item if we require you to modify or discontinue using the subject matter covered by the copyright.

There currently are no effective adverse material determinations of the USPTO, the United States Copyright Office, or any court regarding the copyrighted materials. The license agreement described in Item 13 also covers copyrights and other intellectual property.

We do not actually know of any infringing uses of our copyrights that could materially affect your using them in any state. We need not protect or defend copyrights, although we intend to do so if in the system's best interests. We may control any action we choose to bring, even if you voluntarily bring the matter to our attention. You must follow any instructions we give you. We need not participate in your defense of and/or indemnify you for damages or expenses incurred in a copyright proceeding.

Our Operations Manual and other materials contain our and our affiliates' Confidential Information (some of which are trade secrets under applicable law). Confidential Information includes layouts, designs, and other Plans for POLLO CAMPERO Restaurants; methods, formats, specifications, standards, systems, procedures, sales and marketing techniques, and knowledge and experience used in developing and operating POLLO CAMPERO Restaurants; marketing research and promotional, marketing, and advertising programs for POLLO CAMPERO Restaurants;

strategic plans, including expansion strategies and targeted demographics; knowledge of specifications for and suppliers of, and methods of ordering, certain Operating Assets, products, materials, and supplies that POLLO CAMPERO Restaurants use and sell; knowledge of operating results and financial performance of POLLO CAMPERO Restaurants other than your Restaurant; customer solicitation, communication, and retention programs, along with data and information used or generated in connection with those programs; and information generated by, or used or developed in, operating your Restaurant, including Consumer Data, and any other information contained in the Computer System or that visitors (including you) provide to the System Website. You must comply with all laws governing the use, protection, and disclosure of Consumer Data.

If there is a data security incident at the Restaurant, you must notify us immediately, specify the extent to which Consumer Data was compromised or disclosed, and comply and cooperate with our instructions for addressing the data security incident in order to protect Consumer Data and the POLLO CAMPERO Restaurant brand (including giving us or our designee access to your Computer System, whether remotely or at the Restaurant).

You may not use Confidential Information in an unauthorized manner. You must take reasonable steps to prevent its improper disclosure to others and use non-disclosure agreements with those having access to Confidential Information. We have the right to pre-approve your non-disclosure agreements solely to ensure that you adequately protect Confidential Information and the competitiveness of POLLO CAMPERO Restaurants. Under no circumstances will we control the forms or terms of employment agreements you use with Restaurant employees or otherwise be responsible for your labor relations or employment practices.

You must promptly disclose to us all ideas, concepts, techniques, or materials relating to a POLLO CAMPERO Restaurant (“Innovations”), whether or not protectable intellectual property and whether created by or for you or your owners, employees, or contractors. Innovations belong to and are works made-for-hire for us. If any Innovation does not qualify as a “work made-for-hire” for us, you assign ownership of and all related rights to that Innovation to us and must sign (and cause your owners, employees, and contractors to sign) whatever assignment or other documents we periodically request to evidence our ownership and to help us obtain intellectual property rights in the Innovation. You may not use any Innovation in operating the Restaurant without our prior written approval.

The Incentive Program DRR does not grant you rights to use any intellectual property. These rights arise only under Franchise Agreements you sign with us.

**Item 15**  
**OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION  
OF THE FRANCHISE BUSINESS**

Brand Standards may require adequate staffing levels for the Restaurant to operate in compliance with Brand Standards and address appearance of Restaurant personnel and courteous service to customers. However, you have sole responsibility and authority for your labor relations and employment practices, including, among other things, employee selection, promotion, termination, hours worked, rates of pay, benefits, work assigned, discipline, adjustment of grievances and complaints, and working conditions.

You must designate one of your individual owners with at least a 10% ownership interest in you to serve as your “Managing Owner.” We must approve the proposed Managing Owner or any change in the Managing Owner. The Managing Owner is responsible for managing your Restaurant. The Managing Owner will communicate with us directly regarding Restaurant-related matters and must have sufficient authority to make business decisions for you and the Restaurant. The Managing Owner’s decisions will be final and will bind you. The Managing Owner must successfully complete certain portions of our initial training program.

You also must designate an individual, who need not have an ownership interest in you, to be the Restaurant’s “Operator” (although the Managing Owner also may be the Operator). The Operator is responsible for the Restaurant’s overall operation on a day-to-day basis and implements the Managing Owner’s decisions. The Operator must successfully complete initial training 30 days before you open the Restaurant to the public. If the Operator fails to complete initial training to our satisfaction, you must appoint another individual to serve as the Operator, and that individual must complete initial training to our satisfaction.

The Restaurant must have at least 3 fully-trained managers, including the Operator. The Operator is responsible for each Restaurant manager’s performance. A Restaurant manager need not have an equity interest in you or the Restaurant. Restaurant managers (if not also the Operator) and your officers and directors must sign confidentiality and other agreements (including non-compete agreements) we specify or pre-approve (if applicable law allows). Our right to pre-approve your forms is solely to protect Confidential Information and the competitiveness of POLLO CAMPERO Restaurants. Under no circumstances will we control the forms or terms of employment agreements you use with Restaurant employees or otherwise be responsible for your labor relations or employment practices.

If there will be a change in the Managing Owner or Operator, you must find a new individual for that role and appoint the replacement Managing Owner or Operator within 30 days after the former Managing Owner’s or Operator’s last day. The replacement Managing Owner or Operator must satisfactorily complete training within the timeframe we specify.

Each of your owners with at least a 10% ownership interest in you, or in an entity directly or indirectly owning at least a 10% ownership interest in you, and any other owner we designate must personally guarantee all of your obligations under the Franchise Agreement and agree to be bound personally by every contractual provision—whether containing monetary or non-monetary obligations—including the covenant not to compete. This “Guaranty and Assumption of Obligations” is Exhibit B-1 in the Franchise Agreement. Each other owner must sign an “Owner’s Undertaking of Non-Monetary Obligations” (Exhibit B-2 in the Franchise Agreement) undertaking to be bound personally by specific non-monetary provisions in the Franchise Agreement. A spouse of one of your owners need not sign our Guaranty and Assumption of Obligations unless that spouse also has an ownership interest in you.

## **Item 16** **RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL**

The Restaurant must offer for sale all products and services we periodically specify. The Restaurant may not offer, sell, or otherwise distribute at the Restaurant premises or another

location any products or services we have not authorized. There are no limits on our right to modify the products and services your Restaurant must or may offer and sell. We may change such products and services from time to time and from market to market based on numerous considerations. Brand Standards may regulate (to the extent the law allows) maximum, minimum, or other pricing requirements for products and services the Restaurant sells, including requirements for national, regional, and local promotions, special offers, and discounts in which some or all POLLO CAMPERO Restaurants must participate and price advertising policies. Brand Standards also may regulate delivery and catering services, including your obligation to deliver products to customers, to engage with third-party-food-ordering and delivery systems, and to ring up and account for delivery and catering charges not included in the price of products only in the manner we permit.

Your right to operate the Restaurant is limited to products prepared and sold, and services provided, at the Restaurant’s physical location. It does not include the right to distribute products and services over the Internet, on a wholesale basis (for resale to another retailer or wholesaler), or through other supply or distribution channels (for example, unapproved mobile apps, catalog sales, mail-order sales, infomercials, or telemarketing). However, you may deliver the Restaurant’s products away from the Restaurant’s location for catering purposes using employed delivery staff, and may use third-party-delivery services, if you comply with all Brand Standards for catering and delivery services. Those Brand Standards may include, among other things, limitations on where or how far away from your Restaurant you may deliver those products and requirements for using third-party-delivery services. Under no circumstances may you provide catering services or otherwise deliver the Restaurant’s products within another franchisee’s area of protection. There otherwise are no limits on the customers to whom your Restaurant may sell products.

**Item 17**

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

**THE FRANCHISE RELATIONSHIP**

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

<b>Provision</b>	<b>Section in franchise or other agreement</b>	<b>Summary</b>
a. Length of the franchise term	3.B of Franchise Agreement and 2 and 3 of Incentive Program DRR	Starts on date Franchise Agreement is signed and expires 10 years from Restaurant’s scheduled opening date.  Incentive Program DRR term depends on development obligations.
b. Renewal or extension of the term	17 of Franchise Agreement	If you are in good standing, you potentially may acquire 2 successor franchises—each for 10 years—on our then-current terms.  No renewal or extension of Incentive Program DRR.

<b>Provision</b>	<b>Section in franchise or other agreement</b>	<b>Summary</b>
c. Requirements for franchisee to renew or extend	17 of Franchise Agreement	You timely request business review; substantially complied with contractual obligations and operated Restaurant in substantial compliance with Brand Standards; remodel/upgrade Restaurant; sign then-current form of franchise agreement and releases (if applicable state law allows); and pay successor franchise fee. Terms of new franchise agreement that you sign for successor franchise may differ materially from any and all terms contained in your original expiring Franchise Agreement (including higher fees and a modified or smaller Area of Protection).
d. Termination by franchisee	18.A of Franchise Agreement	If we breach Franchise Agreement and do not cure default within applicable cure period after notice from you; you may not terminate without cause.
e. Termination by franchisor without cause	18.B of Franchise Agreement	We may not terminate your Franchise Agreement (or development rights) without cause.
f. Termination by franchisor with cause	18.B of Franchise Agreement and 8 of Incentive Program DRR	We may terminate your Franchise Agreement (and development rights) only if you or your owners commit one of several violations.  While termination of the Incentive Program DRR does not impact any then-effective franchise agreement, termination of a franchise agreement entitles us to terminate the Incentive Program DRR.
g. “Cause” defined — curable defaults	18.B of Franchise Agreement	You have 5 days to cure monetary and insurance defaults and defaults under any note, lease, or material agreement; 10 days to satisfy unpaid judgments of at least \$25,000; 30 days to pay suppliers and to cure other defaults not listed in (h) below; and 60 days to vacate attachment, seizure, or levy of Restaurant or appointment of receiver, trustee, or liquidator. You must immediately begin correcting violations of material law and correct them within the time the law specifies.  While termination of the Incentive Program DRR does not impact any then-effective franchise agreement, termination of a franchise agreement entitles us to terminate the Incentive Program DRR.

<b>Provision</b>	<b>Section in franchise or other agreement</b>	<b>Summary</b>
h. "Cause" defined — non-curable defaults	18.B of Franchise Agreement and 8 of Incentive Program DRR	<p>Non-curable defaults include: material misrepresentation or omission; failure to complete initial training to our satisfaction; failure to find and secure acceptable Restaurant site by deadline; failure to develop and open Restaurant (with fully-trained staff) by deadline; abandonment or failure to operate for more than 3 consecutive days; unapproved transfer; felony conviction or guilty plea; dishonest, unethical, or immoral conduct adversely impacting our Marks; foreclosure on Restaurant's assets; misuse of confidential information; violation of non-compete; material underreporting of Gross Sales; disabling Restaurant's computer system; closing bank account from which we debit funds without first setting up new account; failure to pay taxes due; repeated defaults; assignment for benefit of creditors or admission of inability to pay debts when due; violation of anti-terrorism laws; losing rights to Restaurant premises; causing or contributing to a data security incident or failure to comply with requirements to protect Consumer Data; or we send notice of termination under another franchise agreement with you or your affiliates, or you or your affiliates terminate another franchise agreement with us without cause.</p> <p>We may terminate Incentive Program DRR if you do not meet development schedule or other obligations; if Franchise Agreement or another franchise agreement between us and you (or your affiliated entity) is terminated by us for cause or by you for any or no reason; or if we deliver formal written notice of default to you (or your affiliated entity) under Franchise Agreement or another franchise agreement between us and you (or your affiliated entity) and that default is not cured within required timeframe. However, termination of the Incentive Program DRR does not impact any then-effective franchise agreement.</p>

<b>Provision</b>	<b>Section in franchise or other agreement</b>	<b>Summary</b>
i. Franchisee’s obligations on termination/nonrenewal	18.C and 19 of Franchise Agreement	Obligations include paying outstanding amounts; complete de-identification; returning confidential information; returning or destroying (at our option and at your own cost) branded materials and proprietary items; assigning telephone and telecopy numbers and directory listings; and cease using Digital Marketing and Social Media associating you with us or the Marks (also see (o) and (r) below); we may control de-identification process if you do not voluntarily take required action; we may assume Restaurant’s management while deciding whether to buy Restaurant’s assets.
j. Assignment of contract by franchisor	16.A of Franchise Agreement	No restriction on our right to assign; we may assign without your approval.
k. “Transfer” by franchisee — defined	16.B of Franchise Agreement	Includes transfer of (i) Franchise Agreement; (ii) Restaurant or its profits, losses, or capital appreciation; (iii) all or substantially all Operating Assets; or (iv) ownership interest in you or controlling ownership interest in entity with ownership interest in you. Also includes pledge of Franchise Agreement or ownership interest.
l. Franchisor approval of transfer by franchisee	16.B of Franchise Agreement and 9 of Incentive Program DRR	We must approve all transfers; no transfer without our prior written consent.  Your development rights under Incentive Program DRR are not assignable.
m. Conditions for franchisor approval of transfer	16.C of Franchise Agreement	We will approve transfer of non-controlling ownership interest in you if transferee (and each owner) qualifies and meets our then-applicable standards for non-controlling owners, is not (and has no affiliate) in a competitive business, signs our then-current form of guaranty (or, if applicable, Owner’s Undertaking of Non-Monetary Obligations), and pays transfer fee.  When there is transfer of franchise rights or controlling ownership interest, we will not unreasonably withhold our approval if: transferee (and each owner) qualifies (including, if transferee is an existing franchisee, transferee is in substantial operational compliance under all other franchise agreements for POLLO CAMPERO Restaurants) and is not restricted by another agreement from moving forward with the transfer; you have paid us and our affiliates all amounts due, have submitted all reports, and are

Provision	Section in franchise or other agreement	Summary
		not then in breach; transferee and its owners and affiliates are not in a competitive business; training completed; transfer fee paid; transferee may occupy Restaurant's site for expected franchise term; transferee (at our option) assumes your Franchise Agreement or signs our then-current form of franchise agreement and other documents for unexpired portion of your original franchise term (then-current form may have materially different terms, except that your original Royalty and Brand Fund contribution levels and the Area of Protection will remain the same for unexpired portion of your original franchise term); transferee agrees to repair and upgrade; you (and transferring owners) sign general release (if applicable state law allows); we determine that sales terms and financing will not adversely affect Restaurant's operation post-transfer; you subordinate amounts due to you; and you stop using Marks and our other intellectual property (also see (r) below).
n. Franchisor's right of first refusal to acquire franchisee's business	16.G of Franchise Agreement	We may match any offer for your Restaurant or ownership interest in you or entity that controls you.
o. Franchisor's option to purchase franchisee's business	19.F of Franchise Agreement	We may buy Restaurant's assets at fair market value and take over site after Franchise Agreement is terminated or expires (without renewal).
p. Death or disability of franchisee	16.E of Franchise Agreement	Must transfer to approved party (which may include immediate family member) within 6 months; we may operate Restaurant in interim if it is not then managed properly.
q. Non-competition covenants during the term of the franchise	12 of Franchise Agreement	No owning interest in, performing services for, or loaning money or guaranteeing loan to competitive business, wherever located or operating; no diverting business to competitive business; and no solicitation of other franchisees for other commercial purposes. "Competitive Business" means any (a) business marketed as a "chicken restaurant," (b) restaurant or other food-service business deriving more than 20% of its revenue from selling chicken in a quick-service restaurant, casual-dining restaurant, or drive-thru establishment, or (c) business granting franchises or licenses to others to operate the type of businesses described in clauses (a) or (b).

<b>Provision</b>	<b>Section in franchise or other agreement</b>	<b>Summary</b>
r. Non-competition covenants after the franchise is terminated or expires	19.E of Franchise Agreement	For 2 years after franchise term, no owning interest in or performing services for Competitive Business located or operating at Restaurant’s site, within former Area of Protection, or within 5 miles of physical location of another POLLO CAMPERO Restaurant (same restrictions apply after transfer).
s. Modification of the agreement	21.K of Franchise Agreement	No modifications generally, but we may change Operations Manual and Brand Standards.
t. Integration/merger clause	21.M of Franchise Agreement	Only terms of Franchise Agreement and other related written agreements are binding (subject to applicable state law). No other representations or promises will be binding. Nothing in the Franchise Agreement or in any other related written agreement is intended to disclaim representations made in this franchise disclosure document.
u. Dispute resolution by arbitration or mediation	21.F of Franchise Agreement	We and you must arbitrate all disputes within 10 miles of where we (or then-current franchisor) have our principal business address when the arbitration demand is filed (it currently is in Dallas, Texas).
v. Choice of forum	21.H of Franchise Agreement	Subject to arbitration requirements, litigation must be (with limited exception) in courts closest to where we (or then-current franchisor) have our principal business address when the action is commenced (it currently is in Dallas, Texas) (subject to applicable state law).
w. Choice of law	21.G of Franchise Agreement	Federal law and Florida law govern (subject to state law).

**Item 18**  
**PUBLIC FIGURES**

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

**Item 19**  
**FINANCIAL PERFORMANCE REPRESENTATIONS**

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

This financial performance representation contains actual, historical average,<sup>1</sup> median,<sup>2</sup> and high/low annual Gross Sales information during the 2024 Fiscal Year (from January 1, 2024, to December 31, 2024) for (1) all POLLO CAMPERO Restaurants (both franchised and owned by our affiliates), (2) separately for all franchised POLLO CAMPERO Restaurants, and (3) separately for all affiliate-owned POLLO CAMPERO Restaurants, that were open for business in the United States during the entire 2024 Fiscal Year (that is, open at both the beginning and the end of the 2024 Fiscal Year).

As defined more fully in Item 6 of this disclosure document, “Gross Sales” means the aggregate amount of all revenue and other consideration generated from any source, including from selling products, services, and merchandise (including delivery charges paid for deliveries made by the Restaurant’s employed staff), but excluding federal, state, or municipal sales, use, or service taxes collected from customers and paid to the appropriate taxing authority (and after deducting coupons/promotions and voids).

The actual average annual Gross Sales during the 2024 Fiscal Year for all POLLO CAMPERO Restaurants in the system in the United States that were open for operation during the entire 2024 Fiscal Year, including both franchised and affiliate-owned Restaurants, were \$3,242,596. All Restaurants that were open during the entire 2024 Fiscal Year are included, even if their ownership changed during that time period. The total number of Restaurants included in this average was 90 (75 owned by our affiliates and 15 franchised). The number of franchised Restaurants open for operation during the entire 2024 Fiscal Year whose actual Gross Sales exceeded the \$3,242,596 average during the 2024 Fiscal Year totaled 9 (60.0%). The number of affiliate-owned Restaurants open for operation during the entire 2024 Fiscal Year whose actual 2024 Gross Sales exceeded the \$3,242,596 average during the 2024 Fiscal Year totaled 28 (37.3%). (The results of two affiliate-owned “ghost kitchen” locations that operated during the entire 2024 Fiscal Year are excluded from this Item 19 because a “ghost kitchen” is a type of non-traditional venue for which we do not offer franchises.)

The actual median annual Gross Sales during the 2024 Fiscal Year for all POLLO CAMPERO Restaurants in the system in the United States that were open for operation during the entire 2024 Fiscal Year, including both franchised and affiliate-owned Restaurants, were \$3,011,175. The Restaurant with the highest annual Gross Sales during the 2024 Fiscal Year had Gross Sales of \$8,831,243. The Restaurant with the lowest annual Gross Sales during the 2024 Fiscal Year had Gross Sales of \$679,375.

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<sup>1</sup> Average annual Gross Sales are calculated by dividing total Gross Sales during the entire 2024 Fiscal Year for all Restaurants in the particular grouping that were open for operation during the entire 2024 Fiscal Year by the number of Restaurants in the particular grouping that were open for operation during the entire 2024 Fiscal Year.

<sup>2</sup> Median annual Gross Sales represent the middle annual Gross Sales figure during the 2024 Fiscal Year for all Restaurants in the particular grouping that were open for operation during the entire 2024 Fiscal Year, with an equal number of Restaurants with Gross Sales above and below that figure.

The Gross Sales information for franchised Restaurants was obtained from weekly royalty reports submitted to us by franchisees and information we polled from point-of-sale systems in the Restaurants. We have not independently audited that information. The franchised Restaurants that were open for operation during the entire 2024 Fiscal Year and whose average Gross Sales during the 2024 Fiscal Year are reported above are substantially similar to the Restaurant franchises we currently offer. (Two new franchised Restaurants that opened during the 2024 Fiscal Year are excluded from this Item 19 because they were not open for the full 2024 Fiscal Year.)

The actual average annual Gross Sales during the 2024 Fiscal Year for the 15 franchised POLLO CAMPERO Restaurants open for operation during the entire 2024 Fiscal Year were \$3,526,031. The number of franchised Restaurants open for operation during the entire 2024 Fiscal Year whose actual Gross Sales exceeded this \$3,526,031 franchised Restaurant average during the 2024 Fiscal Year totaled 7 (46.7%). The actual median annual Gross Sales during the 2024 Fiscal Year for the 15 franchised POLLO CAMPERO Restaurants open for operation during the entire 2024 Fiscal Year were \$3,524,622. The franchised Restaurant with the highest annual Gross Sales during the 2024 Fiscal Year had Gross Sales of \$5,467,952. The franchised Restaurant with the lowest annual Gross Sales during the 2024 Fiscal Year had Gross Sales of \$679,375.

The actual average annual Gross Sales during the 2024 Fiscal Year for our affiliates' 75 POLLO CAMPERO Restaurants open for operation during the entire 2024 Fiscal Year were \$3,185,910 (Excluded from this Item 19 are 27 new affiliate-owned Restaurants that opened during the 2024 Fiscal Year and therefore were not open for the full 2024 Fiscal Year, and the 2 affiliate-owned ghost kitchens referenced above.) The number of affiliated Restaurants open for operation during the entire 2024 Fiscal Year whose actual Gross Sales exceeded this \$3,185,910 affiliated Restaurant average during the 2024 Fiscal Year totaled 29 (38.7%). The actual median annual Gross Sales during the 2024 Fiscal Year for our affiliates' 75 POLLO CAMPERO Restaurants open for operation during the entire 2024 Fiscal Year were \$2,978,746. The affiliate-owned Restaurant with the highest annual Gross Sales during the 2024 Fiscal Year had Gross Sales of \$8,831,243. The affiliate-owned Restaurant with the lowest annual Gross Sales during the 2024 Fiscal Year had Gross Sales of \$1,198,061. The Gross Sales information for affiliate-owned Restaurants was obtained from restaurant-specific reports, consolidated financial statements, and other information provided by our affiliates.

*[Table appears on next page]*

		January 1, 2024, to December 31, 2024
Franchised	No. of Restaurants	15
	Average Gross Sales	\$3,526,031
	Number & Percentage of Restaurants Above Average	7 / 46.7%
	Median Gross Sales	\$3,524,622
	Low/High Gross Sales	\$679,375 / \$5,467,952
Company- Operated	No. of Restaurants	75
	Average Gross Sales	\$3,185,910
	Number & Percentage of Restaurants Above Average	29 / 38.7%
	Median Gross Sales	\$2,978,746
	Low/High Gross Sales	\$1,198,061 / \$8,831,243
Combined Franchise & Company- Operated	No. of Restaurants	90
	Average Gross Sales	\$3,242,596
	Number & Percentage of Restaurants Above Average	37 / 41.1%
	Median Gross Sales	\$3,011,175
	Low/High Gross Sales	\$679,375 / \$8,831,243

The actual annual Gross Sales numbers reported above do not reflect the costs of sales, operating expenses, or other costs or expenses that must be deducted from the Gross Sales figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your POLLO CAMPERO Restaurant. Franchisees or former franchisees, listed in this disclosure document, may be one source of this information.

This financial performance representation was prepared without an audit. Written substantiation of all financial information presented in this financial performance representation will be made available to you upon reasonable request.

**Some POLLO CAMPERO Restaurants have sold this amount. Your individual results may differ. There is no assurance that you will sell as much.**

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 Luis Javier Rodas, Executive President, Campero USA

Corp., 12404 Park Central Drive, Suite 250N, Dallas, Texas 75251, (972) 770-2800, the Federal Trade Commission, and the appropriate state regulatory agencies.

**Item 20**  
**OUTLETS AND FRANCHISEE INFORMATION**

All figures in the tables below are as of December 31 of each year. The “Company-Owned” outlets are owned by our affiliates.

Table No. 1  
**Systemwide Outlet Summary**  
**For years 2022 to 2024**

Column 1 Outlet Type	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets at the End of the Year	Column 5 Net Change
Franchised	2022	17	11	-6
	2023	11	15	+4
	2024	15	17	+2
Company-Owned	2022	64	74	+10
	2023	74	77	+3
	2024	77	104	+27
Total Outlets	2022	81	85	+4
	2023	85	92	+7
	2024	92	121	+29

Table No. 2  
**Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)**  
**For years 2022 to 2024**

Column 1 State	Column 2 Year	Column 3 Number of Transfers
All States	2022	0
	2023	0
	2024	0

Column 1	Column 2	Column 3
State	Year	Number of Transfers
Total	2022	0
	2023	0
	2024	0

Table No. 3

**Status of Franchised Outlets  
For years 2022 to 2024**

Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7	Col. 8	Col. 9
State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations- Other Reasons	Outlets at End of the Year
Georgia	2022	3	0	0	0	1	0	2
	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
Louisiana	2022	0	0	0	0	0	0	0
	2023	0	1*	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Maryland	2022	1	0	0	0	1	0	0
	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
Minnesota	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Nevada	2022	2	0	0	0	2	0	0
	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
New Jersey	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
New York	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
North Carolina	2022	2	1	0	0	0	0	3
	2023	3	0	0	0	0	0	3
	2024	3	0	0	0	0	0	3

Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7	Col. 8	Col. 9
State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations- Other Reasons	Outlets at End of the Year
Oklahoma	2022	1	0	0	0	0	0	1
	2023	1	2	0	0	0	0	3
	2024	3	0	0	0	0	0	3
South Carolina	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
Tennessee	2022	1	0	0	0	0	0	1
	2023	1	1	0	0	0	0	2
	2024	2	1	0	0	0	0	3
Texas	2022	2	0	0	0	1	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Virginia	2022	2	0	0	0	2	0	0
	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
Totals	2022	17	1	0	0	7	0	11
	2023	11	4*	0	0	0	0	15
	2024	15	2	0	0	0	0	17

\*A franchisee acquired a Restaurant in Louisiana from our affiliate.

Table No. 4

**Status of Company-Owned Outlets  
For years 2022 to 2024**

Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7	Col. 8
State	Year	Outlets at Start of the Year	Outlets Opened	Outlets Reacquired From Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
Arkansas	2022	1	0	0	0	0	1
	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1

Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7	Col. 8
State	Year	Outlets at Start of the Year	Outlets Opened	Outlets Reacquired From Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
California	2022	18	4	0	1	0	21
	2023	21	1	0	1	0	21
	2024	21	6	0	0	0	27
Florida	2022	2	0	0	0	0	2
	2023	2	2	0	0	0	4
	2024	4	8	0	0	0	12
Georgia	2022	0	0	1	0	0	1
	2023	1	1	0	0	0	2
	2024	2	0	0	0	0	2
Illinois	2022	1	1	0	0	0	2
	2023	2	0	0	0	0	2
	2024	2	1	0	0	0	3
Louisiana	2022	1	0	0	0	0	1
	2023	1	0	0	0	1	0
	2024	0	0	0	0	0	0
Maryland	2022	5	0	1	0	0	6
	2023	6	0	0	0	0	6
	2024	6	2	0	0	0	8
Massachusetts	2022	2	0	0	0	0	2
	2023	2	0	0	0	0	2
	2024	2	0	0	0	0	2
Nevada	2022	0	0	2	0	0	2
	2023	2	0	0	0	0	2
	2024	2	1	0	0	0	3

Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7	Col. 8
State	Year	Outlets at Start of the Year	Outlets Opened	Outlets Reacquired From Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
New Jersey	2022	3	0	0	0	0	3
	2023	3	0	0	0	0	3
	2024	3	0	0	0	0	3
New York	2022	8	0	0	0	0	8
	2023	8	2	0	0	0	10
	2024	10	5	0	0	0	15
Rhode Island	2022	1	0	0	0	0	1
	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
Texas	2022	16	0	1	1	0	16
	2023	16	1	0	2	0	15
	2024	15	4	0	0	0	19
Virginia	2022	5	0	2	0	0	7
	2023	7	0	0	0	0	7
	2024	7	0	0	0	0	7
Washington, DC	2022	1	0	0	0	0	1
	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
Totals	2022	64	5	7	2	0	74
	2023	74	7	0	3	1	77
	2024	77	27	0	0	0	104

Table No. 5

**Projected Openings as of December 31, 2024**

Column 1	Column 2	Column 3	Column 4
State	Franchise Agreements Signed But Outlets Not Opened	Projected New Franchised Outlets In the Next Fiscal Year	Projected New Company-Owned Outlets In the Next Fiscal Year
Arizona	2	1	0
California	0	0	9
Florida	0	0	10
Georgia	0	0	1
Illinois	0	0	2
Louisiana	1	1	0
Maryland	0	0	3
Minnesota	1	1	0
New York	0	0	3
North Carolina	1	1	0
Pennsylvania	2	2	0
Rhode Island	0	0	1
Tennessee	1	0	0
Texas	0	0	3
Virginia	0	0	3
Total	8	6	35

Exhibit D is a list of our franchisees as of December 31, 2024. Exhibit E is a list of our franchisees that had POLLO CAMPERO Restaurants terminated, canceled, or not renewed, or that otherwise voluntarily or involuntarily ceased doing business under our Franchise Agreement or Development Agreement, during our last fiscal year or that have not communicated with us within 10 weeks of this disclosure document's issuance date. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

During the last 3 fiscal years, no current or former franchisees signed confidentiality clauses restricting them from discussing with you their experiences as a franchisee in our franchise system.

For information about the National Advisory Council that we formed in March 2009 (consisting of 3 franchisee members), please contact Luis Javier Rodas, our Executive President, at our corporate office (the Council does not have its own contact address or telephone number). Other than this National Advisory Council, there are no trademark-specific franchisee organizations associated with the POLLO CAMPERO Restaurant franchise system.

## **Item 21** **FINANCIAL STATEMENTS**

Exhibit C contains the audited consolidated financial statements of Campero, Inc. & Subsidiaries, our direct parent company, for the fiscal years ended December 31, 2024, December 31, 2023, and December 31, 2022, and Campero, Inc. & Subsidiaries' unaudited consolidated balance sheet as of June 30, 2025, unaudited consolidated statements of operations for the 6-month fiscal period ending June 30, 2025, and unaudited consolidated statement of cash flow for the 6-month fiscal period ending June 30, 2025. Campero, Inc. absolutely and unconditionally guarantees to assume our duties and obligations to you under the Franchise Agreement disclosed to you in this disclosure document. A copy of the Guarantee of Performance also appears in Exhibit C.

## **Item 22** **CONTRACTS**

The following contracts/documents are exhibits:

1. Franchise Agreement (Exhibit A)
2. Incentive Program Development Rights Rider to Franchise Agreement (Exhibit B)
3. State-Specific Franchise Agreement Riders (Exhibit H)
4. Participant Agreement (Exhibit I)
5. Sample General Release (Exhibit J)
6. Franchisee Representations (Exhibit K)

## **Item 23** **RECEIPTS**

Our and your copies of the Franchise Disclosure Document Receipt are located at the last 2 pages of this disclosure document.

**EXHIBIT A**

**FRANCHISE AGREEMENT**

A

**CAMPERO USA CORP.**  
**FRANCHISE AGREEMENT**

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FRANCHISEE NAME

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RESTAURANT ADDRESS

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## **EXHIBITS**

Exhibit A – Basic Terms

Exhibit B-1 – Guaranty and Assumption of Obligations

Exhibit B-2 – Owner’s Undertaking of Non-Monetary Obligations

Exhibit C – Franchisee and Its Owners

Exhibit D – Lease Rider

Exhibit E – Sample Form of Confidentiality Agreement

Exhibit F – Authorization Agreement for Preauthorized Payments

**CAMPERO USA CORP.**  
**FRANCHISE AGREEMENT**

This Franchise Agreement (this “**Agreement**”) is made by and between **CAMPERO USA CORP.**, a Florida corporation whose principal business address is 12404 Park Central Drive, Suite 250N, Dallas, Texas 75251 (“**we**,” “**us**,” or “**our**”), and \_\_\_\_\_, a(n) \_\_\_\_\_ (“**you**” or “**your**”). This Agreement is effective as of the date we sign it, which is set forth next to our signature at the end of this Agreement (the “**Effective Date**”).

**1. Preambles**

We and certain of our affiliates have created, designed, and developed a fast-casual restaurant brand identified by the Marks (defined below) that currently offers and sells uniquely-flavored chicken products, other food products, and beverages. We and our affiliates currently use, promote, and license certain trademarks, service marks, and other commercial symbols for our restaurant brand, including “**POLLO CAMPERO®**,” and from time to time may create, use, and license new trademarks, service marks, and commercial symbols (collectively, the “**Marks**”). An affiliate of ours currently owns the Marks, the Confidential Information (defined in Section 9 below), and all aspects of our branded system and licenses that intellectual property to us for use in our franchise program for **POLLO CAMPERO Restaurants** (“**POLLO CAMPERO Restaurants**”).

We offer and grant franchises to operate a **POLLO CAMPERO Restaurant** using the **POLLO CAMPERO** business system, business formats, methods, procedures, designs, layouts, trade dress, standards, specifications, and Marks, all of which we and our affiliates periodically may improve, further develop, and otherwise modify (collectively, the “**Franchise System**”).

You have applied for a franchise to operate a **POLLO CAMPERO Restaurant**, and we are willing to grant you the franchise on the terms and conditions contained in this Agreement.

**2. Acknowledgments**

You acknowledge that:

- i. Attracting customers for your **POLLO CAMPERO Restaurant** will require consistent marketing efforts in your community, including through media advertising, on-line advertising, social-media marketing and networking, and display and use of in-Restaurant promotional materials.
- ii. Retaining customers for your **POLLO CAMPERO Restaurant** will require you to maintain the premises, provide high quality products and services, and adhere strictly to the Franchise System and Brand Standards (defined in Section 6.G below and categorized in Section 7.C below).
- iii. You are committed to maintaining Brand Standards.

- iv. Our officers, directors, employees, consultants, lawyers, and agents act only in a representative, and not in an individual, capacity when dealing with you, and their business dealings with you as a result of this Agreement therefore are considered to be only between you and us.
- v. All application and qualification materials you gave us about you and your owners to acquire this franchise were accurate and complete.
- vi. We make no commitment about the extent to which we and our affiliates will continue developing and expanding the POLLO CAMPERO Restaurant network.

**The acknowledgments in clauses (vii) through (xiv) below apply to all franchisees and franchises except not to any franchisees and franchises that are subject to the state franchise registration/disclosure laws in California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.**

- vii. Other than disclosures in our franchise disclosure document, you have not received from us or our affiliates and are not relying upon any representations or guarantees, express or implied, of a POLLO CAMPERO Restaurant's potential volume, sales, income, or profits.
- viii. You read this Agreement and our franchise disclosure document and understand and accept that this Agreement's terms and covenants are reasonably necessary for us to maintain high product quality and service standards (and the uniformity of those standards at each POLLO CAMPERO Restaurant) and to protect and preserve the goodwill of the Marks.
- ix. You independently investigated the POLLO CAMPERO Restaurant franchise opportunity and recognize that, like any other business, the nature of the Restaurant's business may, and probably will, evolve and change over time.
- x. Investing in a POLLO CAMPERO Restaurant involves business risks that could result in your losing a significant portion or all of your investment.
- xi. Your business abilities and efforts are vital to your success.
- xii. We have not made any representation, warranty, or other claim regarding this POLLO CAMPERO Restaurant franchise opportunity other than those made in this Agreement and our franchise disclosure document, and you independently evaluated this opportunity.
- xiii. You had an opportunity to ask questions and to review materials of interest to you concerning the POLLO CAMPERO Restaurant franchise opportunity.
- xiv. You had an opportunity, and we encouraged you, to have an attorney or other professional advisor review this Agreement and all other materials we gave or made available to you.

### 3. Grant of Franchise

#### A. Grant of Franchise

Subject to this Agreement's terms, we grant you the right, and you commit, to operate a POLLO CAMPERO Restaurant at the address identified on Exhibit A (the "**Restaurant**") using the Franchise System and the Marks. (If the Restaurant's address is unknown as of the Effective Date, the address will be determined as provided in Section 4.A and then listed on an amended and restated Exhibit A we will give you.) Except as provided in this Agreement, your right to operate the Restaurant is limited to products prepared and sold, and services provided, at the Restaurant's physical location. It does not include the right to distribute products and services over the Internet, on a wholesale basis (for resale to another retailer or wholesaler), or through other supply or distribution channels (for example, unapproved mobile apps, catalog sales, mail-order sales, infomercials, or telemarketing). However, you may deliver the Restaurant's products away from the Restaurant's location for catering purposes using employed delivery staff, and may use third-party-delivery services, if you comply with all Brand Standards for catering and delivery services. These Brand Standards may include, among other things, limitations on where or how far from your Restaurant you may deliver (such as limitations on delivery outside your Area of Protection) and requirements for using third-party-delivery services. Under no circumstances, however, may you provide catering services or otherwise deliver the Restaurant's products within another franchisee's area of protection.

#### B. Term

The franchise term (the "**Term**") begins on the Effective Date and expires ten (10) years from the Restaurant's Scheduled Opening Date. The Term is subject to earlier termination under Section 18. You agree to operate the Restaurant in compliance with this Agreement for the entire Term unless this Agreement is properly terminated under Section 18.

#### C. Territorial Rights

During the Term, we and our affiliates will not, except as provided in this Section and in Section 3.D, own or operate, or allow another franchisee or licensee to own or operate, another POLLO CAMPERO Restaurant that has its physical location within the geographical area described on Exhibit A (the "**Area of Protection**"). We may modify the Area of Protection only as provided in Exhibit A. If the Restaurant's address is unknown as of the Effective Date, we will describe the Area of Protection on an amended and restated Exhibit A we will send you after we accept and you secure the Restaurant's site as provided in Section 4.A.

The Area of Protection will always be defined and deemed to exclude any and all Non-Traditional Venues physically located within the Area of Protection. This means there are no restrictions whatsoever on our and our affiliates' activities in or at Non-Traditional Venues physically located within the Area of Protection, including, but not limited to, our and our affiliates' right to own and operate and grant others the right to own and operate POLLO CAMPERO Restaurants, and to engage in other foodservice operations under the Marks, at such Non-Traditional Venues. A "**Non-Traditional Venue**" means a captive-venue location, including, without limitation, airports, hospitals or medical centers, limited-access highway food facilities,

bus or train stations, entertainment and sports complexes, convention centers, military facilities, schools, colleges, and universities, office facilities, department and retail super-stores, mobile units, off-site sales accounts, convenience stores, supermarkets, shopping malls, and home-improvement retailers.

#### **D. Reservation of Rights**

Except for your location exclusivity described in Section 3.C above (which is subject to our and our affiliates' various rights with respect to Non-Traditional Venues physically located within the Area of Protection), we and our affiliates retain all rights with respect to POLLO CAMPERO Restaurants, the Marks, the sale of similar or dissimilar products and services, and any other activities we and they deem appropriate, whenever and wherever we and they desire, whether inside or outside the Area of Protection. Specifically, but without limitation, we and our affiliates reserve the following rights:

- i. to own and operate, and to allow other franchisees and licensees to own and operate, POLLO CAMPERO Restaurants at any physical locations outside the Area of Protection (including at the boundary of the Area of Protection) and on any terms and conditions we and they deem appropriate;
- ii. to offer and sell, and to allow others to offer and sell, both inside and outside the Area of Protection, and on any terms and conditions we and they deem appropriate, products and services that are identical or similar to and/or competitive with those offered and sold by POLLO CAMPERO Restaurants, whether such products and services are identified by the Marks or other trademarks or service marks, through any advertising media and distribution channels (including the Internet) other than POLLO CAMPERO Restaurants physically located within the Area of Protection;
- iii. to establish and operate, and to allow others to establish and operate, anywhere (including both inside and outside the Area of Protection) businesses offering similar products and services under trademarks and service marks other than the Marks;
- iv. to acquire the assets or ownership interests of one or more businesses offering and selling products and services similar to those offered and sold at POLLO CAMPERO Restaurants (even if such a business operates, franchises, or licenses Competitive Businesses (defined in Section 12 below)), and operate, franchise, license, or create similar arrangements for those businesses once acquired, wherever those businesses (or the franchisees or licensees of those businesses) are located or operating, including within the Area of Protection;
- v. to be acquired (whether through acquisition of assets, ownership interests, or otherwise, regardless of the transaction form) by a business offering and selling products and services similar to those offered and sold at POLLO CAMPERO Restaurants, or by another business, even if such business operates, franchises, or licenses Competitive Businesses inside or outside the Area of Protection; and

- vi. to engage in all other activities this Agreement does not expressly prohibit.

### **E. Guaranty**

The Guarantors must fully guarantee all of your financial and other obligations to us under this Agreement or otherwise arising from our franchise relationship with you, and agree personally to comply with this Agreement's terms, by executing the form of Guaranty attached as Exhibit B-1. "**Guarantors**" means each owner with at least a ten percent (10%) ownership interest in you, or in an entity directly or indirectly owning at least a ten percent (10%) ownership interest in you, and any other owner we designate as a Guarantor in Exhibit B-1. Each owner not having at least a ten percent (10%) ownership interest in you, or in an entity directly or indirectly owning at least a ten percent (10%) ownership interest in you, must sign an Owner's Undertaking of Non-Monetary Obligations, in the form attached as Exhibit B-2, undertaking to be bound personally by specific non-monetary provisions in this Agreement. Each owner's name and his, her, or its percentage ownership interest in you are set forth in Exhibit C. Subject to our rights and your obligations in Section 16, you must notify us of any change in the information in Exhibit C within ten (10) days after the change occurs.

### **F. Your Form and Structure**

As a corporation, limited liability company, or general, limited, or limited liability partnership (each, an "**Entity**"), you agree and represent that:

- i. You have the authority to execute, deliver, and perform your obligations under this Agreement and all related agreements and are duly organized or formed and validly exist in good standing under the laws of the state of your incorporation or formation;

- ii. Your organizational documents, operating agreement, or partnership agreement, as applicable, will at our request recite that this Agreement restricts the issuance and transfer of any direct or indirect ownership interests in you, and all certificates and other documents representing ownership interests in you will at our request bear a legend (the wording of which we may prescribe) referring to this Agreement's restrictions;

- iii. Your organizational documents, operating agreement, or partnership agreement, as applicable, will at our request contain a provision requiring any dissenting or non-voting interest-holders to execute all documents necessary to effectuate any action that is properly authorized under the organizational documents, operating agreement, or partnership agreement, as applicable;

- iv. Exhibit C to this Agreement completely and accurately describes all of your owners and their interests (direct or indirect) in you as of the Effective Date;

- v. Your (and your owners') execution and delivery of this Agreement and any related agreement with us (or our affiliates), and performance of your (and their) obligations under this Agreement and such other related agreements, (a) have not violated and will not violate any other agreement or commitment to which you (or they) are a party or by which you (or they) are otherwise bound, and (b) have not violated and will not violate the rights of, or duties owed to, any third party; and

vi. You may not use any Mark (in whole or in part) in, or as part of, your legal business name or email address (unless we have provided you that email address) or use any name that is the same as or similar to, or an acronym or abbreviation of, the POLLO CAMPERO name (although you may register the “assumed name” or “doing business as” name “POLLO CAMPERO” in the jurisdictions where you are formed and qualify to do business).

You may not be a trust or other special-purpose vehicle without our prior written consent.

### **G. Managing Owner**

Upon signing this Agreement, you must designate an owner holding at least ten percent (10%) of your ownership interests to serve as your managing owner (the “**Managing Owner**”). At all times during the Term, the Managing Owner must meet the following qualifications and any other standards we set forth from time to time in the Operations Manual or otherwise communicate to you:

- i. We must approve the proposed Managing Owner in writing before the Effective Date. We have the right to approve or disapprove, as we deem best, any proposed change in the individual designated as the Managing Owner. The Managing Owner must attend and successfully complete our designated Managing Owner training program.
- ii. The Managing Owner is responsible for managing your Restaurant. The Managing Owner must have sufficient authority to make business decisions for you that are essential to the Restaurant’s effective and efficient operation. The Managing Owner must communicate directly with us regarding any Restaurant-related matters (excluding matters relating to labor relations and employment practices). Your Managing Owner’s decisions will be final and will bind you, we may rely solely on the Managing Owner’s decisions without discussing the matter with another party, and we will not be liable for actions we take based on your Managing Owner’s decisions or actions.
- iii. The Managing Owner may be the Operator (defined below) or may designate another person to serve as the Operator, provided the Managing Owner ensures that the Operator fulfills all obligations under this Agreement. The Managing Owner remains fully responsible for the Operator’s performance.
- iv. If you want or need to change the individual designated as the Managing Owner, you must find a new individual (the “**Replacement Managing Owner**”) for that role in order to protect our brand. You must appoint the Replacement Managing Owner within thirty (30) days after the former Managing Owner no longer occupies that position. We must approve in writing the Replacement Managing Owner. The Replacement Managing Owner must, within the timeframe we specify, attend our designated Managing Owner training program. You are responsible for the Replacement Managing Owner’s compensation and TRE during training. As used in this Agreement, “**TRE**” means travel-related expenses of our or your personnel, as applicable. In the case of our personnel, TRE includes coach or economy airfare, local transportation

(including airport transfers), accommodations in a facility subject to our approval, meals, and a daily allowance (paid weekly) upon which we and you agree for reasonable miscellaneous expenses.

## **H. Operator**

You must designate an individual, who need not have an ownership interest in you, to be the Restaurant's operator (the "**Operator**"), although the Managing Owner also may be (as provided above) the Operator. At all times during the Term, the Operator must meet the following qualifications and any other standards we set forth from time to time in the Operations Manual or otherwise communicate to you:

- i. The Operator is responsible for the Restaurant's overall operation on a day-to-day basis and (if not the Managing Owner) will implement the Managing Owner's decisions.
- ii. The Operator must successfully complete Initial Training at least thirty (30) days before you open the Restaurant to the public. If the Operator fails to complete Initial Training to our satisfaction, you must appoint another individual to serve as the Operator, and that individual must complete Initial Training to our satisfaction.
- iii. If you want or need to change the individual designated as the Operator, you must find a new individual (the "**Replacement Operator**") for that role in order to protect our brand. You must appoint the Replacement Operator within thirty (30) days after the former Operator no longer occupies that position. The Replacement Operator must satisfactorily complete Initial Training or other training within the timeframe we specify. You must pay our then-current Replacement Operator training fee for each Replacement Operator attending Initial Training during the Term. You also are responsible for the Replacement Operator's compensation and TRE during training.

## **4. Site Selection, Lease, and Developing the Restaurant**

### **A. Site Selection and Acceptance**

If the Restaurant's address is unknown as of the Effective Date, this Section 4.A will govern the site selection and acceptance process. Within one hundred-twenty (120) days after the Effective Date (unless a different date is specified in a Development Rights Rider to which you (or your affiliate) and we are parties, which will supersede the deadlines specified in this Section 4), you must find, obtain our written acceptance of, and secure a site within the non-exclusive geographical area described in Exhibit A (the "**Site Selection Area**") at which to operate your Restaurant. The timeframe during which you must search for, propose, obtain our written acceptance of, and secure the Restaurant's site within the Site Selection Area (the "**Site Selection Period**") will expire upon the earliest of (i) our acceptance of the Restaurant's site and Lease and giving you an amended and restated Exhibit A, (ii) this Agreement's termination, or (iii) one hundred-twenty (120) days after the Effective Date (unless, as noted above, a different date is specified in a Development Rights Rider).

You must locate, evaluate, and select the Restaurant's site. We and our affiliates will not search for or select the site for you. You must use a licensed commercial real-estate broker, whom we have the right to pre-approve, during the site-selection process. We will review potential Restaurant sites that you identify within the Site Selection Area and visit the Site Selection Area once (for no additional fee) to review potential Restaurant sites. We may require you to pay Two Thousand Dollars (\$2,000) for each site visit after the first visit. We may condition our visit to and acceptance of a proposed site on your first sending us complete site reports and other materials (including, without limitation, photographs and digital recordings) we request. We will give you our then-current criteria for POLLO CAMPERO Restaurant sites, including, without limitation, population density and other demographic characteristics, visibility, traffic flow, competition, accessibility, parking, ingress and egress, size, and other physical and commercial characteristics) to help in the site-selection process.

You must submit all information we request when you propose a site, including an abstract specifying the key terms of the proposed Lease or purchase transaction. We will not unreasonably withhold our acceptance of a site if, in our and our affiliates' experience and based on the factors outlined above, the proposed site is not inconsistent with sites that we and our affiliates regard as favorable or that otherwise have been successful sites in the past for POLLO CAMPERO Restaurants. However, we have the absolute right to reject any site not meeting our criteria or to require you to acknowledge in writing that a site you prefer is accepted but not recommended due to its incompatibility with certain factors that bear on a site's suitability as a location for a POLLO CAMPERO Restaurant. We will use reasonable efforts to review and accept or reject each site you propose within thirty (30) days after we receive all requested information and materials. If we do not accept the site in writing within thirty (30) days, the site will be deemed rejected.

Our recommendation or acceptance of a site indicates only that we believe the site is not inconsistent with sites that we regard as favorable or that otherwise have been successful sites in the past for POLLO CAMPERO Restaurants. Applying criteria appearing effective with other sites might not accurately reflect the potential of all sites, and demographic or other factors included in or excluded from our criteria could change, altering a site's potential. The uncertainty and instability of these criteria are beyond our control, and we are not responsible if the particular site fails to meet your expectations. Upon acceptance of a proposed site that you have secured, we will list the accepted site's location as the Restaurant's address in Exhibit A. If you do not find and secure an acceptable Restaurant site within one hundred-twenty (120) days after the Effective Date (or a different date specified in a Development Rights Rider), we may terminate this Agreement upon written notice to you.

You may not relocate the Restaurant to a new site without our prior written consent, which we may grant or deny as we deem best. We may condition relocation approval on (1) the new site and its lease being acceptable to us, (2) your paying us a Five-Thousand Dollar (\$5,000) relocation fee and reimbursing any costs we incur during the relocation process (this does not cover our lost Royalties), (3) your confirming that this Agreement remains in effect and governs the Restaurant's operation at the new site with no change in the Term or, at our option, your signing our then-current form of franchise agreement to govern the Restaurant's operation at the new site for a new franchise term, (4) your signing a general release, in a form satisfactory to us, of any and all claims against us and our owners, affiliates, officers, directors, employees, and agents, (5) your continuing to operate the Restaurant at its original site until we authorize its closure and paying us on demand

our lost Royalties if the Restaurant closes at its original site before opening at its new site (those Royalties will equal the product of the number of days the Restaurant was closed at the original site before opening at the new site multiplied by the average daily Royalty that was due and payable to us during the twelve (12) months before the Restaurant closed at such site based on the Restaurant's Gross Sales at such site during such timeframe), and (6) your taking within the timeframe we specify, and at your own expense, all action we require to de-brand and de-identify the Restaurant's former premises so it no longer is associated in any manner (in our opinion) with the Franchise System and the Marks.

## **B. Lease Acceptance**

You must send us for our review and written acceptance, which we will not unreasonably withhold, both (i) the proposed terms (as they appear in, for example, a landlord letter of intent) of any lease or sublease (and any renewals, amendments, or extensions of the lease or sublease) (collectively, the "**Lease**") that will govern your occupancy and lawful possession of the Restaurant's site and (ii) the actual Lease, in each case after receipt from the landlord. We will have twenty (20) days after receiving the proposed Lease terms, and an additional twenty (20) days after receiving the actual Lease (these time periods will not overlap or run concurrently without our prior written approval), to review and either accept or reject what you send us. The Lease must either (i) include the Lease Rider attached to this Agreement as Exhibit D or (ii) provide within its body the Lease Rider's terms and conditions. You may not sign any Lease we have not accepted in writing. We may (but have no obligation to) guide or assist you with the leasing process but will not negotiate the Lease for you or provide any legal advice.

If we do not accept the proposed Lease terms, or the actual Lease, in writing within the applicable twenty (20)-day period after we receive them from you, the Lease terms or the Lease, as applicable, will be deemed rejected. Our guidance, assistance, and written acceptance of the Lease are not a guarantee or warranty, express or implied, of the Restaurant's success or profitability or of the Lease's suitability for your business purposes. Our acceptance indicates only that we believe the site and the Lease terms adequately protect our interests and/or the interests of other franchisees in the POLLO CAMPERO system, to the extent those interests are implicated in the Lease. You must have a signed Lease by the end of the Site Selection Period. After your Lease is executed, you must send us prior notice of any revisions to its terms that you or your landlord might propose, and we have the right to accept or reject those proposed revisions before they become effective.

## **C. Development of Restaurant**

Besides the deadline for obtaining site acceptance and signing an accepted Lease, you must, on or before either the Scheduled Opening Date specified on Exhibit A or two hundred-forty (240) days after the Effective Date, whichever is earlier (or, if earlier than either of these dates, on or before the date specified in any Development Rights Rider to which we and you (or your affiliate) are parties) (the "**Opening Deadline**"), (i) secure all financing, and obtain all permits and licenses, required to construct and operate the Restaurant (we may require you to send us evidence confirming that you have obtained binding commitments for all financing needed to develop the Restaurant), (ii) construct all required improvements to the site and decorate the Restaurant in compliance with our approved plans and specifications, (iii) purchase or lease and install all

required Operating Assets (defined below), (iv) purchase an opening inventory of required, authorized, and approved products, materials, and supplies, (v) complete all required training, and (vi) open your Restaurant for business in accordance with all requirements of this Agreement. Besides the Opening Deadline that you must satisfy, you must before then satisfy the “Construction to Begin Deadline” specified on Exhibit A. The “Construction to Begin Deadline” is defined as the deadline by which you must obtain all permits and certifications required to begin lawful construction of the Restaurant, which is one of the contractual obligations specified in clause (i) above.

You must develop the Restaurant at your expense. We will make available construction guidelines and certain mandatory and suggested specifications and layouts for a POLLO CAMPERO Restaurant (collectively, “**Plans**”), including requirements or recommendations (as applicable) for dimensions, design, interior layout, improvements, color scheme, décor, finishes, signage, and Operating Assets. All other decisions regarding the Restaurant’s development are subject to our review and prior written approval. Our Plans might not reflect the requirements of any federal, state, or local laws, codes, ordinances, or regulations (collectively, “**Laws**”), including those arising under the Americans with Disabilities Act, or any Lease requirements or restrictions. You are solely responsible for complying with all Laws and must inform us of any changes to the Restaurant’s specifications that you believe are necessary to ensure such compliance. You (and not we) are responsible for the performance of architects, contractors, and subcontractors you hire to develop and maintain the Restaurant and for ensuring that sufficient insurance coverage is in place during the construction process. We are not responsible for delays in or losses resulting from the Restaurant’s construction, equipping, or decoration, as we have no control over the landlord or architects, contractors, and subcontractors.

You must adapt the Plans for the Restaurant (the “**Adapted Plans**”) and make sure they comply with all Laws and Lease requirements and restrictions. We have the right to pre-approve the architect and general contractor you propose to use to develop the Restaurant, and to review all construction bids, before you engage those vendors. We must pre-approve in writing (i) the Adapted Plans before the Restaurant’s build-out begins and (ii) all revised or “as built” plans and specifications prepared during the Restaurant’s construction and development. Our review of the Adapted Plans is limited to reviewing compliance with our Plans. Our review is not intended or designed to assess your compliance with Laws or Lease requirements and restrictions; compliance in those areas is your responsibility. You must develop the Restaurant in accordance with the Adapted Plans we have approved. We own the Plans and all Adapted Plans. During the Restaurant’s build-out, we may physically inspect the Restaurant or require you to send us pictures and images (including recordings) of the Restaurant’s interior and exterior so we can review your development of the Restaurant in accordance with our Brand Standards.

You agree at your expense to construct, install all trade dress and Operating Assets in, and otherwise develop the Restaurant according to our standards, specifications, and directions. The Restaurant must contain all Operating Assets, and only those Operating Assets, we specify or pre-approve. You agree to place or display at the Restaurant (interior and exterior), according to our guidelines, only the signs, emblems, lettering, logos, and display materials we approve from time to time.

You agree to purchase or lease from time to time only approved brands, types, and models of Operating Assets according to our standards and specifications and, at our direction, only from one or more suppliers we designate or approve (which may include or be limited to us and/or certain of our affiliates). “**Operating Assets**” means all required furniture, fixtures, signs, and equipment (including components of and required software licenses for the Computer System (defined in Section 7.E)) we periodically require for the Restaurant you operate under this Agreement.

#### **D. Opening**

You must open the Restaurant for business on or before the Opening Deadline, provided, however, you may not do so until:

- i. we or our designee inspects and approves in writing the Restaurant as having been developed in accordance with our specifications and standards. You must give us at least thirty (30) days’ prior written notice of the Restaurant’s planned opening date and also notify us in writing when the Restaurant is ready for inspection or review. If we or our designee does not inspect or review the Restaurant within thirty (30) days after you deliver notice that the Restaurant is ready for inspection or review, or if we or our designee does not comment in writing within seven (7) business days after the inspection or review, then the Restaurant is deemed approved to open. Inspection and approval are limited to considering your compliance with our standards and specifications; our approval is not a representation that the Restaurant in fact complies with our standards and specifications or a waiver of our right to enforce any provision of this Agreement. Inspection and approval likewise are not intended or designed to assess compliance with Laws; compliance with Laws is your responsibility. We will not unreasonably withhold our approval of the Restaurant;
- ii. your Managing Owner, your Operator (which may be your Managing Owner), and two (2) Restaurant managers have completed to our satisfaction the Initial Training described in Section 6.A;
- iii. the Restaurant has sufficient employees, trained by the Managing Owner or the Operator, to manage and operate the Restaurant on a day-to-day basis in compliance with Brand Standards;
- iv. your Operator (this may be your Managing Owner) and the Restaurant’s employees have completed all required third-party certifications for the food industry (including certifications required under Laws);
- v. you have satisfied all state and federal permitting, licensing, and other legal requirements for the Restaurant’s lawful operation and, upon our request, have sent us copies of all permits, licenses, and insurance policies required by this Agreement;
- vi. all amounts due to us, our affiliates, and principal suppliers have been paid;

- vii. you are not in default under any agreement with us, our affiliates, or principal suppliers; and
- viii. you have met all other opening requirements we have established in our Operations Manual (defined in Section 6.G).

## 5. **Fees**

### **A. Initial Franchise Fee**

You must pay us a Forty-Thousand Dollar (\$40,000) initial franchise fee (the “**Initial Franchise Fee**”) when you sign this Agreement. The Initial Franchise Fee is not refundable under any circumstances. This Agreement will not be effective, and you will have no franchise rights, until we receive the Initial Franchise Fee. We will credit toward the Initial Franchise Fee any deposit you (or an affiliate) paid us under a Development Rights Rider.

### **B. Royalty**

You agree to pay us, on or before Friday of each calendar week (the “**Payment Day**”), a royalty (“**Royalty**”) equal to five percent (5%) of the Restaurant’s Gross Sales during the preceding calendar week. Each calendar week currently begins on Monday and ends on Sunday, although upon notice to you we may change the first and last days of each calendar week for Royalty (and other payment) calculation purposes. In this Agreement, “**Gross Sales**” means the aggregate amount of all revenue and other consideration generated from any source, including, without limitation, from selling products, services, and merchandise (including delivery charges paid for deliveries made by the Restaurant’s employed staff); other types of revenue you receive, including the proceeds of business interruption insurance; and (if barter is permitted by us) the value of products, services, and merchandise bartered in exchange for the Restaurant’s products, services, or merchandise.

Gross Sales are not reduced by the amount paid to, collected by, or shared with third-party-food-ordering and delivery systems with which the Restaurant does business. All transactions involving third-party-food-ordering and delivery systems must be entered into the Computer System (defined in Section 7.E below) at the full retail price for purposes of calculating Gross Sales. However, Gross Sales exclude: (i) federal, state, or municipal sales, use, or service taxes collected from customers and paid to the appropriate taxing authority; (ii) proceeds from insurance, excluding business interruption insurance; and (iii) proceeds from any civil forfeiture, condemnation, or seizure by government entities. In addition, Gross Sales are reduced by (i) the value of both employee discounts and (with our prior approval) promotional or marketing discounts offered to the public not exceeding, in the aggregate, two percent (2%) of the Restaurant’s weekly Gross Sales and (ii) the amount of any credits the Restaurant provides in accordance with the terms and conditions set forth in the Operations Manual. Each charge or sale upon credit will be treated as a sale for the full price on the day the charge or sale is made, regardless of when you receive payment (whether full or partial, or at all) on that sale. Revenue from gift/loyalty/stored-value cards and similar items we approve for offer and sale at POLLO CAMPERO Restaurants is included in the Restaurant’s Gross Sales when the card or other item is used to pay for products and services (although we may collect our fees due on that revenue when

the card is sold). Your Restaurant may not issue or redeem any coupons or gift/loyalty/stored-value or similar cards unless we first approve in writing their form and content and your proposed issuing and honoring/redemption procedures. We may grant or withhold our approval as we deem best.

We reserve the right to modify our policies and practices regarding revenue recognition, revenue reporting, and the inclusion or exclusion of certain revenue from “Gross Sales” as circumstances, business practices, and technology change.

### **C. Payment Method and Timing**

You agree to authorize us to debit your business checking or other account automatically for the Royalty, Brand Fund contribution, and other amounts due under this Agreement and any related agreement between us (or our affiliates) and you. We will debit your account on or after the Payment Day for the Royalty, Brand Fund contribution, and other amounts due. Funds must be available in the account by the Payment Day for withdrawal by electronic transfer. We may require you to obtain, at your expense, overdraft protection for your bank account in an amount we specify. You must reimburse any “insufficient funds” charges and related expenses we incur due to your failure to maintain sufficient funds in your bank account. You may not close this account without first establishing, and notifying us of, a new account that we are authorized to debit as provided in this Section.

If you fail to report the Restaurant’s Gross Sales when required, we may debit your account for one-hundred-twenty-five percent (125%) of the Royalty and Brand Fund contribution we debited for the previous payment period. If the amount we debit from your account is less than the amount you actually owe us for the payment period (once we determine the Restaurant’s actual Gross Sales), we will debit your account for the balance due on the day we specify. If the amount we debit from your account is greater than the amount you actually owe us for the payment period (once we determine the Restaurant’s actual Gross Sales), we will credit the excess, without interest, against the amount we may debit from your account for the following payment period.

We have the right, at our sole option upon notice to you, to change from time to time the timing and terms for payment of Royalties, Brand Fund contributions, and other amounts due to us under this Agreement. You may not subordinate to any other obligation your obligation to pay us Royalties, Brand Fund contributions, or any other amounts due under this Agreement.

### **D. Administrative Fee and Interest on Late Payments**

In addition to our other remedies, including, without limitation, the right to terminate this Agreement under Section 18, if you fail to pay (or make available for withdrawal from your account) when due any amounts you owe us or our affiliates relating to this Agreement or the Restaurant, those amounts will bear interest, accruing as of their original due dates, at one-and-one-half percent (1.5%) per month or the highest commercial contract interest rate the Law allows, whichever is less. In addition, you must pay us a Two Hundred Fifty Dollar (\$250) administrative fee for each payment not made to us or our affiliate when due (or for each dishonored payment) to cover the increased costs and expenses incurred due to your failure to pay the amounts when due.

## **E. Application of Payments and Right of Set-Off**

Notwithstanding any designation you make, we may apply any of your payments (whether made by debit or otherwise) to any of your past due indebtedness to us or our affiliates relating to this Agreement or the Restaurant. We may set off any amounts you or your owners owe us or our affiliates against any amounts that we or our affiliates owe you or your owners, whether in connection with this Agreement or otherwise.

## **F. Annual Increase in Fixed Fees and Amounts**

We reserve the right to increase any fixed fee, fixed payment, or fixed amount (i.e., not stated as a percentage) under this Agreement based on changes in the Index (defined below) (“**Annual Increase**”). An Annual Increase to such fees, payments, and amounts may occur only once during any calendar year and may not exceed the corresponding cumulative increase in the Index since the Effective Date or, as the case may be, since the date on which the last Annual Increase became effective for the particular fixed fee, payment, or amount being increased. Any and all Annual Increases will be made during the same month during each calendar year. “Index” refers to the Consumer Price Index for All Urban Consumers (CPI-U) for the U.S. City Average for all Items (1982 – 1984 = 100), not seasonally adjusted, as published by the United States Department of Labor, Bureau of Labor Statistics, or in a successor index. Notwithstanding this Section, if any fixed fee, payment, or amount due under this Agreement encompasses any third-party charges we collect from you on a pass-through basis (i.e., for ultimate payment to the third party), we also reserve the right to increase the fixed fee, fixed payment, or fixed amount beyond the Annual Increase to reflect increases in the third party’s charges to us.

## **6. Training, Guidance, and Assistance**

### **A. Initial Training**

We will furnish without additional charge at a designated training location of our choice (which may be our corporate headquarters, an operating POLLO CAMPERO Restaurant, and/or your Restaurant), and/or through video and other electronic means, an initial training program (“**Initial Training**”) on operating a POLLO CAMPERO Restaurant for your Managing Owner, the Operator, and two (2) Restaurant Managers (or, if your Managing Owner and your Operator are the same person, for the Operator and two (2) Restaurant Managers). Initial Training will run for the time we specify and focuses on our philosophy, Brand Standards, and the material aspects of operating a POLLO CAMPERO Restaurant, excluding aspects relating to labor relations and employment practices. Before you open the Restaurant to the public, your Managing Owner, the Operator (this may be your Managing Owner), and at least two (2) Restaurant managers must complete Initial Training to our satisfaction and pass applicable operations and proficiency tests. Our training program may include a “train the trainer” module so that your senior-level personnel can learn how to train your other employees to follow Brand Standards. If this Agreement is for your (or your affiliate’s) second or subsequent POLLO CAMPERO Restaurant, your Managing Owner and/or Operator (if the same person as with respect to the first POLLO CAMPERO Restaurant) need not repeat Initial Training. The Restaurant must have at least three (3) fully-trained on-site managers, which may include the Managing Owner if the Managing Owner also is the Operator.

If this is your (or your affiliate's) second POLLO CAMPERO Restaurant, we will provide only forty (40) hours of Initial Training; if this is your third POLLO CAMPERO Restaurant, we will provide only twenty (20) hours of Initial Training; if this is your fourth or subsequent POLLO CAMPERO Restaurant, we have no obligation to provide any Initial Training.

You are responsible for paying your employees' wages, benefits, and TRE while they attend training. We will identify the number of hours your employees are actively involved in classroom and in-Restaurant training; you are responsible for evaluating any other information you believe you need to ensure your employees are accurately paid during training. You also are responsible for maintaining workers' compensation insurance for your employees during training and must send us proof of that insurance before the training program begins. Everyone attending training must have a state health certificate.

## **B. Retraining**

If your Managing Owner and Operator (if not your Managing Owner) fail to complete Initial Training to our satisfaction, or we determine after an inspection that retraining is necessary because the Restaurant is not operating according to Brand Standards, they may attend a retraining session for which we may charge our then-current training fee. You are responsible for all employee compensation and TRE during retraining. We may terminate this Agreement if the Managing Owner fails to attend Initial Training or to complete Initial Training to our satisfaction. The Initial Franchise Fee is not refundable. The Restaurant may commence operation only with a fully-trained staff.

You may request additional or repeat training for your Managing Owner, the Operator (if not your Managing Owner), and Restaurant managers at the end of Initial Training if they do not feel sufficiently trained to operate a POLLO CAMPERO Restaurant. We and you will jointly determine the duration of any additional training, which is subject to our personnel's availability. You must pay our then-current training fee for additional or repeat training. However, if you do not expressly inform us that your Managing Owner, Operator, and/or other Restaurant managers do not feel sufficiently trained to operate a POLLO CAMPERO Restaurant, they will be deemed to have been trained sufficiently to operate a POLLO CAMPERO Restaurant.

## **C. Opening Set-Up and Support**

We will send an "opening team" (involving the number of people we determine) to the Restaurant in connection with its opening to the public for business—but only if this is your first POLLO CAMPERO Restaurant—for up to three (3) days of training to support the Restaurant before its opening date and to help train your crew member employees on our philosophy and Brand Standards (but not matters related to labor relations and employment practices). We have the right to determine in our sole judgment for how long (with no minimum time required) our opening team visits the Restaurant in connection with its opening for business if this is your second and subsequent POLLO CAMPERO Restaurant. We will pay our opening team's wages and TRE. However, if in our opinion you and/or the Restaurant needs, or if you request (and we agree to provide), additional or special guidance, assistance, or training after the support we provide during the opening phase (excluding training relating to labor relations and employment practices), you

must pay our personnel's daily charges (including wages) and TRE. We may delay the Restaurant's opening until all required training has been satisfactorily completed.

#### **D. Ongoing and Supplemental Training/Convention**

We may require your Managing Owner, the Operator (if not your Managing Owner), and the Restaurant's other managers to attend and complete satisfactorily various training courses and programs offered periodically during the Term by us or third parties at the times and locations we designate. However, we will not require attendance at such training courses and programs (including any annual meeting of POLLO CAMPERO Restaurant franchisees, as described below) for more than five (5) days total, or for more than three (3) consecutive days, during each calendar year. You are responsible for their compensation and TRE during their attendance. We may charge our then-current fee for continuing and advanced training. If you request any training courses and programs to be provided locally, then subject to our training personnel's availability, you must pay our then-current training fee and our training personnel's TRE.

Besides attending and/or participating in the various training courses and programs described in the previous paragraph, at least one of your representatives (the Managing Owner, the Operator, or another designated representative we approve) must at our request (in our sole discretion) attend an annual meeting of all POLLO CAMPERO Restaurant franchisees for up to four (4) days at a location we designate. You must pay all TRE to attend. You must pay any meeting fee we charge even if your representative does not attend (whether or not we excuse that non-attendance).

#### **E. Training For Replacement Operators**

If you no longer employ the Operator or become aware that the Operator intends to leave his or her position, you must immediately seek a new operator for the Restaurant (the "**Replacement Operator**") in order to protect the POLLO CAMPERO Restaurant brand. You must appoint the Replacement Operator within thirty (30) days after the last day of the former Operator's employment. The Replacement Operator must satisfactorily complete training appropriate for the position. You must pay our then-current training fee for all Replacement Operators hired during the Term who must attend the Replacement Operator training. You also are responsible for their compensation and TRE during training.

#### **F. Training for Restaurant Employees**

Your Managing Owner, Operator, and other Restaurant managers must properly train all Restaurant employees to perform the tasks required of their positions. We may develop and make available training tools and recommendations for you to use in training the Restaurant's employees to comply with Brand Standards. We may update these training materials periodically to reflect changes in our training methods and procedures and changes in Brand Standards.

We may periodically and without prior notice review the Restaurant's performance to determine if the Restaurant meets Brand Standards. If we determine that the Restaurant is not operating according to Brand Standards, we may, in addition to our other rights under this Agreement, require your Operator and the Restaurant's managers to re-attend, and complete to our

satisfaction, Initial Training. We may charge our then-current training fee. You are responsible for all compensation and TRE of your personnel.

## **G. General Guidance and the Operations Manual**

We periodically will advise you or make recommendations regarding the Restaurant's operation with respect to:

- i. standards, specifications, operating procedures, and methods that POLLO CAMPERO Restaurants use;
- ii. purchasing required or recommended Operating Assets and other products, services, supplies, and materials;
- iii. supervisory-employee training methods and procedures (although you are solely responsible for the employment terms and conditions of all Restaurant employees); and
- iv. accounting, advertising, and marketing.

We may guide you through our operations manual and other technical manuals (collectively, "**Operations Manual**"), in bulletins or other written materials, by electronic media, by telephone consultation, and/or at our office or the Restaurant. If you request and we agree to provide, or we determine that you need, additional or special guidance, assistance, or training, you agree to pay our then-applicable charges, including reasonable training fees and our personnel's daily charges and TRE. Any specific ongoing training, conventions, advice, or assistance we provide does not obligate us to continue providing such training, conventions, advice, or assistance, all of which we may discontinue and modify at any time.

We will give you access to our Operations Manual, available in hardcopy and/or through the System Website (defined in Section 13.F) or an Intranet (defined in Section 7.F below). Any passwords or digital identifications necessary to access the Operations Manual are considered part of Confidential Information. The Operations Manual may consist of and is defined to include audio, video, computer software, other electronic and digital media, and/or written and other tangible materials. The Operations Manual contains mandatory and suggested specifications, standards, operating procedures, and rules we periodically issue for developing and operating a POLLO CAMPERO Restaurant ("**Brand Standards**") and information on your other obligations under this Agreement. We may modify the Operations Manual periodically to reflect changes in Brand Standards, but those modifications will not alter your fundamental rights or status under this Agreement. You agree to keep current your copy of the Operations Manual (if any materials are delivered in hardcopy) and timely communicate all updates to your employees. You must monitor the System Website and Intranet periodically for updates to the Operations Manual or Brand Standards. You agree to keep secure all parts of the Operations Manual and to restrict access to any passwords for accessing the Operations Manual. If there is a dispute over its contents, our master version of the Operations Manual controls. You agree that the Operations Manual's contents are confidential and not to disclose any part of the Operations Manual to any person other than Restaurant employees and others needing access in order to perform their duties, but only if

they agree to maintain its confidentiality by signing a form of confidentiality agreement. We have the right to pre-approve the form used (an acceptable sample of which is attached as Exhibit E). You may not at any time copy, duplicate, record, or otherwise reproduce any part of the Operations Manual, except for certain forms specified in the Operations Manual.

While we have the right to pre-approve the form of confidentiality agreement you use with Restaurant employees and others having access to our Confidential Information in order to protect that Confidential Information, under no circumstances will we control the forms or terms of employment agreements you use with Restaurant employees or otherwise be responsible for your labor relations.

In addition, Brand Standards do not include any personnel policies or procedures, or any Restaurant security-related policies or procedures, we choose to make available to you in the Operations Manual or otherwise for your optional use. You will determine to what extent, if any, these optional policies and procedures might apply to your Restaurant's operation. You and we agree that we do not dictate or control labor or employment matters for franchisees and POLLO CAMPERO Restaurant employees. You are solely responsible for obtaining, installing, and maintaining the security and safety procedures, measures, devices, and systems reasonably necessary to protect employees, the public, guests, and customers of your Restaurant from foreseeable harm during and after business hours.

#### **H. Delegation**

We have the right from time to time to delegate the performance of any portion or all of our obligations under this Agreement to third-party designees, whether they are our affiliates, agents, or independent contractors with which we contract to perform such obligations.

### **7. Restaurant Operation and Brand Standards**

#### **A. Condition and Appearance of Restaurant**

You may not use, or allow another to use, any part of the Restaurant for any purpose other than operating a POLLO CAMPERO Restaurant in compliance with this Agreement. You must place or display at the Restaurant (interior and exterior), according to our guidelines, only those signs, emblems, designs, artwork, lettering, logos, and display and advertising materials we periodically specify. You agree to maintain the condition and appearance of the Restaurant, the site, and the Operating Assets in accordance with Brand Standards. Without limiting that obligation, you must take the following actions during the Term at your own expense: (i) thorough cleaning, repainting, and redecorating of the Restaurant's interior and exterior at intervals we periodically specify and at our direction; (ii) interior and exterior repair of the Restaurant and the site as needed; and (iii) repair or replacement, at our direction, of damaged, worn-out, unsafe, non-functioning, or obsolete Operating Assets at intervals we periodically specify (or, if we do not specify an interval for replacing an Operating Asset, as that Operating Asset must be replaced in order to produce the products required to be sold by POLLO CAMPERO Restaurants).

In addition to your obligations in clauses (i) through (iii) above, we periodically may modify Brand Standards, which may accommodate regional or local variations, and those

modifications may obligate you to invest additional capital in the Restaurant and/or incur higher operating costs. You agree to implement any changes in mandatory Brand Standards within the time period we request as if they were part of this Agreement on the Effective Date. However, except for:

- (a) changes in the Computer System;
- (b) changes in signage and logo (i.e., Restaurant exterior and interior graphics);
- (c) changes provided in Sections 16.C.ii.(h) in connection with a transfer;
- (d) changes required by the Lease or applicable Law; and
- (e) your obligations in clauses (i) through (iii) in the first paragraph of this Section 7.A,

for all of which the timing and amounts are not limited during the Term, we will not obligate you to make any capital modifications:

- i. during the first five (5) years after the Restaurant commences operation; or
- ii. during the last two (2) years of the Term, unless the proposed capital modifications during those last two (2) years (the amounts for which are not limited) are in connection with Restaurant upgrades, remodeling, refurbishing, and similar activities for your acquisition of a successor franchise (as provided in Section 17.iii).

This means that, besides the rights we reserve above in clauses (a) through (e), we may during the sixth (6th) through eighth (8th) years after the Restaurant commences operation (and unrelated to your potential acquisition of a successor franchise) require you substantially to alter the Restaurant's appearance, layout, and/or design, and/or replace a material portion of the Operating Assets, in order to meet our then-current requirements and then-current Brand Standards for new POLLO CAMPERO Restaurants. This could obligate you to make extensive structural changes to, and significantly remodel and renovate, the Restaurant and/or to spend substantial amounts for new Operating Assets. You agree to spend any sums required in order to comply with this obligation and our requirements (even if such expenditures cannot be amortized over the remaining portion of the Term), provided, however, that we will not require you to spend more than Fifty-Thousand Dollars (\$50,000) in the aggregate in connection with any remodeling and renovation project during the sixth (6th) through eighth (8th) years after the Restaurant commences operation (excluding taxes and delivery charges). Within sixty (60) days after receiving written notice from us, you must prepare plans according to our standards and specifications and, if we require, using architects and contractors we designate or approve, and you must submit those plans to us for written approval. You agree to complete all work according to the plans we approve within the time period we reasonably specify and in accordance with this Agreement.

We also may from time to time require you to participate in certain test programs for new products, services, and/or Operating Assets. This could obligate you to incur additional operating costs for the Restaurant. We need not reimburse those costs. You agree to maintain and timely send us any records and reports we require related to the test programs. We may discontinue any test programs before their scheduled completion dates and choose not to implement any changes to the Franchise System.

## **B. Compliance with Applicable Laws and Good Business Practices**

You must secure and maintain all licenses, permits, and certificates required for the Restaurant's operation and operate the Restaurant in full compliance with all Laws, including government regulations relating to occupational hazards, advertising, health, environment, employment, workers' compensation and unemployment insurance, and withholding and payment of federal and state income taxes, social-security taxes, and sales and service taxes. Your advertising and promotion must be completely factual. The Restaurant must in all dealings with its customers, suppliers, us, and the public adhere to the highest standards of honesty, integrity, fair dealing, and ethical conduct. You may not engage in any practice that could injure our business or the goodwill associated with the Marks, the Franchise System, and other POLLO CAMPERO Restaurants. You must notify us in writing immediately if (i) any legal charge is asserted against you or the Restaurant (even if there is no formal proceeding), (ii) any action, suit, or proceeding is commenced against you or the Restaurant, (iii) you receive any report, citation, or notice regarding the Restaurant's failure to comply with any licensing, health, cleanliness, or safety Law or standard, or (iv) any bankruptcy or insolvency proceeding or an assignment for the benefit of creditors is commenced by or against you, your owners, or the Restaurant.

## **C. Compliance with Brand Standards**

You agree to comply with all Brand Standards, as we may periodically modify them, as if they were part of this Agreement. You may not offer, sell, or provide at or from the Restaurant any products or services not authorized in the Operations Manual. You must offer, sell, and provide all products and services we prescribe from time to time. Brand Standards may direct any aspect of the Restaurant's operation and maintenance that is material to the goodwill associated with the Marks, the Franchise System, and POLLO CAMPERO Restaurants. While we maintain the right to issue and modify Brand Standards, you alone exercise day-to-day control over the Restaurant's operation and remain solely responsible for compliance with Brand Standards, which may include any one or more of the following:

- i. required and/or authorized food products, beverages, recipes, and food-handling and preparation procedures; required and/or authorized services; unauthorized and prohibited food products, beverages, and services; storage and packaging procedures and techniques; and inventory requirements so the Restaurant may operate at full capacity. We always have the right to approve or disapprove in advance all products and services to be used at or sold by the Restaurant. We may withdraw our approval of previously-authorized products and services;
- ii. sales, marketing, advertising, and promotional programs and the materials and media used in those programs, including participating in and complying with the requirements of any special advertising, marketing, and promotional programs we periodically specify;
- iii. adequate staffing levels to operate the Restaurant in compliance with Brand Standards, appearance of Restaurant personnel, and courteous service to customers. However, you have sole responsibility and authority for your labor relations and employment practices, including, among other things, employee selection,

promotion, termination, hours worked, rates of pay, benefits, work assigned, discipline, adjustment of grievances and complaints, and working conditions. Restaurant employees are exclusively under your control at the Restaurant. You must communicate clearly with Restaurant employees in your employment agreements, human resources manuals, written and electronic correspondence, paychecks, and other materials that you (and only you) are their employer and that we, as the franchisor of POLLO CAMPERO Restaurants, and our affiliates are not their employer and do not engage in any employer-type activities (including those described above) for which only franchisees are responsible. You must obtain an acknowledgment (in the form we specify or approve) from all Restaurant employees that you (and not we or our affiliates) are their employer;

- iv. standards, procedures, and requirements for responding to customer complaints, including promptly reimbursing our out-of-pocket costs if we resolve a customer complaint because you fail to do so as or when required;
- v. maximum, minimum, or other pricing requirements for products and services the Restaurant sells, including requirements for national, regional, and local promotions, special offers, and discounts in which some or all POLLO CAMPERO Restaurants must participate, and price advertising policies, in each case to the maximum extent the law allows;
- vi. standards and recommendations for training your Restaurant's supervisory personnel to follow Brand Standards;
- vii. use and display of the Marks at the Restaurant and on containers, labels, forms, paper and plastic products, and other supplies;
- viii. delivery and catering services, including your obligation to deliver products to customers, to engage with third-party-food-ordering and delivery systems, and to ring up and account for delivery and catering charges not included in the price of products only in the manner we permit;
- ix. quality-assurance, food-safety-audit, guest-satisfaction, "mystery-shop," and similar programs, including your using and paying directly (or reimbursing us for) our designated third-party service providers;
- x. minimum days and hours of operation;
- xi. use of various electronic and other payment systems;
- xii. use of mobile or digital ordering and Franchise System applications ("apps");
- xiii. issuing and honoring/redeeming coupons, gift/loyalty/stored-value cards, and similar items and administering customer loyalty/affinity and similar programs. You must participate in, and comply with the requirements of, our gift/loyalty/stored-value card and other customer loyalty programs. We may draft from your bank account all monies paid to you for gift/loyalty/stored-value cards

and similar customer loyalty initiatives and hold those monies until the gift/loyalty/stored-value cards and similar customer loyalty initiatives are redeemed at your Restaurant (or another POLLO CAMPERO Restaurant). However, we may keep any prepaid amounts that are not used by customers to the extent allowed by Law;

- xiv. standards and procedures for (a) communications among you, us, and other franchisees, (b) accessing and using various aspects of the System Website, (c) using blogs, common social networks like Facebook and Instagram, professional networks like LinkedIn, live-blogging tools like Twitter, virtual worlds, file, audio, and video-sharing sites, and other similar social-networking media or tools (collectively, “**Social Media**”) that in any way reference the Marks or involve the Restaurant, and (d) using the Marks as part of any domain name, homepage, electronic address, metatag, or otherwise in connection with any website or other online presence (collectively, “**Digital Marketing**”) (except to the extent our standards or procedures are prohibited under Law);
- xv. communicating with the Restaurant’s customers only through branded mobile apps, branded email domains, or other channels we expressly designate and only for purposes related to the Restaurant’s operation;
- xvi. participation in one or more franchise advisory councils we establish for the Franchise System; and
- xvii. any other aspects of operating and maintaining the Restaurant that we determine are useful to preserve or enhance the efficient operation, image, or goodwill of the Marks and POLLO CAMPERO Restaurants.

Brand Standards will not include any employment-related policies or procedures or dictate or regulate the employment terms and conditions for the Restaurant’s employees. Any information we provide (in the Operations Manual or otherwise) concerning employment-related policies or procedures, or relating to employment terms and conditions for Restaurant employees, is only a recommendation, and not a requirement, for your optional use.

As described in Section 7.A above, we have the right periodically to modify and supplement Brand Standards, which may require you to invest additional capital in the Restaurant and incur higher operating costs. Those Brand Standards will constitute legally-binding obligations on you when we communicate them. Although we retain the right to establish and modify periodically the Brand Standards you have agreed to follow, you retain complete responsibility and authority for the Restaurant’s management and operation and for implementing and maintaining Brand Standards at the Restaurant.

You acknowledge the importance of operating the Restaurant in full compliance with this Agreement and Brand Standards. You further acknowledge that your deviation from any contractual requirement, including any Brand Standard, is a violation of this Agreement and will trigger incalculable administrative and management costs for us to address the violation (separate and apart from any damages your violation might cause to the Franchise System, our business

opportunities, or the goodwill associated with the Marks). Therefore, you agree to compensate us for our incalculable administrative and management costs by paying us Five Hundred Dollars (\$500) for each deviation from a contractual requirement, including any Brand Standard, cited by us (**the “Non-Compliance Fee”**). However, if we discover that same (or a substantially similar) deviation on one or more consecutive, subsequent visits to or inspections of the Restaurant, the Non-Compliance Fee will at our option be One Thousand Dollars (\$1,000) for the first repeat deviation and One Thousand Five Hundred Dollars (\$1,500) for the second and each subsequent repeat deviation. (The Non-Compliance Fee does not apply to payment defaults for which we may charge late fees and interest under Section 5.D above.) We and you deem the Non-Compliance Fee to be a reasonable estimate of our administrative and management costs and not a penalty. We may debit your bank account for Non-Compliance Fees or set off monies otherwise due and payable to you to cover the payment of Non-Compliance Fees. We must receive the Non-Compliance Fee within five (5) days after we notify you that we are charging it due to your violation. We need not give you a cure opportunity before charging the Non-Compliance Fee. Charging the Non-Compliance Fee does not prevent us from seeking to recover damages to the Franchise System, our business opportunities, or the goodwill associated with the Marks due to your violation, seeking injunctive relief to restrain any subsequent or continuing violation, and/or formally defaulting you and terminating this Agreement under Section 18.B.

#### **D. Approved Products, Services, and Suppliers**

We may periodically designate and approve Brand Standards, manufacturers, suppliers, and/or distributors for the Operating Assets and other products and services we periodically authorize POLLO CAMPERO Restaurants to use or sell. You must purchase or lease all Operating Assets and other products and services you use or sell at the Restaurant only according to Brand Standards and, if we require, only from manufacturers, suppliers, or distributors we designate or approve (which may include or be limited to us, certain of our affiliates, and/or other restricted sources). We and/or our affiliates may derive revenue—in the form of promotional allowances, volume discounts, commissions, other discounts, performance payments, signing bonuses, rebates, marketing and advertising allowances, free products, and other economic benefits and payments—from suppliers that we designate, approve, or recommend for some or all POLLO CAMPERO Restaurants on account of those suppliers’ prospective or actual dealings with your Restaurant and other POLLO CAMPERO Restaurants. That revenue may or may not be related to services we and our affiliates perform. All amounts received from suppliers, whether or not based on your or other franchisees’ purchases from those suppliers, will be our and our affiliates’ exclusive property, which we and our affiliates may retain and use without restriction for any purposes we and our affiliates deem appropriate. Any products or services that we or our affiliates sell you directly may be sold to you at prices exceeding our and their costs.

If you want to purchase or lease any Operating Assets or other products or services from a supplier or distributor we have not then approved (if we require you to buy or lease the asset, product, or service only from an approved supplier or distributor), then you must establish to our reasonable satisfaction that the quality and functionality of the item or service are equivalent to those of the item or service it replaces and the supplier or distributor is, among other things, reputable, financially responsible, and adequately insured for product-liability claims. You must pay upon request any actual expenses and TRE we incur to determine whether or not the items, services, suppliers, or distributors meet our requirements and specifications. We may condition

our written approval of a supplier or distributor on requirements relating to product quality and safety, prices, consistency, warranty, reliability, financial capability, customer relations, frequency of delivery, concentration of purchases, standards of service (including prompt attention to complaints), and other criteria. We have the right to inspect the proposed supplier's or distributor's facilities and to require the proposed supplier or distributor to deliver product samples or items either directly to us or to any third party we designate for testing. If we approve a supplier or distributor you recommend, you agree that we may allow other POLLO CAMPERO Restaurants to purchase or lease the Operating Assets or other products or services from those suppliers or distributors without limitation and without compensation to you.

Despite the foregoing, we may limit the number of approved suppliers and distributors with which you may deal, designate sources you must use, and refuse any of your requests for any reason, including, without limitation, because we have already designated an exclusive source (which might be us or one of our affiliates) for a particular item or service or believe that doing so is in the POLLO CAMPERO Restaurant network's best interests. You acknowledge that it may be disadvantageous from a cost and service basis to have more than one supplier in a given market area, and that we may consider the impact of any supplier approval on our and our franchisees' ability to obtain the lowest distribution costs and best service. However, we make no guaranty, warranty, or promise that we will obtain the best pricing or most advantageous terms for POLLO CAMPERO Restaurants. We also do not guaranty the performance of suppliers and distributors to POLLO CAMPERO Restaurants. We are not responsible or liable if the products or services provided by a supplier or distributor fail to conform to or perform in compliance with Brand Standards or our contractual terms with the supplier or distributor.

We have the right (without liability) to consult with your suppliers about the status of your account with them and to advise your suppliers and others with whom you, we, our affiliates, and other franchisees deal that you are in default under any agreement with us or our affiliates (but only if we or our affiliate has notified you of such default).

#### **E. Computer System**

You agree to obtain and use the computer hardware and software, point-of-sale system, dedicated telephone and power lines, modems, printers, tablets, smart phones, on-line, digital, and mobile-app ordering systems, on-line inventory ordering system, and other computer-related accessories and peripheral equipment we periodically specify (the "**Computer System**"). You must use the Computer System to input and access information about your sales and operations. The Computer System must operate continuously. We will have unlimited access to all information maintained on the Computer System (excluding matters relating to labor relations and employment practices) and to the content of any POLLO CAMPERO e-mail accounts we provide you.

We may periodically modify the Computer System's specifications and components. Our modification of Computer System specifications and/or other technological developments or events may require you to purchase, lease, or license new or modified computer hardware, software, peripherals, and other components and to obtain service and support for the Computer System. Although we cannot estimate the future costs of the Computer System or required service or support, you must incur the costs to obtain the computer hardware, software, peripherals, and other components comprising the Computer System (and additions and modifications) and

required service or support. Within ninety (90) days after we deliver notice to you, you must obtain the Computer System components we designate and ensure that your Computer System, as modified, is functioning properly.

We and our affiliates may condition any license to you of required or recommended proprietary software, and/or your use of technology developed or maintained by or for us, on your signing a software license agreement, liability waiver, and/or similar document, or otherwise agreeing to the terms (for example, by acknowledging your consent to and accepting the terms of a click-through license agreement), that we and our affiliates periodically prescribe to regulate your use of, and our (or our affiliates') and your respective rights and responsibilities with respect to, the software or technology. We and our affiliates may charge you upfront and ongoing fees for any required or recommended proprietary software or technology that we or our affiliates license to you and for other Computer System maintenance and support services provided during the Term.

Despite your obligation to buy, use, and maintain the Computer System according to our standards and specifications, and to purchase the Computer System from our designated or approved third-party vendors communicated to you (as provided in Sections 4.C and 7.D above), you have sole and complete responsibility for: (1) acquiring, operating, maintaining, and upgrading the Computer System; (2) the manner in which your Computer System interfaces with our and any third party's computer system; (3) any and all consequences if the Computer System is not properly operated, maintained, and upgraded; and (4) independently determining what is required for you to comply (and then complying) at all times with the most current version of the Payment Card Industry Data Security Standards, and with all Laws (including privacy laws) governing the use, disclosure, and protection of Consumer Data (defined in Section 10) and the Computer System, and validating compliance with those standards and Laws as may be periodically required. The Computer System must permit twenty-four (24)-hours-per-day, seven (7)-days-per-week electronic communications between you and us, including access to the Internet and System Website (but excluding matters relating to labor relations and employment practices).

## **F. Intranet**

We may at our option establish and maintain an Intranet. We will issue Brand Standards for the Intranet's use. Those Brand Standards will address, among other things, (1) restrictions on using abusive, slanderous, or otherwise offensive language in electronic communications, (2) restrictions on communications among franchisees endorsing or encouraging breach of any franchisee's franchise agreement, (3) confidential treatment of materials we transmit via the Intranet, (4) password protocols and other data-security precautions, (5) grounds and procedures for our suspending or revoking a franchisee's access to the Intranet, (6) a privacy policy governing our access to and use of electronic communications that franchisees post on the Intranet, and (7) our right to remove any posts we consider to be inconsistent with Brand Standards for the Intranet's use. We expect to adopt and adhere to a reasonable privacy policy. However, as the Intranet's administrator, we have the right to access and view any communication posted on the Intranet. We will own all intellectual property and other rights in the Intranet and all information it contains, including its domain name or URL, the log of "hits" by visitors, any personal or business data visitors supply, and all information relating to the Restaurant's customers, whether that

information is contained on your Computer System or our (or our designee's) computer system (collectively, the "Data").

After we notify you that the Intranet is functional, you must establish and continually maintain electronic connection with the Intranet allowing us to send messages to and receive messages from you. Your obligation to maintain connection with the Intranet applies during the entire Term (unless we dismantle the Intranet or suspend your access). You must pay our then-current fee to participate in the Intranet or as we otherwise require to maintain and operate the Intranet (if or to the extent the Brand Fund does not pay for those costs). If you fail to pay when due any required amount, or fail to comply with any Intranet Brand Standard, we may (in addition to our other rights under this Agreement) temporarily suspend your access to any chat room, bulletin board, list-serve, or similar feature the Intranet includes until you fully cure the breach.

## **8. Marks**

### **A. Ownership and Goodwill of Marks**

Your right to use the Marks is derived only from this Agreement and is limited to your operating the Restaurant according to this Agreement and all mandatory Brand Standards we prescribe during the Term. Your unauthorized use of the Marks is a breach of this Agreement and infringes our (and our licensor's) rights in the Marks. Any use of the Marks relating to the Restaurant, and any goodwill that use establishes, are for our (and our licensor's) exclusive benefit. We (and our licensor) may take the action necessary to enforce all trademark-use obligations under this Agreement. This Agreement does not confer any goodwill or other interests in the Marks upon you, other than the right to operate the Restaurant according to this Agreement. All provisions in this Agreement relating to the Marks apply to any additional and substitute trademarks and service marks we periodically authorize you to use. You may not at any time during or after the Term contest or assist any other person to contest the validity, or our (or our licensor's) ownership, of the Marks.

### **B. Limitations on Use of Marks**

You agree to use the Marks as the Restaurant's sole identification, subject to the notices of independent ownership we periodically designate. You may not use any Mark (including "Pollo Campero," "Campero," "Pollito," or any form or variations of those Marks, including "Camperitos" or "Club Campero") (i) as part of any corporate or legal business name, (ii) with any prefix, suffix, or other modifying words, terms, designs, or symbols (other than logos we license to you), (iii) in selling any unauthorized products or services, (iv) in connection with any Digital Marketing, or in any user name, screen name, or profile in connection with any Social Media sites, without our consent or, if applicable, without complying with our Brand Standards communicated to you, or (v) in any other manner we have not expressly authorized in writing. You may not use any Mark to advertise the transfer, sale, or other disposition of the Restaurant or an ownership interest in you without our prior written consent, which we will not unreasonably withhold. You must give the notices of trademark and service mark registrations we periodically specify and obtain any fictitious- or assumed-name registrations that applicable Law requires. You may not pledge, hypothecate, or grant a security interest in any property that bears or displays the Marks

(unless the Marks are readily removable from such property) and must advise your proposed lenders of this restriction.

To the extent we allow you to use any Mark in employment-related materials, you must include a clear disclaimer that you (and only you) are the employer of Restaurant employees and that we, as the franchisor of POLLO CAMPERO Restaurants, and our affiliates are not their employer and do not engage in any employer-type activities for which only franchisees are responsible, such as employee selection, promotion, termination, hours worked, rates of pay, other benefits, work assigned, discipline, adjustment of grievances and complaints, and working conditions. You also must obtain an acknowledgment (in the form we specify or approve) from all Restaurant employees that you (and not we or our affiliates) are their employer.

### **C. Notification of Infringements and Claims**

You agree to notify us immediately of any actual or apparent infringement or challenge to your use of any Mark, any person's claim of any rights in any Mark (or any identical or confusingly similar trademark), or unfair competition relating to any Mark. You may not communicate with any person other than us and our licensor, our respective attorneys, and your attorneys regarding any infringement, challenge, or claim. We and our licensor may take the action we deem appropriate (including no action) and control exclusively any litigation, U.S. Patent and Trademark Office proceeding, or other administrative proceeding or enforcement action arising from any infringement, challenge, or claim or otherwise concerning any Mark. You must sign any documents and take any other reasonable actions we and our, and our licensor's, attorneys deem necessary or advisable to protect and maintain our (and our licensor's) interests in any litigation, Patent and Trademark Office or other proceeding, or enforcement action or otherwise to protect and maintain our (and our licensor's) interests in the Marks.

### **D. Discontinuance of Use of Marks**

If we believe at any time that it is advisable for us and/or you to modify, discontinue using, and/or replace any Mark, and/or to use one or more additional or substitute trademarks or service marks, you agree to comply with our directions within a reasonable time after receiving notice. We need not reimburse your expenses to comply with those directions (such as your costs to change signs or to replace supplies for the Restaurant), any loss of revenue due to any modified or discontinued Mark, or your expenses to promote a modified or substitute trademark or service mark.

### **E. Indemnification for Use of Marks**

We agree to reimburse your damages and expenses incurred in any trademark infringement proceeding disputing your authorized use of any Mark under this Agreement, provided your use has been consistent with this Agreement, the Operations Manual, and Brand Standards communicated to you, and you have timely notified us of, and complied with our directions in responding to, the proceeding. At our option, we and/or our affiliate(s) may defend and control the defense of any proceeding arising from or relating to your use of any Mark under this Agreement.

## 9. Confidential Information

We and our affiliates possess (and will continue to develop and acquire) certain confidential information, some of which constitutes trade secrets under applicable Law, relating to developing and operating POLLO CAMPERO Restaurants (the “**Confidential Information**”), which includes but is not limited to:

- i. information in the Operations Manual and Brand Standards;
- ii. layouts, designs, and other Plans for POLLO CAMPERO Restaurants;
- iii. methods, formats, specifications, standards, systems, procedures, sales and marketing techniques, and knowledge and experience used in developing and operating POLLO CAMPERO Restaurants;
- iv. marketing research and promotional, marketing, and advertising programs for POLLO CAMPERO Restaurants;
- v. strategic plans, including expansion strategies and targeted demographics;
- vi. knowledge of specifications for and suppliers of, and methods of ordering, certain Operating Assets, products, services, materials, and supplies that POLLO CAMPERO Restaurants use and sell;
- vii. knowledge of the operating results and financial performance of POLLO CAMPERO Restaurants other than the Restaurant;
- viii. customer solicitation, communication, and retention programs, along with Data used or generated in connection with those programs;
- ix. all Data and other information generated by, or used or developed in, operating the Restaurant, including Consumer Data, and any other information contained from time to time in the Computer System or that visitors (including you) provide to the System Website; and
- x. any other information we reasonably designate as confidential or proprietary.

You will not acquire any interest in any Confidential Information, other than the right to use certain Confidential Information as we specify while operating the Restaurant during the Term according to Brand Standards and this Agreement’s other terms and conditions. Using any Confidential Information in another business would constitute an unfair method of competition with us and our affiliates, suppliers, and franchisees. You acknowledge and agree that Confidential Information is proprietary, includes our and our affiliates’ trade secrets, and is disclosed to you only on the condition that you, your owners, and your employees agree, and you and they do agree:

- i. not to use any Confidential Information in another business or capacity and at all times to keep Confidential Information absolutely confidential, both during and

after the Term (afterward for as long as the information is not generally known in the restaurant industry);

- ii. not to make unauthorized copies of any Confidential Information disclosed via electronic medium or in written or other tangible form;
- iii. to adopt and implement all reasonable procedures we periodically specify to prevent unauthorized use or disclosure of Confidential Information, including disclosing it only to Restaurant personnel and others needing to know the Confidential Information in order to operate the Restaurant and using confidentiality and non-disclosure agreements with those having access to Confidential Information. (We have the right to pre-approve the forms of agreements you use solely to ensure that you adequately protect Confidential Information and the competitiveness of POLLO CAMPERO Restaurants. Under no circumstances will we control the forms or terms of employment agreements you use with Restaurant employees or otherwise be responsible for your labor relations or employment practices.); and
- iv. not to sell, trade, or otherwise profit in any way from the Confidential Information (including by selling or assigning any Consumer Data or related information or Data), except during the Term using methods we have approved.

“Confidential Information” does not include information, knowledge, or know-how that lawfully is or becomes generally known in the restaurant industry or that you knew from previous business experience before we gave you access to it (directly or indirectly). If we include any matter in Confidential Information, anyone claiming it is not Confidential Information must prove that the exclusion in this paragraph applies.

## **10. Consumer Data**

You must comply with our reasonable instructions regarding the organizational, physical, administrative, and technical measures and security procedures to safeguard the confidentiality and security of the names, addresses, telephone numbers, e-mail addresses, dates of birth, demographic or related information, buying habits, preferences, credit-card information, and other personally-identifiable information of customers (“**Consumer Data**”) and, in any event, employ reasonable means to safeguard the confidentiality and security of Consumer Data. You must comply with all Laws governing the use, protection, and disclosure of Consumer Data.

If there is a Data Security Incident at the Restaurant, you must notify us immediately after becoming aware of the actual or suspected occurrence, specify the extent to which Consumer Data was compromised or disclosed, and comply and cooperate with our instructions for addressing the Data Security Incident in order to protect Consumer Data and the POLLO CAMPERO Restaurant brand (including giving us or our designee access to your Computer System, whether remotely or at the Restaurant). We (and our designated affiliates) have the right, but no obligation, to take any action or pursue any proceeding or litigation with respect to the Data Security Incident, control the direction and handling of such action, proceeding, or litigation, and control any remediation efforts.

**“Data Security Incident”** means any act that initiates either internally or from outside the Restaurant’s computers, point-of-sale terminals, and other technology or networked environment and violates the Law or explicit or implied security policies, including attempts (either failed or successful) to gain unauthorized access (or to exceed authorized access) to the Franchise System, POLLO CAMPERO Restaurants, or their Data or to view, copy, or use Consumer Data or Confidential Information without authorization or in excess of authorization; unwanted disruption or denial of service; unauthorized use of a system for processing or storage of Data; and changes to system hardware, firmware, or software characteristics without our knowledge, instruction, or consent.

If we determine that any Data Security Incident results from your failure to comply with this Agreement or any requirements for protecting the Computer System and Consumer Data, you must (a) indemnify us under Section 20.E and (b) compensate us for all other damages we incur as a result of your breach of this Agreement.

## **11. Innovations**

All ideas, concepts, techniques, or materials relating to a POLLO CAMPERO Restaurant, whether or not protectable intellectual property and whether created by or for you or your owners, employees, or contractors (“**Innovations**”), must be promptly disclosed to us and will be deemed to be our sole and exclusive property and works made-for-hire for us. To the extent any Innovation does not qualify as a “work made-for-hire” for us, by this paragraph you assign ownership of and all related rights to that Innovation to us and agree to sign (and to cause your owners, employees, and contractors to sign) whatever assignment or other documents we periodically request to evidence our ownership and to help us obtain intellectual property rights in the Innovation. You may not use any Innovation in operating the Restaurant or otherwise without our prior written approval.

## **12. Exclusive Relationship**

### **A. Restrictions.**

We granted you the rights under this Agreement in consideration of and reliance upon your and your owners’ agreement to deal exclusively with us with respect to the products and services that POLLO CAMPERO Restaurants offer and sell. You therefore agree that, during the Term, neither you, your owners, nor any members of your or their Immediate Families (defined below) will:

- i. have any direct or indirect, controlling or non-controlling interest as an owner—whether of record, beneficial, or otherwise—in a Competitive Business (defined below), wherever located or operating, provided that this restriction will not prohibit ownership of shares of a class of securities publicly-traded on a United States stock exchange and representing less than three percent (3%) of the number of shares of that class of securities issued and outstanding;
- ii. perform services as a director, officer, manager, employee, consultant, representative, or agent for a Competitive Business, wherever located or operating;

- iii. directly or indirectly loan any money or other thing of value, or guarantee any other person's loan, to any Competitive Business or any owner, director, officer, manager, or employee of any Competitive Business, wherever located or operating;
- iv. divert or attempt to divert any actual or potential business or customer of the Restaurant to a Competitive Business; or
- v. solicit other franchisees, or use available lists of franchisees, for any commercial purpose other than purposes directly related to the Restaurant's operation.

The term “**Competitive Business**,” as used in this Agreement, means any (a) business marketed as a “chicken restaurant,” (b) restaurant or other food-service business that derives more than twenty percent (20%) of its revenue from selling chicken in a quick-service restaurant, casual-dining restaurant, or drive-through establishment, or (c) business granting franchises or licenses to others to operate the types of businesses described in clauses (a) or (b), other than a POLLO CAMPERO Restaurant operated under a franchise agreement with us. The term “**Immediate Family**” includes the named individual, his or her spouse or domestic partner, and all children of the named individual or his or her spouse or domestic partner. You agree to obtain similar covenants from your senior personnel whom we specify, including the Operator and officers and directors, by having them sign the form of agreement we specify or pre-approve. We may pre-approve the forms of agreements you use solely to ensure that you adequately protect Confidential Information and the competitiveness of POLLO CAMPERO Restaurants. Under no circumstances will we control the forms or terms of employment agreements you use with Restaurant employees or otherwise be responsible for your labor relations or employment practices.

**B. Directives.**

If there is a dispute related to this Section 12 or Section 19.E, you and your owners direct any third party construing this Section or Section 19.E, including any court, arbitrator, mediator, master, or other party acting as trier-of-fact or law:

- i. To presume conclusively that the restrictions set forth in this Section and in Section 19.E are reasonable and necessary in order to protect (a) our legitimate business interests, including the interests of our other franchisees, (b) the confidentiality of Confidential Information, (c) the integrity of the Franchise System, (d) our investment in the Franchise System, (e) the investment of our other franchisees in their franchised Restaurants, and (f) the goodwill associated with the Franchise System;
- ii. To presume conclusively that the restrictions set forth in this Section and in Section 19.E will not unduly burden your or your owners' ability to earn a livelihood;
- iii. To construe this Section and Section 19.E under the Laws governing distribution contracts between commercial entities in an arms-length transaction and not under Laws governing employment contracts; and
- iv. To presume conclusively that any violation of the terms of this Section or Section

19.E (a) was accompanied by the misappropriation and inevitable disclosure of Confidential Information and (b) constitutes a deceptive and unfair trade practice and unfair competition.

### **13. Advertising and Marketing**

#### **A. Market Introduction Program**

You must spend at least Twenty-Thousand Dollars (\$20,000) on a market introduction program for the Restaurant beginning approximately one (1) month before and continuing for approximately six (6) months after the Restaurant opens (although we may specify a different timeframe). We will consult with you about the type of market introduction program we believe is most suitable for your Restaurant's market. We must pre-approve in writing your proposed market introduction program, which you must send us for review at least forty-five (45) days, before its planned rollout date. If we do not comment on the market introduction program in writing within twenty-one (21) days after receiving it, it will be deemed rejected. You must implement the approved program according to Brand Standards and our other requirements. At our request, you must pay us the program's anticipated costs, which we then will either spend on your behalf in the Restaurant's market or re-pay you as you send us invoices or receipts confirming your commitment with vendors to move forward with the approved program. If you fail to spend the full amount by the six (6)-month (or other) deadline, we may debit your business checking or other account automatically for the unexpended portion and spend those monies on your behalf in the Restaurant's market.

#### **B. Brand Fund**

We have established a fund ("**Brand Fund**" or "**Fund**") for advertising, marketing, research and development, public relations, Social-Media management, lead-generation, and customer-relationship-management programs and materials, the purpose of which is to enhance, promote, and protect the POLLO CAMPERO Restaurant brand and Franchise System. You agree to contribute to the Brand Fund the amounts we periodically specify, not to exceed five percent (5%) of the Restaurant's weekly Gross Sales. Your Brand Fund contribution is due and payable at the same time and in the same manner as the Royalty or in such other manner we periodically specify. POLLO CAMPERO® Restaurants operated by us and our affiliates will contribute to the Brand Fund on the same percentage basis as franchisees.

We will direct all programs the Brand Fund finances, with sole control over all creative and business aspects of the Fund's activities. The Brand Fund may pay for, among other things, preparing, producing, and placing video, audio, and written materials, Digital Marketing, and Social Media; developing, maintaining, and administering one or more System Websites; creating and administering national, regional, and multi-regional marketing, advertising, and lead-generation programs; using advertising, promotion, and marketing agencies and other advisors to provide assistance; establishing regional and national promotions and partnerships and hiring spokespersons to promote the POLLO CAMPERO Restaurant brand; establishing on-line systems and other vehicles for centralized customer interaction; and supporting public relations, market research and development, and other advertising, promotion, marketing, and brand-related activities. The Brand Fund periodically may give you sample advertising, marketing, promotional,

and lead-generation formats and materials (collectively, “**Marketing Materials**”) at no cost. We may sell you multiple copies of Marketing Materials at our direct cost of producing them, plus any related shipping, handling, and storage charges.

We will account for the Brand Fund separately from our other funds (although we need not keep Brand Fund contributions in a separate bank account) and not use the Brand Fund for any of our general operating expenses. However, the Brand Fund may reimburse us and our affiliates for the reasonable salaries and benefits of personnel who manage and administer, or otherwise provide assistance or services to, the Brand Fund; the Brand Fund’s administrative costs; TRE of our personnel while they are on Brand Fund business; meeting costs; overhead relating to Brand Fund business; and other expenses we and our affiliates incur administering or directing the Brand Fund and its programs, including conducting market research, preparing Marketing Materials, collecting and accounting for Brand Fund contributions, paying taxes due on Brand Fund contributions we receive, and any other costs or expenses we incur operating or as a consequence of the Fund. The Brand Fund is not a trust, and we do not owe you fiduciary obligations because we maintain, direct, or administer the Brand Fund or for any other reason.

The Brand Fund may spend in any fiscal year more or less than the total Brand Fund contributions in that year, borrow from us or others (paying reasonable interest) to cover deficits, or invest any surplus for future use. We may use new Brand Fund contributions to pay Brand Fund deficits incurred during previous years. Unspent monies in the Brand Fund at the end of the year will be rolled over for potential use in the following year. We will use all interest earned on Brand Fund contributions to pay costs before using the Brand Fund’s other assets. We will prepare an annual, unaudited statement of Brand Fund collections and expenses and share the statement electronically within sixty (60) days after our fiscal-year end or otherwise give you a copy of the statement upon reasonable request. We may (but need not) have the Brand Fund audited annually, at the Brand Fund’s expense, by a certified public accountant we designate. We may incorporate the Brand Fund or operate it through a separate entity whenever we deem appropriate. The successor entity will have all of the rights and duties specified in this Section 13.B.

The Brand Fund’s principal purposes are to maximize recognition of the Marks, increase patronage of POLLO CAMPERO Restaurants, and enhance, promote, and protect the POLLO CAMPERO Restaurant brand and Franchise System. Although we will try to use the Brand Fund in the aggregate to develop and implement Marketing Materials and programs benefiting all POLLO CAMPERO Restaurants, we need not ensure that Brand Fund expenditures in or affecting any geographic area are proportionate or equivalent to Brand Fund contributions by POLLO CAMPERO Restaurants operating in that geographic area or that any POLLO CAMPERO Restaurant benefits directly or in proportion to its Brand Fund contribution from the development of Marketing Materials or the implementation of programs. The Brand Fund will not be used principally to develop materials and programs to solicit franchisees. However, media, materials, and programs (including the System Website) prepared using Brand Fund contributions may describe our franchise program, reference the availability of franchises and related information, and process franchise leads. We have the right, but no obligation, to use collection agents and institute legal proceedings at the Brand Fund’s expense to collect unpaid Brand Fund contributions. We also may forgive, waive, settle, and compromise all claims by or against the Brand Fund. Except as expressly provided in this Section 13.B, we assume no direct or indirect

liability or obligation to you for collecting amounts due to, maintaining, directing, or administering the Brand Fund.

We may at any time defer or reduce the Brand Fund contributions of any POLLO CAMPERO Restaurant franchisee and, upon thirty (30) days' prior written notice to you, reduce or suspend Brand Fund contributions and operations for one or more periods of any length and terminate (and, if terminated, reinstate) the Brand Fund. If we terminate the Brand Fund, we will either (i) spend the remaining Fund balance on permitted programs and expenditures or (ii) distribute all unspent funds to our then-existing franchisees, and to us and our affiliates, in proportion to their and our respective Brand Fund contributions during the preceding twelve (12) month period.

### **C. Approval of Marketing and Other External Communications**

All advertising, promotion, marketing, and public relations activities you conduct and Marketing Materials you prepare must be legal and not misleading and conform to the policies set forth in the Operations Manual or that we otherwise prescribe from time to time. To protect the goodwill that we and certain of our affiliates have accumulated in the "POLLO CAMPERO" name and other Marks, at least fifteen (15) days before you intend to use them, you must send us samples or proofs of (a) all Marketing Materials we have not prepared or already approved, and (b) all Marketing Materials we have prepared or already approved which you propose to change in any way. However, you need not send us any Marketing Materials in which you have simply completed the missing Restaurant-specific or pricing information based on templates we sent you. If we do not approve your Marketing Materials in writing within fifteen (15) days after we actually receive them, they will be deemed to be disapproved for use. We will not unreasonably withhold our approval. You may not use any Marketing Materials we have not approved or have disapproved. We reserve the right upon thirty (30) days' prior written notice to require you to discontinue using any previously-approved Marketing Materials.

### **D. Local Marketing**

You agree to spend at least one percent (1%) of the Restaurant's monthly Gross Sales on approved Marketing Materials and advertising, marketing, and promotional programs for the Restaurant (the "**Local Marketing Spending Requirement**"). You must prepare, or collaborate with us to prepare, a written local marketing plan for the Local Marketing Spending Requirement and send us the plan for review and pre-approval according to our specified process. We will not count any of the following expenditures towards your Local Marketing Spending Requirement: Brand Fund contributions, price discounts or reductions you provide as a promotion, permanent on-premises signs, lighting, personnel salaries, administrative costs, transportation vehicles (even if they display the Marks), employee-incentive programs, and other amounts that we, in our reasonable judgment, deem inappropriate to satisfy the Local Marketing Spending Requirement. We may review your books and records, and require you to submit reports periodically, to determine your advertising, marketing, and promotion expenses. If you fail to spend (or prove that you spent) the Local Marketing Spending Requirement, we may, in addition to and without limiting our other rights and remedies, require you to contribute the shortfall to the Brand Fund for use as provided in Section 13.B above.

You acknowledge that the marketing activities in which you engage will materially affect your Restaurant's success or lack of success. While you agree to the minimum Local Marketing Spending Requirement above, that amount might be insufficient for you to achieve your business objectives. Subject to the requirements above, you alone are responsible for determining how much to spend on Marketing Materials and other approved advertising, marketing, and promotional activities for the Restaurant in order to achieve your business objectives.

#### **E. Regional Advertising Cooperatives**

We may designate a geographic area for an advertising cooperative (a "**Cooperative**"). The Cooperative's members in any area will be the owners of all POLLO CAMPERO Restaurants located and operating in that area (including us and our affiliates, if applicable). Each Cooperative will be organized and governed in a form and manner, and begin operating on a date, we determine. We may change, dissolve, and merge Cooperatives. Each Cooperative's purpose is, with our approval, to administer advertising and marketing programs and develop Marketing Materials for the area the Cooperative covers. If, as of the Effective Date, we have established a Cooperative for the geographic area in which the Restaurant is located, or if we establish a Cooperative in that area during the Term, you automatically will become a member of the Cooperative and then must participate as its governing documents require. All Cooperative dues you contribute will count toward the Local Marketing Spending Requirement under Section 13.D but will not affect your market introduction program obligations under Section 13.A or be credited toward your required Brand Fund contributions. We may require you to contribute up to two percent (2%) of the Restaurant's Gross Sales for the Cooperative's activities, although the Cooperative's members may vote to spend more, as provided in the Cooperative's governing documents.

#### **F. System Website**

We or our designees may establish a website or series of websites (with or without restricted access) for the POLLO CAMPERO Restaurant network: (1) to advertise, market, identify, and promote POLLO CAMPERO Restaurants, the products and services they offer, and/or the POLLO CAMPERO Restaurant franchise opportunity; (2) to help us operate the POLLO CAMPERO Restaurant network; and/or (3) for any other purposes we deem appropriate for POLLO CAMPERO Restaurants (collectively, the "**System Website**"). The System Website may, but need not, provide you with a separate interior webpage or "micro-site" (accessible only through the System Website) ("**Micro-Site**") referencing your Restaurant and/or otherwise allow you to participate in the System Website. We have the right (but no obligation) at our own expense to oversee development of the Restaurant's initial Micro-Site. We must pre-approve all changes to your Micro-Site before it is posted by our webmaster on the System Website. We also have the continuing right to monitor and pre-approve your Micro-Site's form, content, and quality during the Term. We may reject your Micro-Site if its form or content is unacceptable to us. Your Micro-Site always must comply with Brand Standards. You may modify your Micro-Site, at your own expense using our designated vendor, only through and with the pre-approval of our webmaster. You must give us the information and materials we request for you to participate in the System Website, whether or not on a Micro-Site. In doing so, you represent that they are accurate and not misleading and do not infringe another party's rights. We will own all intellectual property and other rights in the System Website, your Micro-Site, and all information they contain (including, without limitation, any Data).

We will control and may use Brand Fund contributions to develop, maintain, operate, update, and market the System Website, including your Micro-Site (if any). You must notify us whenever any information on your Micro-Site changes or is not accurate. You must pay our then-current periodic fees to participate in the System Website or as we otherwise require to maintain and operate the System Website's various features and functions (if or to the extent the Brand Fund does not pay for these costs). We have final approval rights over all information on the System Website, including your Micro-Site, if any. We may implement and periodically modify Brand Standards for the System Website.

We will maintain your Micro-Site, if any, and otherwise allow you to participate in the System Website only while you are in substantial compliance with this Agreement and all Brand Standards (including those for the System Website). If you are in material default of any obligation under this Agreement or Brand Standards, we may, in addition to our other remedies, temporarily suspend your participation in the System Website until you fully cure the default. We will permanently terminate your access to and participation in the System Website upon this Agreement's expiration or termination.

All Marketing Materials you develop for the Restaurant must comply with Brand Standards and contain notices of the System Website's URL in the manner we periodically designate. You may not develop, maintain, or authorize any Digital Marketing or Social Media mentioning or describing the Restaurant or displaying any Marks without our prior written approval and, if applicable, without complying with our Brand Standards for such Digital Marketing and Social Media. Except for the System Website and approved Digital Marketing and Social Media, you may not conduct commerce or directly or indirectly offer or sell any products or services using any Digital Marketing, Social Media, or website.

Nothing in this Section limits our right to maintain websites other than the System Website or to offer and sell products and services under the Marks from the System Website, another website, or otherwise over the Internet without payment or any other obligation to you.

#### **14. Records, Reports, and Financial Statements**

In order to ensure consistency and reliability with respect to your various financial reporting obligations to us, you must establish and maintain at your own expense a bookkeeping, accounting, and recordkeeping system conforming to the requirements and formats (including, at our option, the accounting methods and chart of accounts) we prescribe from time to time. The records and information contained in any bookkeeping, accounting, and recordkeeping system we require will not include any records or information relating to the Restaurant's employees, as you control exclusively your labor relations and employment practices. Upon notice to you, we may require you to use at your own cost bookkeeping and accounting services provided by our designated accounting providers to ensure that the Restaurant furnishes the reports, statements, and other financial information required by this Agreement in compliance with our minimum standards. You must use a Computer System to maintain certain revenue data and other information (including Consumer Data) and give us access to that data and other information in the manner we specify (but excluding employee records, as you control exclusively your labor relations and employment practices). We may as often as we deem appropriate (including on a daily, continuous basis) independently access the Computer System and retrieve all information

regarding the Restaurant's operation (other than Restaurant employee records, as you control exclusively your labor relations and employment practices). You must give us:

- i. on or before the Payment Day, statistical reports showing the Restaurant's total Gross Sales, product mix, customer count, and other information we request regarding you and the Restaurant covering the previous weekly period;
- ii. within thirty (30) days after the end of each fiscal quarter, the Restaurant's operating statements and financial statements (including a balance sheet and cash-flow and profit-and-loss statements) as of the end of that fiscal quarter;
- iii. within ninety (90) days after the end of each of your fiscal years, annual profit-and-loss and cash-flow statements, a balance sheet for the Restaurant as of the end of the previous fiscal year, and a narrative written description of your year-end operating results; and
- iv. within fifteen (15) days after our request, exact copies of federal and state income, sales tax, and other tax returns and any other forms, records, books, reports, and other information we periodically require relating to you or the Restaurant (other than Restaurant employee records, as you control exclusively your labor relations and employment practices).

We may periodically specify the form and content of the reports and financial statements described above. You must verify and sign each report and financial statement in the manner we prescribe. We have the right to disclose data from such reports and statements (and to identify the Restaurant as the source of such reports and statements) for any business purpose we determine in our sole judgment, including the right to identify the Restaurant and disclose its individual financial results in both a financial performance representation appearing in Item 19 of our franchise disclosure document and a supplemental financial performance representation.

You agree to preserve and maintain all records, in the manner we periodically specify, in a secure location for at least five (5) years after the end of the fiscal year to which such records relate or for any longer timeframe the Law requires. If we reasonably determine that any report or financial statement you send us is willfully or recklessly, and materially, inaccurate, we may require you to prepare, at your own expense, audited financial statements annually during the Term until we determine that your reports and statements accurately reflect the Restaurant's business and operations.

## **15. Inspections and Audits**

### **A. Inspections**

(1) To determine whether you and the Restaurant are complying with this Agreement, including all Brand Standards and food-safety standards, we and our designated representatives and vendors (including "mystery" shoppers) have the right before you open the Restaurant for business and afterward from time to time during your regular business hours, and without prior notice to you, to inspect and evaluate the Restaurant, observe and record operations (including

through electronic monitoring), remove samples of products and supplies, interview and interact with the Restaurant's supervisory employees and customers, inspect all books and records relating to the Restaurant, and access all electronic records on your Computer System to the extent necessary to ensure compliance with this Agreement and all Brand Standards (in all cases excluding records relating to labor relations and employment practices, as you control exclusively labor relations and employment practices for Restaurant employees). You must cooperate with us and our representatives and vendors in those activities. We will give you a written summary of the evaluation. Without limiting our other rights and remedies under this Agreement, you must promptly correct at your own expense all deficiencies (i.e., failures to comply with Brand Standards) noted by our evaluators within the time period we specify after you receive notice of those deficiencies (which may be as short as one (1) day depending on the deficiency). We then may conduct one or more follow-up evaluations to confirm that you have corrected the deficiencies and otherwise are complying with this Agreement and all Brand Standards. You must pay the actual costs of the first follow-up audit, including our personnel's daily charges (including wages) and TRE. We may charge you a One-Thousand Five-Hundred Dollar (\$1,500) inspection fee, plus our personnel's TRE, for the second and each follow-up evaluation we make and for each inspection you specifically request. If you fail to correct a deficiency at the Restaurant or in its operation after these inspections, we may (short of taking over the Restaurant's management) take the required action for you, without being guilty of or liable for trespass or tort, in which case you must immediately reimburse all of our costs.

(2) If we find any condition at the Restaurant that we consider to be hazardous, unsafe, unhealthy, unsanitary, unclean, or in material disrepair, we have the following rights in addition to all other rights set forth in this Agreement:

(a) we may require you immediately to close and suspend operation of the Restaurant or to take any other action we deem necessary whenever we have reason to believe that any products in the Restaurant are contaminated or the Restaurant presents imminent risk to public health and safety. You must notify us immediately of any suspected product contamination or other violation affecting public health or safety and promptly take any action we require. You alone are responsible for all losses, costs, or other expenses incurred in complying with this clause (a); and/or

(b) we may immediately remove or destroy at your expense any product that we believe to be hazardous or contaminated or to present imminent risk to public health or safety.

(3) Because we do not have the right to inspect your employment records, you agree to confirm for us periodically (in the manner specified in Brand Standards) that the Restaurant's employees have all certifications required by Law.

## **B. Our Right to Audit**

We and our designated representatives may at any time during your business hours, and without prior notice to you, examine the Restaurant's business, bookkeeping, and accounting records, sales and income tax records and returns, and other records (other than records we have no authority to control and/or remedy, such as your employment records). You must fully cooperate with our representatives and independent accountants conducting any inspection or audit. If any inspection or audit discloses an understatement of the Restaurant's Gross Sales, you

must pay us within ten (10) days after receiving the inspection or audit report the amounts due on the understatement plus our administrative fee and interest from the date originally due until the date of payment. If any inspection or audit discloses an overstatement of the Restaurant's Gross Sales, we will credit you (without interest) for the overpayment. Further, if an inspection or audit is necessary due to your failure to furnish reports, supporting records, or other information as required or on a timely basis, or if our examination reveals an understatement exceeding two percent (2%) of the amount you actually reported to us for the period examined, you must reimburse our costs for the examination, including, without limitation, legal fees, independent accountants' fees, and compensation and TRE for our employees. These remedies are in addition to our other remedies and rights under this Agreement and applicable Law.

## **16. Transfer**

### **A. Transfer by Us**

We may change our ownership or form and/or assign this Agreement and any other agreement to a third party without restriction. After we assign this Agreement to a third party that expressly assumes this Agreement's obligations, we no longer will have any performance or other obligations under this Agreement. That assignment will constitute a release and novation with respect to this Agreement, and the new owner-assignee will be liable to you as if it had been an original party to this Agreement. Specifically and without limiting the foregoing, you agree that we may sell our assets (including this Agreement), the Marks, or the Franchise System to a third party; offer our ownership interests privately or publicly; merge, acquire other business entities, or be acquired by another business entity; and/or undertake a refinancing, recapitalization, leveraged buyout, securitization, or other economic or financial restructuring.

### **B. Transfer by You and Definition of Transfer**

The rights and duties this Agreement creates are personal to you and your owners, and we have granted you the rights under this Agreement in reliance upon our perceptions of your and your owners' character, skill, aptitude, attitude, business ability, and financial capacity. Accordingly, neither: (i) this Agreement or any interest in this Agreement; (ii) the Restaurant or any right to receive all or a portion of the profits, losses, or capital appreciation relating to the Restaurant; (iii) all or substantially all of the Operating Assets; (iv) any ownership interest in you; nor (v) a controlling ownership interest in an Entity with an ownership interest in you, may be transferred without our prior written approval. A transfer of the Restaurant's ownership, possession, or control, or all or substantially all of the Operating Assets, may be made only with the concurrent transfer (to the same proposed transferee) of the franchise rights (with the transferee assuming this Agreement or signing our then-current form of franchise agreement and related documents, as we may require). Any transfer without our prior written approval is a breach of this Agreement and has no effect, meaning you and your owners will continue to be obligated to us for all your obligations under this Agreement.

In this Agreement, the term “**transfer**” includes a voluntary, involuntary, direct, or indirect assignment, sale, gift, or other disposition, including the following events:

- i. transfer of record or beneficial ownership of stock or any other ownership interest or the right to receive (directly or indirectly) all or a portion of the profits, losses, or any capital appreciation relating to the Restaurant;
- ii. a merger, consolidation, or exchange of ownership interests, issuance of additional ownership interests or securities representing or potentially representing ownership interests, or a redemption of ownership interests;
- iii. any sale or exchange of voting interests or securities convertible to voting interests, or any management or other agreement granting the right (directly or indirectly) to exercise or control the exercise of any owner's voting rights or to control your (or an Entity with an ownership interest in you) or the Restaurant's operations or affairs;
- iv. transfer in a divorce, insolvency, or Entity-dissolution proceeding or otherwise by operation of law;
- v. transfer by will, declaration of or transfer in trust, or under the laws of intestate succession; or
- vi. pledge of this Agreement (to someone other than us) or of an ownership interest in you or your owners as security or collateral, foreclosure upon or attachment or seizure of the Restaurant, or your transfer, surrender, or loss of the Restaurant's possession, control, or management. You may grant a security interest (including a purchase-money security interest) in the Restaurant's assets (not including this Agreement or the franchise rights) to a lender that finances your acquisition, development, and/or operation of the Restaurant without having to obtain our prior written approval as long as you give us ten (10) days' prior written notice. However, you may not pledge, hypothecate, or grant a security interest in any property that bears or displays the Marks (unless the Marks are readily removable from such property) and must advise your proposed lenders of this restriction. This Agreement and the franchise rights granted to you by this Agreement may not be pledged as collateral or be the subject of a security interest, lien, levy, attachment, or execution by your creditors or any financial institution. Any security interest that may be created in this Agreement by virtue of Section 9-408 of the Uniform Commercial Code is limited as described in Section 9-408(d) of the Uniform Commercial Code.

### **C. Conditions for Approval of Transfer**

If you and your owners are in full compliance with this Agreement, then, subject to this Section 16's other provisions:

- i. We will approve the transfer of a non-controlling ownership interest in you if the proposed transferee and its owners are of good moral character, have no ownership interest in and do not perform services for (and have no affiliates with an ownership interest in or performing services for) a Competitive Business, otherwise meet our

then-applicable standards for non-controlling owners of POLLO CAMPERO Restaurant franchisees, sign our then-current form of Guaranty and Assumption of Obligations or, if applicable, Owner's Undertaking of Non-Monetary Obligations, and pay us a Five Thousand Dollar (\$5,000) transfer fee. The term "**controlling ownership interest**" is defined in Section 21.M.

- ii. If the proposed transfer involves the franchise rights granted by this Agreement or a controlling ownership interest in you or in an Entity owning a controlling ownership interest in you, or is one of a series of transfers (regardless of the timeframe over which those transfers take place) in the aggregate transferring the franchise rights granted by this Agreement or a controlling ownership interest in you or in an Entity owning a controlling ownership interest in you, then we will not unreasonably withhold our approval of a proposed transfer meeting all of the following conditions (provided, however, there may be no such transfer until after the Restaurant has opened for business):
  - a. on both the date you send us the transfer request and the transfer's proposed effective date: (i) the transferee and its direct and indirect owners have the necessary business experience, aptitude, and financial resources to operate the Restaurant; (ii) the transferee otherwise is qualified under our then-existing standards for the approval of new franchisees or of existing franchisees interested in acquiring additional franchises (including the transferee and its affiliates are in substantial operational compliance, at the time of the application, under all other franchise agreements for POLLO CAMPERO Restaurants to which they then are parties with us); and (iii) the transferee and its owners are not restricted by another agreement (whether or not with us) from purchasing the Restaurant or the ownership interest in you or the Entity that owns a controlling ownership interest in you;
  - b. on both the date you send us the transfer request and the transfer's proposed effective date, you have paid all required Royalties, Brand Fund contributions, and other amounts owed to us and our affiliates relating to this Agreement and the Restaurant, have submitted all required reports and statements, and are not in breach of any provision of this Agreement or another agreement with us or our affiliates relating to the Restaurant;
  - c. on both the date you send us the transfer request and the transfer's proposed effective date, neither the transferee nor any of its direct or indirect owners or affiliates operates, has an ownership interest in, or performs services for a Competitive Business;
  - d. before or after the transfer's proposed effective date (as we determine), the transferee's managing owner, operator, and management personnel, if different from your Managing Owner, Operator, and management personnel, satisfactorily complete our then-current Initial Training;

- e. the transferee has the right to occupy the Restaurant's site for the expected franchise term;
- f. before the transfer's proposed effective date, the transferee and each of its owners (if the transfer is of the franchise rights granted by this Agreement), or you and your owners (if the transfer is of a controlling ownership interest in you or in an Entity owning a controlling ownership interest in you), if we so require, sign our then-current form of franchise agreement and related documents (including a Guaranty and Assumption of Obligations and, if applicable, Owner's Undertaking of Non-Monetary Obligations), any and all of the provisions of which may differ materially from any and all of those contained in this Agreement, provided, however, that (i) the term of the new franchise agreement signed will equal the unexpired portion of the Term, (ii) the Royalty and Brand Fund contribution levels specified in this Agreement will be substituted into the then-current form of franchise agreement that you sign for the balance of the initial franchise term (i.e., the unexpired portion of the Term), and (iii) the Area of Protection defined in this Agreement will be substituted into the then-current form of franchise agreement that you sign for the balance of the initial franchise term (i.e., the unexpired portion of the Term).;
- g. before the transfer's proposed effective date, you or the transferee pays us a transfer fee equal to Ten Thousand Dollars (\$10,000);
- h. before the transfer's proposed effective date, the transferee agrees to repair and/or replace Operating Assets and upgrade the Restaurant in accordance with our then-current requirements and specifications for new POLLO CAMPERO Restaurants within the timeframe we specify following the transfer's effective date;
- i. before the transfer's proposed effective date, you (and your transferring owners) sign a general release, in a form satisfactory to us, of any and all claims against us and our affiliates and our and their respective owners, officers, directors, employees, representatives, agents, successors, and assigns;
- j. we have determined that the purchase price, payment terms, and required financing will not adversely affect the transferee's operation of the Restaurant;
- k. if you or your owners finance any part of the purchase price, you and they agree before the transfer's proposed effective date that the transferee's obligations under promissory notes, agreements, or security interests reserved in the Operating Assets or ownership interests in you are subordinate to the transferee's (and its owners') obligation to pay Royalties, Brand Fund contributions, and other amounts due to us and our affiliates and otherwise to comply with this Agreement;

- l. before the transfer's proposed effective date, you and your transferring owners (and members of their Immediate Families) agree, for two (2) years beginning on the transfer's effective date, not to engage in any activity proscribed in Section 19.E below; and
- m. before the transfer's proposed effective date, you and your transferring owners agree not directly or indirectly at any time after the transfer or in any manner (except with other POLLO CAMPERO Restaurants you or they own or operate) to: (i) identify yourself or themselves in any business as a current or former POLLO CAMPERO Restaurant or as one of our franchisees; (ii) use any Mark, any colorable imitation of a Mark, any trademark, service mark, or commercial symbol that is confusingly similar to any Mark, any copyrighted items, or other indicia of a POLLO CAMPERO Restaurant for any purpose; or (iii) utilize for any purpose any trade dress, trade name, trademark, service mark, or other commercial symbol suggesting or indicating a connection or association with us.

If the proposed transfer is to or among your owners, your or their Immediate Family members, or an Entity you control, then the transfer fee in clause (g) will be Five Thousand Dollars (\$5,000).

We have legitimate reasons to evaluate the qualifications of potential transferees and to analyze and critique the terms of their purchase contracts with you. Therefore, our contact with potential transferees to protect our business interests will not constitute improper or unlawful conduct. You expressly authorize us to investigate any potential transferee's qualifications, to analyze and critique the proposed purchase terms, to communicate candidly and truthfully with the transferee regarding your operation of the Restaurant, and to withhold our consent, as long as our decision is not unreasonable, even if the conditions in clauses ii(a) through ii(m) above are satisfied. You waive any claim that our decision to withhold approval of a proposed transfer in order to protect our business interests—if that decision was reasonable despite satisfaction of the conditions in clauses ii(a) through ii(m) above—constitutes tortious interference with contractual or business relationships or otherwise violates any Law. We may review all information regarding the Restaurant you give the proposed transferee, correct any information we believe is inaccurate, and give the proposed transferee copies of any reports you have given us or we have made regarding the Restaurant.

Notwithstanding anything to the contrary in this Section 16, we need not consider a proposed transfer of a controlling or non-controlling ownership interest in you, or a proposed transfer of this Agreement, until you (or an owner) and the proposed transferee first send us a copy of the bona fide offer to purchase or otherwise acquire the particular interest from you (or the owner). For an offer to be considered "bona fide," we may require it to include a copy of all proposed agreements between you (or your owner) and the proposed transferee related to the sale, assignment, or transfer.

## **D. Transfer to a Wholly-Owned or Affiliated Entity**

Notwithstanding Section 16.C above, if you are in full compliance with this Agreement, you may transfer this Agreement, together with the Operating Assets and all other assets associated with the Restaurant, to an Entity that will conduct no business other than the Restaurant and, if applicable, other POLLO CAMPERO Restaurants and of which you or your then-existing owners own and control one hundred percent (100%) of the equity and voting power of all issued and outstanding ownership interests, provided that all Restaurant assets are owned, and the Restaurant is operated, only by that single Entity. The Entity must expressly assume all of your obligations under this Agreement, but you will remain personally liable under this Agreement as if the transfer to the Entity did not occur. Transfers of ownership interests in that Entity are subject to the restrictions in Section 16.C.

## **E. Death or Disability**

### **i. Transfer Upon Death or Disability**

Upon the death or disability of one of your owners, that owner's executor, administrator, conservator, guardian, or other personal representative (the "**Representative**") must transfer the owner's ownership interest in you (or an owner) to a third party, which may include an Immediate Family member. That transfer (including transfer by bequest or inheritance) must occur, subject to our rights under this Section 16.E, within a reasonable time, not to exceed six (6) months from the date of death or disability, and is subject to all terms and conditions in this Section 16. A failure to transfer such interest within this time period is a breach of this Agreement.

### **ii. Operation upon Death or Disability**

If, upon the death or disability of any of your owners, the Restaurant's day-to-day operations are not being managed by a trained Operator, then you or the Representative (as applicable) must within a reasonable time, not to exceed fifteen (15) days from the date of death or disability, appoint a new Operator to operate the Restaurant. The Operator must at your expense satisfactorily complete the training we designate within the time period we specify. We have the right to assume the Restaurant's management, as described in Section 18.C, for the time we deem necessary if the Restaurant is not in our opinion being managed properly after the death or disability of one of your owners.

## **F. Effect of Consent to Transfer**

Our consent to any transfer is not a representation of the fairness of any contract terms between you (or your owner) and the transferee, a guarantee of the Restaurant's or transferee's prospects of success, or a waiver of any claims we have against you (or your owners) or of our right to demand full compliance with this Agreement.

## **G. Our Right of First Refusal**

If you, any of your owners, or the owner of a controlling ownership interest in an Entity with an ownership interest in you at any time determines to sell or transfer for money or other consideration (which can be independently valued in dollars) the franchise rights granted by this

Agreement and the Restaurant (or all or substantially all of its Operating Assets), a controlling ownership interest in you, or a controlling ownership interest in an Entity with a controlling ownership interest in you (except to or among your current owners or in a transfer under Section 16.D, which are not subject to this Section 16.G), you agree to obtain from a responsible and fully-disclosed buyer, and send us, a true and complete copy of a bona fide, executed written offer (which, as noted in Section 16.C above, we may require to include a copy of all proposed agreements related to the sale or transfer). The offer must include details of the proposed sale or transfer's payment terms and the financing sources and terms of the proposed purchase price and provide for an earnest money deposit of at least five percent (5%) of the proposed purchase price. To be a valid, bona fide offer, the proposed purchase price must be a fixed-dollar amount, without any contingent payments of purchase price (such as earn-out payments), and the proposed transaction must relate exclusively to the rights granted by this Agreement and the Restaurant (or all or substantially all of its Operating Assets), a controlling ownership interest in you, or a controlling ownership interest in an Entity with a controlling ownership interest in you. It may not relate to any other interests or assets. We may require you (or your owners) to send us copies of any materials or information you send to the proposed buyer or transferee regarding the possible transaction.

We may, by written notice delivered to you within thirty (30) days after we receive both an exact copy of the offer and all other information we request, elect to purchase the interest offered for the price and on the terms and conditions contained in the offer, provided that: (i) we may substitute cash for any form of consideration proposed in the offer; (ii) our credit will be deemed equal to the credit of any proposed buyer; (iii) the closing of our purchase will not (unless we agree otherwise) be earlier than sixty (60) days after we notify you of our election to purchase or, if later, the closing date proposed in the offer; (iv) you and your owners must sign the general release described in Section 16.C.ii(i) above; and (v) we must receive, and you and your owners agree to make, all customary representations, warranties, and indemnities given by the seller of the assets of a business or of ownership interests in an Entity, as applicable, including representations and warranties regarding ownership and condition of, and title to, assets and (if applicable) ownership interests; your and your owners' authorization to sell, as applicable, any ownership interests or assets without violating any Law, contract, or requirement of notice or consent; liens and encumbrances on ownership interests and assets; validity of contracts and liabilities, contingent or otherwise, relating to the assets or ownership interests being purchased; and indemnities for all actions, events, and conditions that existed or occurred in connection with the Restaurant before the closing of our purchase. If the offer is to purchase all of your ownership interests, we may elect instead to purchase all of the Restaurant's assets (and not any of your ownership interests) on the condition that the amount we pay you for such assets equals the full value of the transaction as proposed in the offer (i.e., the value of all assets to be sold and of all liabilities to be assumed).

Once you or your owners submit the offer and related information to us triggering the start of the thirty (30)-day decision period referenced above, the offer is irrevocable for that thirty (30)-day period. This means we have the full thirty (30) days to decide whether to exercise the right of first refusal and may choose to do so even if you or your owners change your, his, her, or its mind during that period and prefer after all not to sell the particular interest that is the subject of the offer. You and your owners may not withdraw or revoke the offer for any reason during the thirty (30) days, and we may exercise the right to purchase the particular interest in accordance with this Section's terms.

If we exercise our right of first refusal and close the transaction, you and your transferring owners agree that, for two (2) years beginning on the closing date, you and they (and members of your and their Immediate Families) will be bound by the non-competition covenants contained in Section 19.E.

If we do not exercise our right of first refusal, you or your owners may complete the sale to the proposed buyer on the original offer's terms, but only if we approve the transfer as provided in this Section 16. If you or your owners do not complete the sale to the proposed buyer within sixty (60) days after we notify you that we do not intend to exercise our right of first refusal, or if there is a material change in the sale's terms (which you agree to tell us promptly), we will have an additional right of first refusal during the thirty (30) days following either expiration of the sixty (60) day period or our receipt of notice of the material change(s) in the sale's terms, either on the terms originally offered or the modified terms, at our option.

We have the unrestricted right to assign this right of first refusal to a third party (including an affiliate), which then will have the rights described in this Section 16.G. We waive our right of first refusal for sales or transfers to Immediate Family members meeting the criteria in Section 16.C.

## **17. Expiration of Agreement**

When this Agreement expires (unless it is terminated sooner), you will have the right to acquire a first successor franchise to continue operating the Restaurant as a POLLO CAMPERO Restaurant for ten (10) years under our then-current form of franchise agreement, but only if you have:

- i. requested in writing a business review at least six (6) months, but not more than nine (9) months, before the end of the Term;
- ii. substantially complied with all of your obligations under this Agreement and all other agreements with us or our affiliates related to the Restaurant, including operated the Restaurant in substantial compliance with Brand Standards, during the Term, as noted in the business review we conduct; and
- iii. remodeled and upgraded the Restaurant and otherwise brought the Restaurant into full compliance with then-applicable specifications and standards for new POLLO CAMPERO Restaurants (regardless of cost) before this Agreement expires.

To acquire a successor franchise, you and your owners must: (i) sign our then-current form of franchise agreement (and related documents), which may contain terms and conditions differing materially from any and all of those in this Agreement, including higher Royalties and Brand Fund contributions and a modified or smaller Area of Protection, and will be modified to reflect that it is for a successor franchise; (ii) pay us a successor-franchise fee equal to Five Thousand Dollars (\$5,000); and (iii) sign a general release in the form we specify as to any and all claims against us, our affiliates, and our and their respective owners, officers, directors, employees, agents, representatives, successors, and assigns. If you fail to sign and return the documents referenced above, together with the successor-franchise fee, within thirty (30) days after we deliver them to

you, that will be deemed your irrevocable election not to acquire a successor franchise. If you (and your owners) are not, both on the date you give us written notice of your election to acquire a successor franchise (at or after the business review) and on the date on which this Agreement expires, in substantial compliance with this Agreement and all other agreements with us or our affiliates related to the Restaurant, you acknowledge that we need not grant you a successor franchise, whether or not we had, or chose to exercise, the right to terminate this Agreement during its Term under Section 18. We may condition our grant of a successor franchise on your completing certain requirements on or before designated deadlines following commencement of the successor-franchise term.

If we grant you a first ten (10)-year successor franchise, you will have the right to acquire a second (and final) successor franchise to continue operating the Restaurant as a POLLO CAMPERO Restaurant, the term of which will commence immediately upon the expiration of the first successor-franchise term and expire ten (10) years from that date, if you have complied as of the end of the first successor-franchise term with the same conditions for a successor-franchise grant as those described in this Section 17 with respect to the first successor-franchise grant. Otherwise, you will have no right to acquire a second (and final) successor franchise. In connection with your acquisition of a second successor franchise, you must sign our then-current form of franchise agreement (and related documents), which may contain terms and conditions differing materially from any and all of those in this Agreement and in the franchise agreement you sign for your first successor franchise, including higher Royalties and Brand Fund contributions and a modified or smaller Area of Protection, and will be modified to reflect that it is for a second (and final) successor franchise.

## **18. Termination of Agreement**

### **A. Termination by You**

You may terminate this Agreement if we materially breach any of our obligations under this Agreement and fail to correct that breach within thirty (30) days after you deliver to us written notice of the breach; provided, however, if we cannot reasonably correct the breach within those thirty (30) days but give you within the thirty (30) days evidence of our effort to correct the breach within a reasonable time period, then the cure period will run through the end of that reasonable time period. Your termination of this Agreement other than according to this Section 18.A will be deemed a termination without cause and your breach of this Agreement.

### **B. Termination by Us**

We may, at our option, terminate this Agreement, effective immediately upon delivery of written notice of termination to you, upon the occurrence of any one of the following events:

- i. you (or any of your direct or indirect owners) have made or make any material misrepresentation or omission in connection with your application for and acquisition of the franchise or your operation of the Restaurant, including, without limitation, by intentionally or through your gross negligence understating the Restaurant's Gross Sales for any period;

- ii. (a) you fail to obtain our written acceptance of a site, to secure an accepted site under a Lease we accept, or otherwise to meet any development obligation identified in Section 4 (including the “Construction to Begin” requirement) on or before the required deadline, or (b) your Managing Owner fails to complete Initial Training successfully, or (c) you fail to develop, open, and begin operating the Restaurant in compliance with this Agreement, including all Brand Standards (including with a fully-trained staff), on or before the Opening Deadline;
- iii. you (a) abandon the Restaurant, meaning you have deserted, walked away from, or closed the Restaurant under circumstances leading us to conclude that you have no intent to return to the Restaurant, regardless of how many days have passed since the apparent abandonment, or (b) fail actively and continuously to operate the Restaurant (a failure to operate the Restaurant for over three (3) consecutive days will be deemed a default under this clause (b), except where closure is due to fire, riot, flood, terrorist acts, or natural disaster and you notify us within three (3) days after the particular occurrence to obtain our written approval to remain closed for an agreed-upon amount of time as is necessary under the circumstances before we will require you to re-open);
- iv. you, any of your owners, or the owner of a controlling ownership interest in an Entity with an ownership interest in you makes a purported transfer in violation of Section 16;
- v. you (or any of your direct or indirect owners) are or have been convicted by a trial court of, or plead or have pleaded guilty or no contest to, a felony;
- vi. you (or any of your direct or indirect owners) engage in any dishonest, unethical, immoral, or similar conduct as a result of which your (or the owner’s) association with the Restaurant (or the owner’s association with you) could, in our reasonable opinion, have a material adverse effect on the goodwill associated with the Marks;
- vii. a lender forecloses on its lien on a substantial and material portion of the Restaurant’s assets;
- viii. an entry of judgment against you involving aggregate liability of Twenty-Five Thousand Dollars (\$25,000) or more in excess of your insurance coverage, and the judgment remains unpaid for ten (10) days or more following its entry;
- ix. you (or any of your direct or indirect owners) misappropriate any Confidential Information or violate any provisions of Section 12, including, but not limited to, by holding interests in or performing services for a Competitive Business;
- x. you violate any material Law relating to the Restaurant’s development, operation, or marketing and do not (a) begin to correct the noncompliance or violation immediately after delivery of written notice (regardless of by whom sent to you) or (b) completely correct the noncompliance or violation within the time period prescribed by Law, unless, in the case of both (a) and (b), you are in good faith

contesting your liability for the violation through appropriate proceedings or, in the case of (b) only, you provide reasonable evidence to us and the relevant authority of your continued efforts to correct the violation within a reasonable time period;

- xi. you fail to report the Restaurant's Gross Sales or to pay us or any of our affiliates any amounts when due and do not correct the failure within five (5) days after delivery of written notice;
- xii. you underreport the Restaurant's Gross Sales by two percent (2%) or more on three (3) separate occasions within any twenty-four (24) consecutive-month period or by five percent (5%) or more during any reporting period;
- xiii. you disable the Restaurant's Computer System, close the Restaurant's business checking or other account from which we debit required payments without complying with Section 5.C, or otherwise intentionally prevent us from debiting required payments;
- xiv. you fail to maintain the insurance this Agreement requires or to send us satisfactory evidence of such insurance coverage within the required time, or significantly modify your insurance coverage without our written approval, and do not correct the failure within five (5) days after delivery of written notice;
- xv. you fail to pay when due any federal or state income, service, sales, employment, or other taxes due on the Restaurant's operation, unless you are in good faith contesting your liability for such taxes through appropriate proceedings;
- xvi. you (or any of your direct or indirect owners) (a) fail on three (3) or more separate occasions within any twelve (12)-consecutive-month period to comply with this Agreement (including any Brand Standard), whether or not we notify you of the failures, and, if we do notify you of the failures, whether or not you correct the failures after our delivery of notice to you (which includes failures identified and reported to you during any inspection we conduct under Section 15.A), or (b) fail on two (2) or more separate occasions within any six (6)-consecutive-month period to comply with the same obligation under this Agreement (including any Brand Standard), whether or not we notify you of the failures, and, if we do notify you of the failures, whether or not you correct the failures after our delivery of notice to you (which includes failures identified and reported to you during any inspection we conduct under Section 15.A);
- xvii. you fail to pay amounts you owe to our designated, approved, or recommended suppliers within thirty (30) days following the due date (unless you are contesting the amount in good faith), or you default (and fail to cure within the allocated time) under any note, lease, or agreement we deem material relating to the Restaurant's operation or ownership, and do not correct the failure within five (5) days after delivery of written notice;

- xviii. you make an assignment for the benefit of creditors or admit in writing your insolvency or inability to pay your debts generally as they become due; you consent to the appointment of a receiver, trustee, or liquidator of all or a substantial part of your property; the Restaurant is attached, seized, or levied upon, unless the attachment, seizure, or levy is vacated within sixty (60) days; or any order appointing a receiver, trustee, or liquidator of you or the Restaurant is not vacated within sixty (60) days following its entry;
- xix. your or any of your owners' assets, property, or interests are blocked under any Law relating to terrorist activities, or you or any of your owners otherwise violate any such Law;
- xx. you lose the right to occupy the Restaurant's premises due to your Lease default (even if you have not yet vacated the Restaurant's premises);
- xxi. you lose the right to occupy the Restaurant's premises (but not due to your Lease default), or the Restaurant is damaged to such an extent that you cannot operate the Restaurant at its existing location over a thirty (30)-day period, and you fail both to relocate the Restaurant to a substitute site we accept and to begin operating the Restaurant at that substitute site within one hundred eighty (180) days from the first date on which you could not operate the Restaurant at its existing location;
- xxii. you fail to comply with any other obligation under this Agreement or any other agreement between us (or any of our affiliates) and you relating to the Restaurant, including, without limitation, any Brand Standard, and do not correct the failure to our satisfaction within thirty (30) days after we deliver written notice;
- xxiii. you cause or contribute to a Data Security Incident or fail to comply with any requirements to protect Consumer Data; or
- xxiv. we have sent a notice of termination under another franchise agreement for a POLLO CAMPERO Restaurant between you (or any of your affiliates) and us, regardless of the reason for such termination, or you (or any of your affiliates) have terminated another franchise agreement with us without cause.

### **C. Assumption of Restaurant's Management**

(i) If you abandon or fail actively to operate the Restaurant for any period, (ii) under the circumstances described in Sections 16.E and 18.D, and (iii) after termination or expiration of this Agreement while we are deciding whether to exercise our right to purchase the Restaurant's Operating Assets under Section 19.F, we or our designee has the right (but not the obligation) to enter the site and assume the Restaurant's management for any time period we deem appropriate. The manager will exercise control over the working conditions of the Restaurant's employees only to the extent such control is related to our legitimate interest in protecting, and is necessary at that time to protect, the quality of our products, services, or brand. If we assume the Restaurant's management, all revenue from the Restaurant's operation during our management period will (except as provided below) be kept in a separate account, and all Restaurant expenses will be

charged to that account. In addition to all other fees and payments owed under this Agreement on account of the Restaurant's operation, we may charge you a reasonable management fee, not to exceed ten percent (10%) of the Restaurant's Gross Sales, plus any out-of-pocket expenses incurred in connection with the Restaurant's management. We or our designee will have a duty to use only reasonable efforts and, if we or our designee is not grossly negligent and does not commit an act of willful misconduct, will not be liable to you or your owners for any debts, losses, lost or reduced profits, or obligations the Restaurant incurs, or to any of your creditors for any supplies, products, or other assets or services the Restaurant purchases, while we or our designee manages it. We may require you to sign our then-current form of management agreement to govern the terms of our management of the Restaurant.

If we or our designee assumes the Restaurant's management due to your abandonment or failure actively to operate the Restaurant, or after termination or expiration of this Agreement while we are deciding whether to exercise our right to purchase the Restaurant's Operating Assets under Section 19.F, we or our designee may retain all, and need not pay you or otherwise account to you for any, Gross Sales generated while we or our designee manages the Restaurant.

#### **D. Other Remedies upon Default**

Upon your failure to remedy any noncompliance with any provision of this Agreement, including any Brand Standard, or another default specified in any written notice issued to you under Section 18.B within the time period (if any) we specify in our notice, we have the right, until the failure has been corrected to our satisfaction, to take any one or more of the following actions:

- i. suspend your right to participate in one or more advertising, marketing, or promotional programs that we or the Brand Fund provides;
- ii. suspend or terminate your participation in any temporary or permanent fee reductions to which we might have agreed (whether as a policy, in an amendment to this Agreement, or otherwise);
- iii. refuse to provide any operational support this Agreement requires; and/or
- iv. assume the Restaurant's management, as described in Section 18.C, for the time we deem necessary in order to correct the default, for all of which costs you must reimburse us (in addition to the amounts you must pay us under Section 18.C).

Exercising any of these rights will not constitute an actual or constructive termination of this Agreement or be our sole and exclusive remedy for your default. If we exercise any remedies in this Section 18.D rather than terminate this Agreement, we may at any time after the applicable cure period under the written notice has lapsed (if any) terminate this Agreement without giving you any additional corrective or cure period. During any suspension period, you must continue paying all fees and other amounts due under, and otherwise comply with, this Agreement and all related agreements. Our election to suspend your rights as provided above is not our waiver of any breach of this Agreement. If we rescind any suspension of your rights, you are not entitled to any compensation (including, without limitation, repayment, reimbursement, refunds, or offsets) for

any fees, charges, expenses, or losses you might have incurred due to our exercise of any suspension right provided above.

## **19. Rights and Obligations upon Termination or Expiration of This Agreement**

### **A. Payment of Amounts Owed**

You agree to pay us within fifteen (15) days after this Agreement expires or is terminated, or on any later date we determine the amounts due to us, the Royalties, Brand Fund contributions, late fees and interest, and other amounts owed to us (and our affiliates) that are then unpaid. If we terminate this Agreement on any ground specified under Section 18.B, or if you terminate this Agreement without cause, before the Term's scheduled expiration date, you also will be liable to us for all of our damages caused by your breach of contract, including our lost future royalties.

### **B. De-Identification**

Upon termination or expiration of this Agreement, you must de-identify the Restaurant in compliance with this Section 19.B and as we reasonably require. De-identification includes, but is not limited to, taking the following actions:

- i. beginning immediately upon the effective date of termination or expiration, you and your owners may not directly or indirectly at any time afterward or in any manner (except in connection with other POLLO CAMPERO Restaurants you or they own and operate): (a) identify yourself or themselves in any business as a current or former POLLO CAMPERO Restaurant or as one of our current or former franchisees; (b) use any Mark, any colorable imitation of a Mark, any trademark, service mark, or commercial symbol that is confusingly similar to any Mark, any copyrighted items, or other indicia of a POLLO CAMPERO Restaurant for any purpose; or (c) use for any purpose any trade dress, trade name, trademark, service mark, or other commercial symbol suggesting or indicating a connection or association with us.
- ii. immediately upon the effective date of termination or expiration, you must take the action required to cancel all fictitious or assumed-name or equivalent registrations relating to your use of any Mark;
- iii. if we do not exercise the option under Section 19.F below, you must at your own cost and without any payment from us for such items, at our option, deliver to us, make available to us for pick-up, or destroy, in any case within twenty (20) days after the De-identification Date (defined below), all signs, Marketing Materials, forms, and other materials containing any Mark. If you fail to do so voluntarily when we require, we and our representatives may enter the Restaurant at our convenience and remove these items without liability to you, the landlord, or any other third party for trespass or any other claim. You must reimburse our costs of doing so;

- iv. if we do not exercise the option under Section 19.F below, you must at your own cost and without any payment from us for such items, at our option, deliver to us, make available to us for pick-up, or destroy, in any case within thirty (30) days after the De-identification Date, all materials that are proprietary to the POLLO CAMPERO Restaurant brand. If you fail to do so voluntarily when we require, we and our representatives may enter the Restaurant at our convenience and remove these items without liability to you, the landlord, or any other third party for trespass or any other claim. You must reimburse our costs of doing so;
- v. if we do not exercise the option under Section 19.F below, you must at your own expense within twenty (20) days after the De-identification Date make the alterations we specify to distinguish the Restaurant clearly from its former appearance and from other POLLO CAMPERO Restaurants in order to prevent public confusion. If you fail to do so voluntarily when we require, we and our representatives may enter the Restaurant at our convenience and take this action without liability to you, your landlord, or any other third party for trespass or any other claim. We need not compensate you or the landlord for any alterations. You must reimburse our costs of de-identifying the Restaurant;
- vi. you must within fifteen (15) days after the De-identification Date notify the telephone company and all telephone directory publishers (both web-based and print) of the termination or expiration of your right to use any telephone or other numbers and telephone directory listings associated with any Mark; authorize, and not interfere with, the transfer of those numbers and directory listings to us or at our direction; and/or instruct the telephone company to forward all calls made to your numbers to numbers we specify. If you fail to do so, we may take whatever action and sign whatever documents we deem appropriate on your behalf to effect these events; and
- vii. you must immediately cease using or operating any Digital Marketing and Social Media related to the Restaurant or the Marks, take all action required to disable Digital Marketing and Social Media accounts, and cancel all rights in and to any accounts for such Digital Marketing and Social Media (unless we request you to assign them to us).

The “**De-identification Date**” means: (i) if we exercise the option under Section 19.F, the closing date of our (or our designee’s) purchase of the Restaurant’s assets; or (ii) if we do not exercise the option under Section 19.F, the date upon which that option expires or we notify you of our decision not to exercise, or to withdraw our previous exercise, of that option, whichever occurs first.

### **C. Confidential Information**

Upon termination or expiration of this Agreement, you and your owners must immediately cease using any of our Confidential Information in any business or otherwise and return to us all copies of the Operations Manual and any other confidential materials to which we gave you access. You may not sell, trade, or otherwise profit in any way from any Consumer Data or other Confidential Information at any time after expiration or termination of this Agreement.

#### **D. Notification to Customers**

Upon termination or expiration of this Agreement, we have the right to contact (at our expense) previous, current, and prospective customers to inform them that a POLLO CAMPERO Restaurant no longer will operate at the Restaurant's location or, if we intend to exercise the option under Section 19.F, that the Restaurant will operate under new management. We also have the right to inform them of other nearby POLLO CAMPERO Restaurants. Exercising these rights will not constitute interference with your contractual or business relationships with those customers.

#### **E. Covenant Not to Compete**

Upon our termination of this Agreement in compliance with its terms, your termination of this Agreement without cause, or expiration of this Agreement (without the grant of a successor franchise), you and your owners agree that neither you, they, nor any member of your or their Immediate Families will:

- i. have any direct or indirect, controlling or non-controlling interest as an owner—whether of record, beneficial, or otherwise—in any Competitive Business located or operating:
  - a. at the Restaurant's site; or
  - b. within the former Area of Protection; or
  - c. within five (5) miles of the physical location of another POLLO CAMPERO Restaurant in operation or under construction on the later of the effective date of termination or expiration or the date on which the restricted person begins to comply with this Section 19.E,  
  
provided that this restriction does not prohibit ownership of shares of a class of securities publicly-traded on a United States stock exchange and representing less than three percent (3%) of the number of shares of that class of securities issued and outstanding; or
- ii. perform services as a director, officer, manager, employee, consultant, representative, or agent for a Competitive Business located or operating:
  - a. at the Restaurant's site; or
  - b. within the former Area of Protection; or
  - c. within five (5) miles of the physical location of another POLLO CAMPERO Restaurant in operation or under construction on the later of the effective date of termination or expiration or the date on which the restricted person begins to comply with this Section 19.E.

You, each owner, and your and their Immediate Families will each be bound by these competitive restrictions for two (2) years beginning on the effective date of this Agreement's termination or

expiration. However, if a restricted person does not begin to comply with these competitive restrictions immediately, the two (2)-year restrictive period for that non-compliant person will not start to run until the date on which that person begins to comply with the competitive restrictions (whether or not due to the entry of a court order enforcing this provision). The running of the two (2)-year restrictive period for a restricted person will be suspended whenever that restricted person breaches this Section and will resume when that person resumes compliance. The restrictive period also will be tolled automatically during the pendency of a proceeding in which either party challenges or seeks to enforce these competitive restrictions. These restrictions also apply after transfers and other events, as provided in Section 16 above. You (and your owners) expressly acknowledge that you (and they) possess skills and abilities of a general nature and have other opportunities for exploiting those skills. Consequently, our enforcing the covenants made in this Section 19.E will not deprive you (and them) of personal goodwill or the ability to earn a living. The terms of Section 12.B of this Agreement also apply to the competitive restrictions described in this Section 19.E.

## **F. Option to Purchase Operating Assets**

### **i. Exercise of Option**

Upon our termination of this Agreement in compliance with its terms, your termination of this Agreement without cause, or expiration of this Agreement (without the grant of a successor franchise), we have the option, exercisable by giving you written notice before or within thirty (30) days after the effective date of termination or expiration, to purchase the Operating Assets and other assets associated with the Restaurant's operation that we designate. We have the unrestricted right to assign this purchase option to a third party (including an affiliate), which then will have the rights and, if the purchase option is exercised, obligations described in this Section 19.F. (All references in this Section 19.F to "we" or "us" include our assignee if we have exercised our right to assign this purchase option to a third party.) We are entitled to all customary representations, warranties, and indemnities in our asset purchase, including representations and warranties regarding ownership and condition of, and title to, assets; liens and encumbrances on assets; validity of contracts and liabilities affecting the assets, contingent or otherwise; and indemnities for all actions, events, and conditions that existed or occurred in connection with the Restaurant before the closing of our purchase.

If you or one of your affiliates owns the site at which the Restaurant is located, we (or our assignee) may elect to lease that site from you or the affiliate for an initial five (5) or ten (10) year term (at our option), with one (1) renewal term of five (5) or ten (10) years (again at our option), on commercially reasonable terms. If you lease the Restaurant's site from an unaffiliated lessor, you agree (at our option) to assign the Lease to us or to enter into a sublease for the remainder of the Lease term on the same terms (including renewal options) as the Lease.

### **ii. Purchase Price**

If we elect to purchase all or substantially all of the Operating Assets and other assets associated with the Restaurant's operation, the purchase price for those assets will be their fair market value, although fair market value will not include any value for (a) the franchise or any rights granted by this Agreement, (b) goodwill attributable to our Marks, brand image, and other

intellectual property, or (c) participation in the network of POLLO CAMPERO Restaurants. In all cases, we may exclude from the assets purchased any Operating Assets or other items not reasonably necessary (in function or quality) to the Restaurant's operation or that we have not approved as meeting Brand Standards; the purchase price will reflect those exclusions. We and you must work together in good faith to agree upon the assets' fair market value within fifteen (15) days after we deliver our notice exercising our right to purchase. If we and you cannot agree on fair market value within this fifteen (15)-day period, fair market value will be determined by the following appraisal process.

Fair market value will be determined by one (1) independent accredited appraiser upon whom we and you agree who, in conducting the appraisal, will be bound by the criteria specified above. We and you agree to select the appraiser within fifteen (15) days after we deliver our purchase notice (if we and you do not agree on fair market value before then). If we and you cannot agree on a mutually-acceptable appraiser within the fifteen (15) days, we will send you a list of three (3) independent appraisers, and you must within seven (7) days select one of them to be the designated appraiser to determine the purchase price. Otherwise, we have the right to select the appraiser. We and you will share equally the appraiser's fees and expenses. Within thirty (30) days after delivery of notice invoking the appraisal mechanism, we and you must send the appraiser our and your respective calculations of the purchase price, with such detail and supporting documents as the appraiser requests and according to the criteria specified above. Within fifteen (15) days after receiving both calculations, the appraiser must decide whether our proposed purchase price or your proposed purchase price most accurately reflects the assets' fair market value. The appraiser has no authority to compromise between the two (2) proposed purchase prices; it is authorized only to choose one or the other. The appraiser's choice will be the purchase price and is final.

### iii. Closing

We will pay the purchase price at the closing, which will take place not later than thirty (30) days after the purchase price is determined. However, we may decide after the purchase price is determined not to complete the purchase and will have no liability to you for choosing not to do so. We may set off against the purchase price, and reduce the purchase price by, any and all amounts you owe us (or our affiliates). At the closing, you agree to deliver instruments transferring to us: (a) good and merchantable title to the assets purchased, free and clear of all liens and encumbrances (other than liens and security interests acceptable to us), with all sales and transfer taxes paid by you; (b) all of the Restaurant's licenses and permits that may be assigned; and (c) possessory rights to the Restaurant's site.

If you cannot deliver clear title to all purchased assets, or if there are other unresolved issues, the sale will be closed through an escrow. You and your owners further agree to sign general releases, in a form satisfactory to us, of any and all claims against us and our affiliates and our and their respective owners, officers, directors, employees, agents, representatives, successors, and assigns. If we exercise our rights under this Section 19.F, then for two (2) years beginning on the closing date, you and your owners (and members of your and their Immediate Families) will be bound by the non-competition covenants contained in Section 19.E.

You may not under any circumstances sell any of the Restaurant's assets until we have exercised or elected not to exercise our right to purchase those assets, as provided in this Section.

### **G. Continuing Obligations**

All of our and your (and your owners') obligations expressly surviving expiration or termination of this Agreement will continue in full force and effect after and notwithstanding its expiration or termination and until they are satisfied in full.

## **20. Relationship of the Parties; Indemnification**

### **A. Independent Contractors**

This Agreement does not create a fiduciary relationship between you and us (or any affiliate of ours). You have no authority, express or implied, to act as an agent for us or our affiliates for any purpose. You are, and will remain, an independent contractor responsible for all obligations and liabilities of, and for all losses or damages to, the Restaurant and its assets, including any personal property, equipment, fixtures, or real property, and for all claims or demands based on damage to or destruction of property or based on injury, illness, or death of any person resulting directly or indirectly from the Restaurant's operation. We and you are entering this Agreement with the intent and expectation that we and you are and will be independent contractors. Further, we and you are not and do not intend to be partners, joint venturers, associates, or employees of the other in any way, and we (and our affiliates) will not be construed to be jointly liable for any of your acts or omissions under any circumstances. We (and our affiliates) are not the employer or joint employer of the Restaurant's employees. Your Managing Owner and Operator (if not your Managing Owner) are solely responsible for managing and operating the Restaurant and supervising the Restaurant's employees. You agree to identify yourself conspicuously in all dealings with customers, suppliers, public officials, Restaurant personnel, and others as the Restaurant's owner, operator, and manager under a franchise we have granted and to place notices of independent ownership at the Restaurant and on the forms, business cards, stationery, advertising, e-mails, and other materials we require from time to time.

We (and our affiliates) will not exercise direct or indirect control over the working conditions of Restaurant personnel, except to the extent such indirect control is related to our legitimate interest in protecting the quality of our products, services, or brand. We (and our affiliates) do not share or codetermine the employment terms and conditions of the Restaurant's employees and do not affect matters relating to the employment relationship between you and the Restaurant's employees, such as employee selection, promotion, termination, hours worked, rates of pay, other benefits, work assigned, discipline, adjustment of grievances and complaints, and working conditions. To that end, you must notify Restaurant personnel that you are their employer and that we, as the franchisor of POLLO CAMPERO Restaurants, and our affiliates are not their employer and do not engage in any employer-type activities for which only franchisees are responsible, such as employee selection, promotion, termination, hours worked, rates of pay, other benefits, work assigned, discipline, adjustment of grievances and complaints, and working conditions. You also must obtain an acknowledgment (in the form we specify or approve) from all Restaurant employees that you (and not we or our affiliates) are their employer.

## **B. No Liability for Acts of Other Party**

We and you may not make any express or implied agreements, warranties, guarantees, or representations, or incur any debt, in the name or on behalf of the other or represent that our relationship with you is other than franchisor and franchisee. We will not be obligated for any damages to any person or property directly or indirectly arising from the Restaurant's operation or the business you conduct under this Agreement.

## **C. Taxes**

We will have no liability for any sales, use, service, occupation, excise, gross receipts, income, property, employment, or other taxes, whether levied upon you or the Restaurant, due to the business you conduct (except for our own income taxes). You must pay those taxes and reimburse us for any taxes we must pay to any taxing authority on account of either your Restaurant's operation or payments you make to us (except for our own income taxes).

## **D. Insurance**

During the Term, you must maintain in force at your sole expense insurance coverage for the Restaurant in the amounts, and covering the risks, we periodically specify in the Operations Manual. We may require some or all of your insurance policies to provide for waiver of subrogation in favor of us and certain of our affiliates. Your insurance carriers must be licensed to do business in the state in which the Restaurant is located and be rated A-, VII or higher by A.M. Best and Company, Inc. (or such similar criteria we periodically specify). Insurance policies must be in effect before you begin constructing the Restaurant. We may periodically increase the amounts of coverage required under those insurance policies and/or require different or additional insurance coverage at any time to reflect inflation, identification of new risks, changes in Law or standards of liability, higher damage awards, or relevant changes in circumstances. Insurance policies must name us and any affiliates we periodically designate as additional insureds and provide for thirty (30) days' prior written notice to us of any policy's material modification, cancellation, or non-renewal and notice to us of any non-payment. You must periodically, including before the Restaurant opens for business, send us a valid certificate of insurance or duplicate insurance policy evidencing the coverage specified above and the payment of premiums. We may require you to use our designated insurance broker to facilitate your compliance with these insurance requirements. We have the right to obtain insurance coverage for the Restaurant at your expense if you fail to do so, in which case you must promptly reimburse our costs. We also have the right to defend claims in our sole discretion.

## **E. Indemnification**

To the fullest extent permitted by Law, you must indemnify and hold harmless us, our affiliates, and our and their respective owners, directors, officers, employees, agents, successors, and assignees (the "**Indemnified Parties**") against, and reimburse any one or more of the Indemnified Parties for, all Losses (defined below) incurred as a result of:

- (1) a claim threatened or asserted;

- (2) an inquiry made formally or informally; or
- (3) a legal action, investigation, or other proceeding brought

by a third party and directly or indirectly arising out of:

- (i) the Restaurant's construction, design, or operation;
- (ii) the business you conduct under this Agreement;
- (iii) your noncompliance or alleged noncompliance with any Law, including any allegation that we or another Indemnified Party is a joint employer or otherwise responsible for your acts or omissions relating to the Restaurant's employees;
- (iv) a Data Security Incident; or
- (v) your breach of this Agreement.

You also agree to defend the Indemnified Parties (unless an Indemnified Party chooses to defend at your expense as provided in the following paragraph) against any and all such claims, inquiries, actions, investigations, and proceedings, including those alleging the Indemnified Party's negligence, gross negligence, willful misconduct, and willful wrongful omissions. However, you have no obligation to indemnify or hold harmless an Indemnified Party for any Losses to the extent they are determined in a final, unappealable ruling issued by a court or arbitrator with competent jurisdiction to have been caused solely and directly by the Indemnified Party's negligence, willful misconduct, or willful wrongful omissions, so long as the claim to which those Losses relate is not asserted on the basis of theories of vicarious liability (including agency, apparent agency, or joint employment) or our failure to compel you to comply with this Agreement.

For purposes of this indemnification and hold harmless obligation, "**Losses**" includes all obligations, liabilities, damages (actual, consequential, or otherwise), and reasonable defense costs that any Indemnified Party incurs. Defense costs include, without limitation, accountants', arbitrators', attorneys', and expert witness fees, costs of investigation and proof of facts, court costs, travel and living expenses, and other expenses of litigation, arbitration, or alternative dispute resolution, whether or not litigation, arbitration, or alternative dispute resolution actually is commenced. Each Indemnified Party, with its own counsel and at your expense, may defend and otherwise respond to and address any claim threatened or asserted or inquiry made, or any action, investigation, or proceeding brought (instead of having you defend it with your counsel, as provided in the preceding paragraph), and, in cooperation with you, agree to settlements or take any other remedial, corrective, or other actions, for all of which defense and response costs and other Losses you are solely responsible (except as provided in the last sentence of the preceding paragraph).

Your obligations under this Section will continue in full force and effect after and notwithstanding this Agreement's expiration or termination. An Indemnified Party need not seek recovery from any insurer or other third party, or otherwise mitigate its Losses, in order to maintain and recover fully a claim against you under this Section. A failure to pursue a recovery or mitigate

a Loss will not reduce or alter the amounts that an Indemnified Party may recover from you under this Section.

## **21. Enforcement**

### **A. Severability**

Except as expressly provided to the contrary in this Agreement, each section, paragraph, term, and provision of this Agreement is severable. If, for any reason, any part is held to be invalid or contrary to or in conflict with any applicable present or future Law in a final, unappealable ruling issued by any court, arbitrator, agency, or tribunal with competent jurisdiction, that ruling will not impair the operation of or otherwise affect any other portions of this Agreement, which will continue to have full force and effect and bind the parties. If any covenant restricting competitive activity is deemed unenforceable due to its scope in terms of area, business activity prohibited, and/or length of time, but would be enforceable if modified, you and we agree that the covenant will be reformed to the extent necessary to be reasonable and enforceable, and then enforced to the fullest extent permissible, under the Laws and public policies applied in the jurisdiction whose Laws determine the covenant's validity. If any applicable and binding Law requires more notice than this Agreement requires of the termination of this Agreement or of our refusal to grant a successor franchise, or if under any applicable and binding Law any provision of this Agreement, including any Brand Standard, is invalid, unenforceable, or unlawful, the notice and/or other action required by the Law will be substituted for the comparable provisions of this Agreement, and we may modify the invalid or unenforceable provision or Brand Standard to the extent required to be valid and enforceable or delete the unlawful provision entirely. You agree to be bound by any promise or covenant imposing the maximum duty the Law permits which is subsumed within any provision of this Agreement, as though it were separately articulated in and made a part of this Agreement.

### **B. Waiver of Obligations and Force Majeure**

We and you may in writing unilaterally waive or reduce any contractual obligation or restriction upon the other, effective upon delivery of written notice to the other or another effective date stated in the waiver notice. However, no interpretation, change, termination, or waiver of any provision of this Agreement will bind us unless in writing, signed by one of our officers, and specifically identified as an amendment to this Agreement. No modification, waiver, termination, discharge, or cancellation of this Agreement affects the right of any party to this Agreement to enforce any claim or right under this Agreement, whether or not liquidated, which occurred before the date of such modification, waiver, termination, discharge, or cancellation. Any waiver granted is without prejudice to any other rights we or you have, is subject to continuing review, and may be revoked at any time and for any reason effective upon delivery of ten (10) days' prior written notice.

We and you will not waive or impair any right, power, or option this Agreement reserves (including our right to demand your strict compliance with every term, condition, and covenant or to declare any breach to be a default and to terminate this Agreement before the Term expires) because of any custom or practice varying from this Agreement's terms; our or your failure, refusal, or neglect to exercise any right under this Agreement or to insist upon the other's

compliance with this Agreement, including your compliance with any Brand Standard; our waiver of or failure to exercise any right, power, or option, whether of the same, similar, or different nature, with other POLLO CAMPERO Restaurants; the existence of franchise agreements for other POLLO CAMPERO Restaurants containing provisions differing from those contained in this Agreement; or our acceptance of any payments from you after any breach of this Agreement. No special or restrictive legend or endorsement on any payment or similar item given to us will be a waiver, compromise, settlement, or accord and satisfaction. We may remove any legend or endorsement, which will have no effect.

Neither we nor you will be liable for loss or damage or be in breach of this Agreement if our or your failure to perform obligations results from: (i) acts of God; (ii) fires, strikes, embargoes, war, terrorist acts or similar events, or riot; (iii) compliance with the orders, requests, or regulations of any federal, state, or municipal government; or (iv) any other similar event or cause. Any delay resulting from these causes will extend performance accordingly or excuse performance, in whole or in part, as may be reasonable. However, these causes will not excuse payment of amounts owed at the time of the occurrence or payment of Royalties, Brand Fund contributions, and other amounts due afterward. Under no circumstances do any financing delays, difficulties, or shortages excuse your failure to perform or delay in performing your obligations under this Agreement.

### **C. Costs and Attorneys' Fees**

If we incur costs and expenses (internal or external) to enforce our rights or your obligations under this Agreement because you have failed to pay when due amounts owed to us, to submit when due any reports, information, or supporting records, or otherwise to comply with this Agreement, you agree to reimburse all costs and expenses we incur, including, without limitation, reasonable accounting, attorneys', arbitrators', and related fees. Your obligation to reimburse us arises whether or not we begin a formal legal proceeding against you to enforce this Agreement. If we do begin a formal legal proceeding against you, the reimbursement obligation applies to all costs and expenses we incur preparing for, commencing, and prosecuting the legal proceeding and until the proceeding has completely ended (including appeals and settlements).

### **D. You May Not Withhold Payments**

You may not withhold payment of any amounts owed to us or our affiliates due to our alleged nonperformance of our obligations under this Agreement or for any other reason. You specifically waive any right you have at Law or in equity to offset any monies you owe us or our affiliates or to fail or refuse to perform any of your obligations under this Agreement.

### **E. Rights of Parties Are Cumulative**

Our and your rights under this Agreement are cumulative, and our or your exercise or enforcement of any right or remedy under this Agreement will not preclude our or your exercise or enforcement of any other right or remedy that we or you are entitled by Law to enforce.

## F. Arbitration

All controversies, disputes, or claims between us (and our affiliates and our and their respective owners, officers, directors, agents, and employees, as applicable) and you (and your affiliates and your and their respective owners, officers, and directors, as applicable) arising out of or related to:

- i. this Agreement or any other agreement between you (or your owner) and us (or our affiliate) relating to the Restaurant or any provision of any such agreements;
- ii. our relationship with you;
- iii. the validity of this Agreement or any other agreement between you (or your owner) and us (or our affiliate) relating to the Restaurant, or any provision of any such agreements, and the validity and scope of the arbitration obligation under this Section; or
- iv. any Brand Standard,

must be submitted for arbitration to the American Arbitration Association. Except as otherwise provided in this Agreement, such arbitration proceedings will be heard by one (1) arbitrator in accordance with the then-existing Commercial Arbitration Rules of the American Arbitration Association. All proceedings, including the hearing, will be conducted at a suitable location that is within ten (10) miles of where we have our principal business address when the arbitration demand is filed. The arbitrator will have no authority to select a different hearing locale other than as described in the prior sentence. All matters within the scope of the Federal Arbitration Act (9 U.S.C. Sections 1 *et seq.*) will be governed by it and not by any state arbitration law.

The arbitrator has the right to award any relief he or she deems proper in the circumstances, including money damages (with interest on unpaid amounts from the date due), specific performance, injunctive relief, and attorneys' fees and costs (in accordance with 21.C above), provided that: (1) the arbitrator has no authority to declare any Mark generic or otherwise invalid; and (2) subject to the exceptions in Section 21.I, we and you waive to the fullest extent the Law permits any right to or claim for any punitive, exemplary, treble, and other forms of multiple damages against the other. The arbitrator's award and decision will be conclusive and bind all parties covered by this Section, and judgment upon the award may be entered in a court specified or permitted in Section 21.H below.

We and you will be bound by any limitation under this Agreement or applicable Law, whichever expires first, on the timeframe in which claims must be brought. We and you further agree that, in connection with any arbitration proceeding, each must submit or file any claim constituting a compulsory counterclaim (as defined by the then-current Rule 13 of the Federal Rules of Civil Procedure) within the same proceeding as the claim to which it relates. Any such claim not submitted or filed in the proceeding will be barred. The arbitrator may not consider any settlement discussions or offers either you or we made. We reserve the right, but have no obligation, to advance your share of the costs of any arbitration proceeding in order for the

arbitration proceeding to take place and by doing so do not waive or relinquish our right to seek recovery of those costs in accordance with Section 21.C above.

We and you agree that arbitration will be conducted on an individual basis and not in a class, consolidated, or representative action, that only we (and our affiliates and our and their respective owners, officers, directors, agents, and employees, as applicable) and you (and your affiliates and your and their respective owners, officers, and directors, as applicable) may be the parties to any arbitration proceeding described in this Section, and that no such arbitration proceeding may be consolidated or joined with another arbitration proceeding involving us and/or any other person. Despite the foregoing or anything to the contrary in this Section or Section 21.A, if any court or arbitrator determines that all or any part of the preceding sentence is unenforceable with respect to a dispute that otherwise would be subject to arbitration under this Section 21.F, then we and you agree that this arbitration clause will not apply to that dispute, and such dispute will be resolved in a judicial proceeding in accordance with this Section 21 (excluding this Section 21.F).

This Section's provisions are intended to benefit and bind certain third-party non-signatories and will continue in full force and effect after and notwithstanding expiration or termination of this Agreement.

Despite your and our agreement to arbitrate, each has the right to seek temporary restraining orders and temporary or preliminary injunctive relief from a court of competent jurisdiction, provided, however, each must contemporaneously submit its dispute for arbitration on the merits as provided in this Section.

## **G. Governing Law**

Except to the extent governed by the Federal Arbitration Act, the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051 *et seq.*), or other federal Law, all controversies, disputes, or claims arising from or relating to:

- i. this Agreement or any other agreement between you (or your owners) and us (or our affiliates) relating to the Restaurant;
- ii. our relationship with you;
- iii. the validity of this Agreement or any other agreement between you (or your owners) and us (or our affiliate) relating to the Restaurant; or
- iv. any Brand Standard,

will be governed by the Laws of the State of Florida, without regard to its conflict of Laws rules. However, the provisions of any Florida legislation regulating the offer or sale of franchises, business opportunities, or similar interests, or governing the relationship between a franchisor and a franchisee or any similar relationship, will not apply to the matters in clauses (i) through (iv) above under any circumstances unless their jurisdictional requirements and definitional elements are met independently without reference to this Section 21.G, and no exemption to their application exists.

## **H. Consent to Jurisdiction**

Subject to the arbitration obligations in Section 21.F, you and your owners agree that all judicial actions brought by us against you or your owners, or by you or your owners against us, our affiliates, or our or their respective owners, officers, directors, agents, or employees, relating to this Agreement or the Restaurant must be brought exclusively in the state or federal court of general jurisdiction located closest to where we, as franchisor, have our principal business address when the action is commenced. You and each of your owners irrevocably submit to the jurisdiction of such courts and waive any objection you or they might have to either jurisdiction or venue. Despite the foregoing, we may bring an action seeking a temporary restraining order or temporary or preliminary injunctive relief, or to enforce an arbitration award, in any federal or state court in the state in which you reside or the Restaurant is located.

## **I. Waiver of Punitive and Exemplary Damages**

EXCEPT FOR YOUR INDEMNIFICATION OBLIGATIONS UNDER SECTION 20.E AND CLAIMS BASED ON YOUR UNAUTHORIZED USE OF THE MARKS OR UNAUTHORIZED USE OR DISCLOSURE OF ANY CONFIDENTIAL INFORMATION, WE AND YOU (AND YOUR OWNERS) WAIVE TO THE FULLEST EXTENT THE LAW PERMITS ANY RIGHT TO OR CLAIM FOR ANY PUNITIVE, EXEMPLARY, TREBLE, AND OTHER FORMS OF MULTIPLE DAMAGES AGAINST THE OTHER AND AGREE THAT, IF THERE IS A DISPUTE BETWEEN US AND YOU (AND/OR YOUR OWNERS), THE PARTY MAKING A CLAIM WILL BE LIMITED TO EQUITABLE RELIEF AND TO RECOVERY OF ANY ACTUAL DAMAGES HE, SHE, OR IT SUSTAINS.

## **J. Waiver of Jury Trial**

SUBJECT TO THE ARBITRATION OBLIGATIONS IN SECTION 21.F, WE AND YOU (AND YOUR OWNERS) IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER US OR YOU (OR YOUR OWNERS). WE AND YOU (AND YOUR OWNERS) ACKNOWLEDGE THAT WE AND YOU (AND THEY) MAKE THIS WAIVER KNOWINGLY, VOLUNTARILY, WITHOUT DURESS, AND ONLY AFTER CONSIDERING THIS WAIVER'S RAMIFICATIONS.

## **K. Binding Effect**

This Agreement is binding upon us and you and our and your respective executors, administrators, heirs, beneficiaries, permitted assigns, and successors-in-interest. Subject to our right to modify the Operations Manual and Brand Standards, this Agreement may not be modified except by a written agreement signed by both you and us that is specifically identified as an amendment to this Agreement.

## **L. Limitations of Claims**

EXCEPT FOR:

(1) CLAIMS ARISING FROM YOUR NON-PAYMENT OR UNDERPAYMENT OF AMOUNTS YOU OWE US FOR ROYALTY FEES, BRAND FUND CONTRIBUTIONS, AND ANY OTHER AMOUNTS THAT WOULD ACCRUE FOR AN OPERATING RESTAURANT UNDER THIS AGREEMENT; AND

(2) OUR (AND CERTAIN OF OUR RELATED PARTIES') RIGHT TO SEEK INDEMNIFICATION FROM YOU FOR THIRD-PARTY CLAIMS AS PROVIDED IN THIS AGREEMENT,

ALL CLAIMS ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE RELATIONSHIP BETWEEN US AND YOU WILL BE BARRED UNLESS AN ARBITRATION OR JUDICIAL PROCEEDING, AS PERMITTED, IS COMMENCED IN THE APPROPRIATE FORUM WITHIN TWO (2) YEARS FROM THE DATE ON WHICH THE VIOLATION, ACT, OR CONDUCT GIVING RISE TO THE CLAIM OCCURS, REGARDLESS OF WHEN THE PARTY ASSERTING THE CLAIM KNEW OR SHOULD HAVE KNOWN OF THE FACTS GIVING RISE TO THE CLAIM.

### **M. Construction**

The preambles and exhibits are part of this Agreement, which, together with any riders or addenda signed at the same time as this Agreement and together with the Operations Manual and Brand Standards, constitutes our and your entire agreement and supersedes all prior and contemporaneous oral or written agreements and understandings between us and you relating to this Agreement's subject matter. There are no other oral or written representations, warranties, understandings, or agreements between us and you relating to this Agreement's subject matter. Notwithstanding the foregoing, nothing in this Agreement disclaims or requires you to waive reliance on any representation we made in the franchise disclosure document (including its exhibits and amendments) we delivered to you or your representative. Any policies we adopt and implement from time to time to guide our decision-making are subject to change, are not a part of this Agreement, and do not bind us. Except as provided in Sections 20.E and 21.F, nothing in this Agreement is intended or deemed to confer any rights or remedies upon any person or legal entity not a party to this Agreement.

We and you have negotiated this Agreement's terms and agree that neither may claim the existence of an implied covenant of good faith and fair dealing to contravene or limit any express written term or provision of this Agreement.

Headings of sections and paragraphs in this Agreement are for convenience only and do not define, limit, or construe the contents of those sections or paragraphs.

References in this Agreement to "we," "us," and "our," with respect to all of our rights and all your obligations to us under this Agreement, include any of our affiliates with whom you deal. "**Affiliate**" means any person or entity directly or indirectly owned or controlled by, under common control with, or owning or controlling you or us. "**Control**" means the power to direct or cause the direction of management and policies. If two or more persons are at any time the owners of the rights under this Agreement and/or the Restaurant, whether as partners or joint venturers, their representations, warranties, obligations, and liabilities to us will be joint and several.

“**Owner**” means any person holding a direct or indirect ownership interest (whether of record, beneficial, or otherwise) or voting rights in you (or your owner or a transferee of this Agreement and the Restaurant or any interest in you), including any person who has a direct or indirect interest in you (or your owner or a transferee), this Agreement, or the Restaurant or any other direct or indirect legal or equitable interest, or the power to vest in himself or herself any legal or equitable interest, in their revenue, profits, rights, or assets. References to a “**controlling ownership interest**” in you or one of your owners (if an Entity) mean the percent of voting shares or other voting rights resulting from dividing one hundred percent (100%) of the ownership interests by the number of owners. In the case of a proposed transfer of an ownership interest in you or one of your owners, whether a “controlling ownership interest” is involved must be determined both immediately before and immediately after the proposed transfer to see if a “controlling ownership interest” will be transferred (because of the number of owners before the proposed transfer) or will be deemed to have been transferred (because of the number of owners after the proposed transfer). “**Person**” means any natural person, corporation, limited liability company, general or limited partnership, unincorporated association, cooperative, or other legal or functional entity. Unless otherwise specified, all references to a number of days mean calendar days and not business days.

The term “**Restaurant**” includes all assets of the POLLO CAMPERO Restaurant you operate under this Agreement, including its revenue and income. “**Include,**” “**including,**” and words of similar import will be interpreted to mean “including, but not limited to” and “including, without limitation,” and the terms following such words will be interpreted as examples, and not an exhaustive list, of the appropriate subject matter.

This Agreement will become valid and enforceable only upon its full execution by you and us, although we and you need not be signatories to the same original, facsimile, or electronically-transmitted counterpart of this Agreement. A faxed copy of an originally-signed signature page, a scanned copy of an originally-signed signature page that is sent as a .pdf by email, or a signature page bearing an electronically/digitally captured signature and transmitted electronically will be deemed an original.

#### **N. The Exercise of Our Business Judgment**

Because complete and detailed uniformity under many varying conditions might not be possible or practical, we specifically reserve the right and privilege, as we deem best according to our business judgment, to vary Brand Standards or other aspects of the Franchise System for any franchisee. You have no right to require us to grant you a similar variation or accommodation.

We have the right to develop, operate, and change the Franchise System in any manner this Agreement does not specifically prohibit. Whenever this Agreement reserves our right to take or withhold an action, or to grant or decline to grant you the right to take or omit an action, we may, except as this Agreement specifically provides, make our decision or exercise our rights based on information then available to us and our judgment of what is best for us, POLLO CAMPERO Restaurant franchisees generally, or the Franchise System when we make our decision, whether or not we could have made other reasonable or even arguably preferable alternative decisions and whether or not our decision promotes our financial or other individual interest.

**22. Compliance with Anti-Terrorism Laws**

You and your owners agree to comply, and to assist us to the fullest extent possible in our efforts to comply, with Anti-Terrorism Laws (defined below). In connection with that compliance, you and your owners certify, represent, and warrant that none of your property or interests is subject to being blocked under, and that you and your owners otherwise are not in violation of, any Anti-Terrorism Law. “**Anti-Terrorism Laws**” means Executive Order 13224 issued by the President of the United States and all other present and future Laws, policies, lists, and other requirements of any governmental authority addressing or in any way relating to terrorist acts and acts of war. Any violation of the Anti-Terrorism Laws by you or your owners, or any blocking of your or your owners’ assets under the Anti-Terrorism Laws, constitutes good cause for immediate termination of this Agreement, as provided in Section 18 above.

**23. Notices and Payments**

All acceptances, approvals, requests, notices, and reports required or permitted under this Agreement will not be effective unless in writing and delivered to the party entitled to receive them in accordance with this Section 23. All such acceptances, approvals, requests, notices, and reports will be deemed delivered at the time delivered by hand; or one (1) business day after deposit with a nationally-recognized commercial courier service for next business day delivery; or three (3) business days after placement in the United States Mail by Registered or Certified Mail, Return Receipt Requested, postage prepaid; and must be addressed to the party to be notified at its most current principal business address of which the notifying party has been notified and/or, with respect to any approvals and notices we send you or your owners, at the Restaurant’s address. Payments and certain information and reports you must send us under this Agreement will be deemed delivered on any of the applicable dates described above or, if earlier, when we actually receive them electronically (all payments, information, and reports must be received on or before their due dates in the form and manner specified in this Agreement). As of the Effective Date of this Agreement, notices should be addressed to the following addresses unless and until a different address has been designated by written notice to the other party:

To us: CAMPERO USA CORP.  
12404 Park Central Drive, Suite 250  
Dallas, Texas 75251  
Attn: President

Notices to you and your owners: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**24. Electronic Mail**

You acknowledge and agree that exchanging information with us by e-mail is efficient and desirable for day-to-day communications and that we and you may utilize e-mail for such communications. You authorize e-mail transmission to you during the Term by us and our employees, vendors, and affiliates (“**Official Senders**”). You further agree that: (a) Official Senders are authorized to send e-mails to your Operator and other supervisory employees whom

you occasionally authorize to communicate with us; (b) you will cause your officers, directors, Operator, and supervisory employees to consent to Official Senders' transmission of e-mails to them; (c) you will require such persons not to opt out of or otherwise ask to no longer receive e-mails from Official Senders while such persons work for or are associated with you; and (d) you will not opt out of or otherwise ask to no longer receive e-mails from Official Senders during the Term. The consent given in this Section 24 will not apply to the provision of formal notices by either party under this Agreement under Section 23 using e-mail unless the parties otherwise agree in a written document manually signed by both parties.

**25. No Waiver or Disclaimer of Reliance in Certain States**

The following provision applies only to franchisees and franchises that are subject to the state franchise registration/disclosure laws in California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, or Wisconsin:

No statement, questionnaire, or acknowledgement signed or agreed to by you 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 us, any franchise seller, or any other person acting on our behalf. This provision supersedes any other term of any document executed in connection with the franchise.

**IN WITNESS WHEREOF**, the parties have executed and delivered this Agreement, to be effective as of the date set forth next to our signature below.

**CAMPERO USA CORP.**, a Florida corporation

**FRANCHISEE**

By: \_\_\_\_\_  
 Title: \_\_\_\_\_  
 Date: \_\_\_\_\_, 20\_\_\*\*

\_\_\_\_\_  
 [Name]

By: \_\_\_\_\_  
 Title: \_\_\_\_\_  
 Date: \_\_\_\_\_, 20\_\_

\*\*Effective Date

**EXHIBIT A**  
**TO THE CAMPERO USA CORP.**  
**FRANCHISE AGREEMENT**

**BASIC TERMS**

1. The non-exclusive Site Selection Area is described as follows: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_ (see attached map, if applicable). The Site Selection Area is simply the geographical area within which you have the right to look for the Restaurant's site. It will not determine the size or description of the Area of Protection.

2. The Restaurant's physical address is \_\_\_\_\_. If you have not found and secured the Restaurant's site as of the Effective Date, we and you will identify the Restaurant's physical address in the blank above after you find and secure the site.

3. The Restaurant's Area of Protection is described as follows: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_ (see attached map, if applicable). If you have not found and secured the Restaurant's site as of the Effective Date, we and you will define the Area of Protection in the blank above (and, if applicable, on the attached map) after you find and secure the site. If there is a conflict between the narrative description above and the attached map, the narrative description will control. (We may modify the Area of Protection during the Franchise Agreement term if, with our prior written permission, which we have no obligation to grant, the Restaurant relocates.) As noted in Section 3.C. of the Franchise Agreement, the Area of Protection is defined and deemed to exclude any and all Non-Traditional Venues physically located within the Area of Protection.

4. The Restaurant's Scheduled Opening Date is \_\_\_\_\_.

5. The Restaurant's "Construction to Begin Deadline" is \_\_\_\_\_.

**CAMPERO USA CORP.**, a Florida corporation

**FRANCHISEE**

By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_, 20\_\_

\_\_\_\_\_  
[Name]

By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_, 20\_\_

**EXHIBIT B-1**  
**TO THE CAMPERO USA CORP.**  
**FRANCHISE AGREEMENT**

**GUARANTY AND ASSUMPTION OF OBLIGATIONS**

**THIS GUARANTY AND ASSUMPTION OF OBLIGATIONS** is given this \_\_\_\_\_, 20\_\_\_, by \_\_\_\_\_.

In consideration of, and as an inducement to, the execution of that certain Franchise Agreement (the “**Agreement**”) on this date by **CAMPERO USA CORP.**, a Florida corporation (“**Franchisor**”), each of the undersigned personally and unconditionally (a) guarantees to Franchisor and its successors and assigns, for the term of the Agreement (including, without limitation, any extensions of its term) and afterward as provided in the Agreement, that \_\_\_\_\_ (“**Franchisee**”) will punctually pay and perform each and every undertaking, agreement, and covenant set forth in the Agreement (including, without limitation, any amendments or modifications of the Agreement) and (b) agrees to be personally bound by, and personally liable for the breach of, each and every provision in the Agreement (including, without limitation, any amendments or modifications of the Agreement), including (i) monetary obligations, (ii) obligations to take or refrain from taking specific actions and to engage or refrain from engaging in specific activities, including, but not limited to, the non-competition, confidentiality, and transfer requirements, and (iii) the enforcement and other provisions in Sections 21, 22, and 23 of the Agreement, including the arbitration provision.

Each of the undersigned consents and agrees that: (1) his or her direct and immediate liability under this Guaranty will be joint and several, both with Franchisee and among other guarantors; (2) he or she will render any payment or performance required under the Agreement upon demand if Franchisee fails or refuses punctually to do so; (3) this liability will not be contingent or conditioned upon Franchisor’s pursuit of any remedies against Franchisee or another person; (4) this liability will not be diminished, relieved, or otherwise affected by any extension of time, credit, or other indulgence Franchisor may from time to time grant to Franchisee or to another person, including, without limitation, the acceptance of any partial payment or performance or the compromise or release of any claims (including, without limitation, any release of other guarantors), none of which will in any way modify or amend this Guaranty, which will continue and be irrevocable during the term of the Agreement (including, without limitation, any extensions of its term) and afterward for so long as any performance is or might be owed under the Agreement by Franchisee or any of its owners and for so long as Franchisor has any cause of action against Franchisee or any of its owners; (5) this Guaranty will continue in full force and effect for (and as to) any extension or modification of the Agreement and despite the transfer of any interest in the Agreement or Franchisee, and each of the undersigned waives notice of any and all renewals, extensions, modifications, amendments, or transfers; and (6) any Franchisee indebtedness to the undersigned, for whatever reason, whether currently existing or hereafter arising, will at all times be inferior and subordinate to any indebtedness owed by Franchisee to Franchisor or its affiliates.

Each of the undersigned waives: (i) all rights to payments and claims for reimbursement or subrogation which the undersigned may have against Franchisee arising as a result of the undersigned's execution of and performance under this Guaranty, for the express purpose that none of the undersigned will be deemed a "creditor" of Franchisee under any applicable bankruptcy law with respect to Franchisee's obligations to Franchisor; (ii) acceptance and notice of acceptance by Franchisor of his or her undertakings under this Guaranty, notice of demand for payment of any indebtedness or non-performance of any obligations hereby guaranteed, protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed, and any other notices and legal or equitable defenses to which he or she may be entitled; and (iii) all rights to assert or plead any statute of limitations or other limitations period as to or relating to this Guaranty. The undersigned expressly acknowledges that the obligations under this Guaranty survive expiration or termination of the Agreement.

If Franchisor seeks to enforce this Guaranty in an arbitration, judicial, or other proceeding and prevails in that proceeding, Franchisor is entitled to recover its reasonable costs and expenses (including, but not limited to, attorneys' fees, arbitrators' fees, expert witness fees, costs of investigation and proof of facts, court costs, other arbitration or litigation expenses, and travel and living expenses) incurred in connection with the proceeding. If Franchisor is required to engage legal counsel in connection with the undersigned's failure to comply with this Guaranty, the undersigned must reimburse Franchisor for any of the above-listed costs and expenses Franchisor incurs, even if Franchisor does not commence a judicial or arbitration proceeding.

Subject to the arbitration obligations set forth in the Agreement and the provisions below, each of the undersigned agrees that all actions arising under this Guaranty or the Agreement, or otherwise as a result of the relationship between Franchisor and the undersigned, must be brought exclusively in the state or federal court of general jurisdiction in the state, and in (or closest to) the city, where Franchisor has its principal business address when the action is commenced, and each of the undersigned irrevocably submits to the jurisdiction of those courts and waives any objection he or she might have to either the jurisdiction of or venue in those courts. Nonetheless, each of the undersigned agrees that Franchisor may enforce this Guaranty and any arbitration orders and awards in the courts of the state or states in which he or she is domiciled. **FRANCHISOR AND THE UNDERSIGNED IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY ANY OF THEM. EACH ACKNOWLEDGES THAT THEY MAKE THIS WAIVER KNOWINGLY, VOLUNTARILY, WITHOUT DURESS, AND ONLY AFTER CONSIDERATION OF THIS WAIVER'S RAMIFICATIONS.**

**IN WITNESS WHEREOF**, each of the undersigned has affixed his or her signature on the same day and year as the Agreement was executed.

**GUARANTOR(S)**

**PERCENTAGE OF OWNERSHIP IN  
FRANCHISEE**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_%  
\_\_\_\_\_%  
\_\_\_\_\_%  
\_\_\_\_\_%  
\_\_\_\_\_%

**EXHIBIT B-2**  
**TO THE CAMPERO USA CORP.**  
**FRANCHISE AGREEMENT**

**OWNER'S UNDERTAKING OF NON-MONETARY OBLIGATIONS**

**THIS OWNER'S UNDERTAKING OF NON-MONETARY OBLIGATIONS** is given this \_\_\_\_\_, 20\_\_, by \_\_\_\_\_.

In consideration of, and as an inducement to, the execution of that certain Franchise Agreement (the "**Agreement**") on this date by **CAMPERO USA CORP.**, a Florida corporation ("**Franchisor**"), with \_\_\_\_\_, a \_\_\_\_\_ ("**Franchisee**"), each of the undersigned unconditionally agrees (a) to be personally bound by, and personally liable for his or her own breach of, Sections 3.E, 3.F, 6.G, 7.B, 7.E, 7.F, 8, 9, 10, 11, 12, 13.F, 16, 17, 19 (except for Section 19.A), 20.B, 22, 23, and 24 of the Agreement, and (b) to be personally bound by Sections 2, 21.A, 21.B, 21.F, 21.G, 21.H, 21.I, 21.J, 21.K, 21.L, and 21.M of the Agreement. None of the undersigned will be responsible for any of Franchisee's payment obligations under the Agreement.

The undersigned consents and agrees that this liability will not be contingent or conditioned upon Franchisor's pursuit of any remedies against Franchisee or another person and will not be diminished, relieved, or otherwise affected by any extension of time, credit, or other indulgence Franchisor may from time to time grant to Franchisee or to another person, including, without limitation, the acceptance of any partial performance or the compromise or release of any claims, none of which will in any way modify or amend this Undertaking, which will continue and be irrevocable during the term of the Agreement (including, without limitation, any extensions of its term) and afterward for so long as any performance is or might be owed under the Agreement by Franchisee or its owners and for so long as Franchisor has any cause of action against Franchisee or any of its owners. This Undertaking will continue in full force and effect for (and as to) any extension or modification of the Agreement and despite the transfer of any interest in the Agreement or Franchisee, and the undersigned waives notice of any and all renewals, extensions, modifications, amendments, or transfers.

Each of the undersigned waives: (i) all rights to payments and claims for reimbursement or subrogation which the undersigned may have against Franchisee arising as a result of the undersigned's execution of and performance under this Undertaking, for the express purpose that none of the undersigned will be deemed a "creditor" of Franchisee under any applicable bankruptcy law with respect to Franchisee's obligations to Franchisor; (ii) acceptance and notice of acceptance by Franchisor of his or her undertakings under this Undertaking, notice of non-performance of any obligations hereby assumed, protest and notice of default to any party with respect to the nonperformance of any obligations hereby assumed, and any other notices and legal or equitable defenses to which he or she may be entitled; and (iii) all rights to assert or plead any statute of limitations or other limitations period as to or relating to this Undertaking. The undersigned expressly acknowledges that the obligations under this Undertaking survive expiration or termination of the Agreement.

If Franchisor seeks to enforce this Undertaking in an arbitration, judicial, or other proceeding and prevails in that proceeding, Franchisor is entitled to recover its reasonable costs

and expenses (including, but not limited to, attorneys' fees, arbitrators' fees, expert witness fees, costs of investigation and proof of facts, court costs, other arbitration or litigation expenses, and travel and living expenses) incurred in connection with the proceeding. If Franchisor is required to engage legal counsel in connection with the undersigned's failure to comply with this Undertaking, the undersigned must reimburse Franchisor for any of the above-listed costs and expenses Franchisor incurs, even if Franchisor does not commence a judicial or arbitration proceeding.

Subject to the arbitration obligations set forth in the Agreement and the provisions below, each of the undersigned agrees that all actions arising under this Undertaking or the Agreement, or otherwise as a result of the relationship between Franchisor and the undersigned, must be brought exclusively in the state or federal court of general jurisdiction in the state, and in (or closest to) the city, where Franchisor has its principal business address when the action is commenced, and each of the undersigned irrevocably submits to the jurisdiction of those courts and waives any objection he or she might have to either the jurisdiction of or venue in those courts. Nonetheless, each of the undersigned agrees that Franchisor may enforce this Undertaking and any arbitration orders and awards in the courts of the state or states in which he or she is domiciled. **FRANCHISOR AND THE UNDERSIGNED IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY ANY OF THEM. EACH ACKNOWLEDGES THAT THEY MAKE THIS WAIVER KNOWINGLY, VOLUNTARILY, WITHOUT DURESS, AND ONLY AFTER CONSIDERATION OF THIS WAIVER'S RAMIFICATIONS.**

**IN WITNESS WHEREOF**, each of the undersigned has affixed his or her signature on the same day and year as the Agreement was executed.

\_\_\_\_\_  
[Name]

\_\_\_\_\_  
[Signature]

Date: \_\_\_\_\_

\_\_\_\_\_  
[Name]

\_\_\_\_\_  
[Signature]

Date: \_\_\_\_\_

**EXHIBIT C**  
**TO THE CAMPERO USA CORP.**  
**FRANCHISE AGREEMENT**

**FRANCHISEE AND ITS OWNERS**

**Effective Date: This Exhibit C is current and complete**  
**as of \_\_\_\_\_, 20\_\_**

Franchisee was incorporated or formed on \_\_\_\_\_, 20\_\_, under the laws of the State of \_\_\_\_\_. Franchisee has not conducted business under any name other than Franchisee's corporate, limited liability company, or partnership name and (if applicable) \_\_\_\_\_. The following is a list of Franchisee's directors or managers (if applicable) and officers as of the effective date shown above:

<b><u>Name</u></b>	<b><u>Position(s) Held</u></b>
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

**Owners.** The following list includes the full name of each individual or entity that is one of Franchisee's direct or indirect owners and fully describes the nature of each owner's interest. If one or more of Franchisee's owners are entities, please identify each such entity as well as the direct and indirect owners of such entity (attach additional pages if necessary to reflect the complete ownership chain).

<b><u>Owner's Name</u></b>	<b><u>Description of Interest</u></b>
_____	_____
_____	_____
_____	_____
_____	_____

**Managing Owner.** Franchisee's Managing Owner is \_\_\_\_\_. His or her contact information for notice is \_\_\_\_\_.

**CAMPERO USA CORP.**, a Florida corporation

**FRANCHISEE**

By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_, 20\_\_

\_\_\_\_\_  
[Name]  
By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_, 20\_\_

**EXHIBIT D**  
**TO THE CAMPERO USA CORP.**  
**FRANCHISE AGREEMENT**

**LEASE RIDER**

**LEASE PROVISIONS FOR POLLO CAMPERO RESTAURANT FRANCHISES**

The following provisions must be inserted into the lease for the Restaurant you will operate under the “POLLO CAMPERO®” brand (the “**Lease**”). You may add this language via a rider or addendum to your Lease as long as the rider or addendum is signed by both the tenant and the landlord. Please send us a copy of the signed Lease and any riders or addenda.

**REQUIRED LANGUAGE:**

A. During the Term of the franchise agreement (the “**Franchise Agreement**”) between Tenant and **CAMPERO USA CORP.** (“**CAMPERO USA**”), Tenant will use the premises only to operate a POLLO CAMPERO Restaurant.

B. Landlord will send to CAMPERO USA copies of all default notices, and all notices of Landlord’s intent to terminate the Lease (or any rights of Tenant under the Lease) or evict Tenant from the leased premises, simultaneously with sending such notices to Tenant. Such copies must be sent to:

CAMPERO USA CORP.  
12404 Park Central Drive, Suite 250  
Dallas, Texas 75251  
Attn: Legal Department

C. Tenant may assign or sublet the Lease to CAMPERO USA or its affiliates upon expiration or termination of the Franchise Agreement, and Landlord will not withhold its consent to this assignment or sublet. Landlord will not impose or assess any assignment or subletting fee or similar payment or accelerate rental payments under the Lease in connection with the assignment or sublet.

D. CAMPERO USA or its affiliates may enter the premises to make any modifications or alterations necessary to protect the Franchise System and the Marks or to cure any default under the Franchise Agreement or Lease at any time and without prior notice to Landlord.

E. Tenant will not assign or sublease the premises, renew or extend the term of the Lease, or modify the Lease in any manner without CAMPERO USA’s prior written approval.

F. Upon the occurrence of any of the following:

- (1) a default by Tenant under the Lease (whether or not Landlord intends to terminate the Lease due to that default), the Franchise Agreement, or any document or instrument securing or relating to the Franchise Agreement, or
- (2) the termination of the Franchise Agreement before its term expires by CAMPERO USA or by Tenant for any reason other than an uncured default by CAMPERO USA,

CAMPERO USA will have the right (but no obligation), exercisable upon delivery of written notice to Tenant and Landlord, to compel an assignment or sublet of the Lease, and all of Tenant's rights under the Lease, to CAMPERO USA or to an assignee or sublessee of CAMPERO USA's choice, at CAMPERO USA's option. If CAMPERO USA (or its assignee or sublessee) exercises the rights under this paragraph (F), Tenant will have no further right, title, or interest under the Lease or to the leased premises but will remain solely liable to Landlord for all rents, charges, and other obligations under the Lease accruing before the date upon which CAMPERO USA (or its assignee or sublessee) assumes possession of the leased premises.

In addition, upon the occurrence of either (1) or (2) above, CAMPERO USA (or its assignee) will have the right, at its cost and expense, to possess the leased premises for a period not to exceed sixty (60) days from the first day of its possession, and to operate the POLLO CAMPERO Restaurant at the leased premises during such timeframe, without having to formally assume the Lease, to cure any of the Tenant's defaults under the Lease before the date of its possession, or to compensate Landlord for any damages it incurred on account of the termination of the Lease due to Tenant's defaults, provided, however, CAMPERO USA (or its assignee) agrees to pay rent due under the Lease during the period it actually possesses the leased premises and to perform the other terms, covenants, obligations, and conditions of the Lease that arise while it possesses the leased premises.

At any time within or at the conclusion of the sixty (60) day period during which CAMPERO USA has the right to possess the premises, CAMPERO USA may notify Landlord of its election to formally assume the terms, covenants, obligations, and conditions of the Lease for the remainder of the Lease term, together with any applicable renewal options. In such event, CAMPERO USA (or its assignee) and Landlord will enter into an agreement to document such assumption. CAMPERO USA (or its assignee) is not a party to, and will have no liability under, the Lease (except for its performance obligations during the timeframe it possesses the demised premises), unless and until said Lease is formally assigned to, and formally assumed by, CAMPERO USA (or its assignee) as herein provided. As a condition of the formal assignment of the Lease to CAMPERO USA (or its assignee), Landlord may require CAMPERO USA (or its assignee) to cure any of the Tenant's monetary defaults under the Lease before the Lease was terminated.

G. CAMPERO USA is an intended third-party beneficiary under the provisions set forth above with independent rights to enforce them, and neither Landlord nor Tenant may alter or limit any of those provisions without CAMPERO USA's prior written approval.

**EXHIBIT E**  
**TO THE CAMPERO USA CORP.**  
**FRANCHISE AGREEMENT**

**SAMPLE FORM OF CONFIDENTIALITY AGREEMENT**

In consideration of my employment or contract with and/or interest in \_\_\_\_\_ (the “**Franchisee**”) and the salary, honorariums, wages, and/or fees paid to me, I acknowledge that **CAMPERO USA CORP.**, a Florida corporation having its principal place of business at 12404 Park Central Drive, Suite 250N, Dallas, Texas 75251 (“**Campero USA**”), has imposed the following conditions on the Franchisee, any owner of the Franchisee, and the Franchisee’s officers, directors, and senior personnel. As a condition of performing services for or having an interest in Franchisee, I agree to accept the following conditions without limitation:

1. Without obtaining Campero USA’s prior written consent (which consent Campero USA may withhold in its sole discretion), I will (i) not disclose, publish, or divulge to any other person, firm, or corporation, through any means, any of Campero USA’s Confidential Information either during or after my employment by or association with Franchisee, (ii) not use the Confidential Information for any purposes other than as related to my employment or association with Franchisee, and (iii) not make copies or translations of any documents, data, or compilations containing any or all of the Confidential Information, commingle any portion of the documents, data, or compilations, or otherwise use the documents, data, or compilations containing Confidential Information for my own purpose or benefit. I also agree to surrender any material containing any of Campero USA’s Confidential Information upon request or upon termination of my employment or association with Franchisee. I understand that the Operations Manual is provided by Campero USA to Franchisee for a limited purpose, remains Campero USA’s property, and may not be reproduced, in whole or in part, without Campero USA’s prior written consent.

For purposes of this Agreement, “**Confidential Information**” means certain information, processes, methods, techniques, procedures, and knowledge, including know-how (which includes information that is secret and substantial), manuals, and trade secrets (whether or not judicially recognized as a trade secret), developed or to be developed by Campero USA relating directly or indirectly to the development or operation of a POLLO CAMPERO Restaurant. With respect to the definition of know-how, “**secret**” means that the know-how as a body or in its precise configuration is not generally known or easily accessible, and “**substantial**” means information that is important and useful to Franchisee in developing and operating Franchisee’s Restaurant. Without limiting the foregoing, Confidential Information includes, but is not limited to:

- i. information in the Operations Manual and Brand Standards;
- ii. layouts, designs, and other plans and specifications for POLLO CAMPERO Restaurants;
- iii. methods, formats, specifications, standards, systems, procedures, sales and marketing techniques, and knowledge and experience used in developing and operating POLLO CAMPERO Restaurants;

- iv. marketing research and promotional, marketing, and advertising programs for POLLO CAMPERO Restaurants;
- v. knowledge of specifications for and suppliers of, and methods of ordering, certain Operating Assets, products, services, materials, and supplies that POLLO CAMPERO Restaurants use and sell;
- vi. knowledge of the operating results and financial performance of POLLO CAMPERO Restaurants other than Franchisee's Restaurant;
- vii. customer solicitation, communication, and retention programs, along with Data used or generated in connection with those programs;
- viii. all Data and all other information generated by, or used or developed in, the Restaurant's operation, including Consumer Data, and any other information contained from time to time in the Computer System or that visitors (including you) provide to the System Website; and
- ix. any other information Campero USA reasonably designates as confidential or proprietary.

2. If there is a dispute or question arising out of the interpretation of this Agreement or any of its terms, the laws of the State of [ ] will govern. *[Insert franchisee's home state.]*

3. I acknowledge receipt of a copy of this Agreement and that I have read and understand this Agreement. This Agreement may not be modified except in writing with the prior approval of an officer of each of Franchisee and Campero USA.

By: \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Title: \_\_\_\_\_  
 Date: \_\_\_\_\_

Address: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Phone/Email: \_\_\_\_\_

Check the following that apply:

- |                                   |   |
|-----------------------------------|---|
| <input type="checkbox"/> Owner    | <input type="checkbox"/> Senior Personnel       |
| <input type="checkbox"/> Officer  | <input type="checkbox"/> Other (please specify) |
| <input type="checkbox"/> Director |   |

**EXHIBIT F**  
**AUTHORIZATION AGREEMENT**  
**FOR PREAUTHORIZED PAYMENTS**

CAMPERO USA CORP.  
ID NUMBER: 81-106241732

The undersigned (“DEPOSITOR”) authorizes CAMPERO USA CORP. to initiate debit entries to the Checking Account indicated below at the DEPOSITORY named below and authorizes DEPOSITORY to debit to such account all entries CAMPERO USA CORP. initiates.

INSTITUTION NAME \_\_\_\_\_

CITY \_\_\_\_\_ STATE \_\_\_\_\_

CHECKING ACCOUNT NO. \_\_\_\_\_

ROUTING NUMBER \_\_\_\_\_

DEPOSITOR agrees that this authorization will remain in full force and effect until DEPOSITOR has given CAMPERO USA CORP. written notice of its revocation in such time and in such manner as to afford CAMPERO USA CORP. and DEPOSITORY a reasonable opportunity to act on the notice.

DEPOSITOR’S  
NAME \_\_\_\_\_ FEIN \_\_\_\_\_

DEPOSITOR’S SIGNATURE \_\_\_\_\_

TITLE OF PERSON SIGNING (if signed in a representative capacity) \_\_\_\_\_

DATE \_\_\_\_\_

NOTE: ALL WRITTEN DEBIT AUTHORIZATIONS MUST PROVIDE THAT THE DEPOSITOR MAY REVOKE THE AUTHORIZATION ONLY BY NOTIFYING THE DEBIT ORIGINATOR (CAMPERO USA CORP.) IN THE MANNER SPECIFIED IN THE AUTHORIZATION.

**EXHIBIT B**

**INCENTIVE PROGRAM DEVELOPMENT RIGHTS RIDER  
TO FRANCHISE AGREEMENT**

B

**INCENTIVE PROGRAM  
DEVELOPMENT RIGHTS RIDER TO  
CAMPERO USA CORP.  
FRANCHISE AGREEMENT**

1. **Background.** This Incentive Program Development Rights Rider (the “Rider”) is made between **CAMPERO USA CORP.** (“we,” “us,” or “our”) and \_\_\_\_\_ (“you” or “your”). This Rider is attached to, and intended to be a part of, the Franchise Agreement that we and you are signing concurrently with signing this Rider (the “First Franchise Agreement”) for your development and operation of your first POLLO CAMPERO® Restaurant at a location to be specified within the Territory (defined below). We and you are signing this Rider because you want the right to develop additional POLLO CAMPERO® Restaurants within the Territory (besides the Restaurant covered by the First Franchise Agreement) over a certain time period, and we are willing to grant you those development rights if you comply with this Rider.

2. **Grant of Development Rights.** Subject to your strict compliance with this Rider, we grant you the right to develop \_\_\_\_\_ (\_\_\_\_) POLLO CAMPERO® Restaurants (including the POLLO CAMPERO® Restaurant covered by the First Franchise Agreement), according to the mandatory development schedule described in Exhibit A to this Rider (the “Schedule”), within the following geographic area (the “Territory”):

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

*(Please see the attached map for a pictorial reference to the Territory. However, if there is any inconsistency between the narrative description of the Territory and the pictorial reference to the Territory on the attached map, the narrative description of the Territory will prevail.)*

POLLO CAMPERO® Restaurants that you (or your “Approved Affiliates,” a term defined in Section 3 below) are permitted to develop and operate at “Non-Traditional Venues” (defined below) physically located in the Territory do not count toward your compliance with the Schedule.

If you (and, to the extent applicable, your Approved Affiliates) are fully complying with all of your (and their) obligations under this Rider, and substantially complying with all of your (and their) obligations under the First Franchise Agreement and all other franchise agreements then in effect between us and you (and your Approved Affiliates) for the construction, development, and operation of POLLO CAMPERO® Restaurants (having fully cured all defaults under the First Franchise Agreement and such other franchise agreements of which we have notified you and/or your Approved Affiliates), then during this Rider’s term only (defined in Section 7), we (and our affiliates) will not—except as permitted below at or within Restricted Venues—establish and operate or grant to others the right to establish and operate POLLO CAMPERO® Restaurants having their physical locations within the Territory.

The exceptions referenced above to your exclusive right to establish POLLO CAMPERO® Restaurants having their physical locations within the Territory are described in this paragraph. If:

(i) we become aware during this Rider's term of one or more opportunities to establish a POLLO CAMPERO® Restaurant at a physical location within the Territory for which that location's owner or manager sets financial, experience, or organizational standards for an acceptable operator (for example, a national or multi-regional concessionaire) that you do not and cannot satisfy when the opportunity becomes available; or

(ii) the location is a Non-Traditional Venue (which is defined to mean a captive-venue location, including, without limitation, airports, hospitals or medical centers, limited-access highway food facilities, bus or train stations, entertainment and sports complexes, convention centers, military facilities, schools, colleges, and universities, office facilities, department and retail super-stores, mobile units, off-site sales accounts, convenience stores, supermarkets, shopping malls, and home-improvement retailers) (the locations referenced in clauses (i) and (ii) are referred to collectively as "Restricted Venues"),

then we (or our affiliates) may without restriction pursue the opportunity for that Restricted Venue and establish, or franchise or license another to establish, a POLLO CAMPERO® Restaurant at that Restricted Venue. Our, our affiliate's, or another franchisee's or licensee's development and operation of a POLLO CAMPERO® Restaurant at a Restricted Venue in the Territory do not count toward your compliance with the Schedule. As noted above, POLLO CAMPERO® Restaurants that you (or your Approved Affiliates) are permitted to operate at Non-Traditional Venues physically located in the Territory likewise do not count toward your compliance with the Schedule.

The location exclusivity described above (with the noted exceptions for Restricted Venues) is the only restriction on our (and our affiliates') activities within the Territory during this Rider's term. You acknowledge and agree that we and our affiliates have the right to engage, and grant to others the right to engage, in any other activities of any nature whatsoever within the Territory, including, without limitation, all of the activities in which we reserve the right to engage in the First Franchise Agreement. After this Rider expires or is terminated (regardless of the reason for termination), we and our affiliates have the right, without any restrictions whatsoever, to (a) establish and operate, and grant to others the right to establish and operate, POLLO CAMPERO® Restaurants having their physical locations within the Territory and (b) continue to engage, and grant to others the right to engage, in any other activities we (and our affiliates) desire within the Territory, subject, however, to your rights within the Areas of Protection (as applicable) surrounding the POLLO CAMPERO® Restaurants that you establish in the Territory for the terms of their respective franchise agreements.

**YOU ACKNOWLEDGE AND AGREE THAT TIME IS OF THE ESSENCE UNDER THIS RIDER, AND YOUR RIGHTS UNDER THIS RIDER ARE SUBJECT TO TERMINATION, AS PROVIDED IN THIS RIDER, IF YOU DO NOT COMPLY STRICTLY WITH THE DEVELOPMENT OBLIGATIONS PROVIDED IN THE SCHEDULE. WE MAY ENFORCE THIS RIDER STRICTLY.**

3. **Development Obligations.**

(a) **Approved Affiliates.** To maintain your rights under this Rider, you (and/or Approved Affiliates) must, by the deadlines specified in the Schedule, (i) sign franchise agreements and leases for, (ii) begin construction and development of, and then (iii) have open and operating within the Territory the agreed-upon minimum number of POLLO CAMPERO® Restaurants. If your owners establish a new legal entity to operate one or more of the POLLO CAMPERO® Restaurants to be developed pursuant to this Rider and that new legal entity's ownership is completely identical to your ownership, that legal entity automatically will be considered an "Approved Affiliate" without further action. However, if the new legal entity's ownership is not completely identical to your ownership, you first must seek our approval for that new entity to develop and operate the proposed Restaurant as an Approved Affiliate. We may refuse any such request if you and/or your owners do not (1) own and control at least fifty-one percent (51%) of the new entity's ownership interests and (2) have the authority to exercise voting and management control of the Restaurant proposed to be owned by the new entity.

(b) **Form of Franchise Agreement.** You (and/or your Approved Affiliates) will operate each POLLO CAMPERO® Restaurant under a separate franchise agreement with us. The franchise agreement (and related documents, including Guaranty and Assumption of Obligations) that you and your owners (or your Approved Affiliate and its owners) must sign for each Restaurant developed pursuant to this Rider will be our then-current form of franchise agreement (and related documents, including Guaranty and Assumption of Obligations), any or all terms of which may differ substantially and materially from any or all terms contained in the First Franchise Agreement, provided, however, that:

(i) the initial franchise fee will be Thirty Thousand Dollars (\$30,000) for the second and each subsequent POLLO CAMPERO® Restaurant to be developed pursuant to this Rider; and

(ii) the Royalty, Brand Fund contribution, Local Marketing Spending Requirement, and minimum required Market Introduction Program expense specified in our then-current form of franchise agreement will (if greater) be modified for the initial franchise term for each new Restaurant to be the same as those specified in the First Franchise Agreement unless you (and your Approved Affiliates) are not then in full compliance with this Rider and in substantial compliance with all of your (and their) obligations under the First Franchise Agreement and all other franchise agreements then in effect between us and you (and your Approved Affiliates) for POLLO CAMPERO® Restaurants. If you (and your Approved Affiliates) are not then in full compliance with this Rider and in substantial compliance with all of your (and their) obligations under the First Franchise Agreement and all other franchise agreements then in effect between us and you (and your Approved Affiliates) for POLLO CAMPERO® Restaurants, then the Royalty, Brand Fund contribution, Local Marketing Spending Requirement, and minimum required Market Introduction Program expense specified under our then-current form of franchise agreement will not be modified for the initial franchise term of the new POLLO CAMPERO® Restaurant.

Despite any contrary provision contained in the newly-signed franchise agreements, your (and your Approved Affiliates') additional POLLO CAMPERO® Restaurants within the Territory must be open and operating by the dates specified in the Schedule. To retain your rights under this Rider, each POLLO CAMPERO® Restaurant opened pursuant to this Rider must operate continuously throughout this Rider's term in substantial compliance with its franchise agreement (you and/or your Approved Affiliates having fully cured all defaults of which we have notified you and/or them).

(c) Special Development Incentive. Notwithstanding the provisions in clause 3(b) above, if we and you fully sign this Rider on or before December 31, 2025, we will grant you (and, if applicable, your Approved Affiliates) the following special incentives for each POLLO CAMPERO® Restaurant that opens for business on or before its originally scheduled opening deadline specified in Schedule A:

(i) we will waive fifty percent (50%) of the initial franchise fee due and payable for that POLLO CAMPERO® Restaurant; and

(ii) the Royalty payable to us during that POLLO CAMPERO® Restaurant's first full year of operation will be two and one-half percent (2.5%) of the Restaurant's Gross Sales.

If the POLLO CAMPERO® Restaurant does not open for business on or before its originally scheduled opening deadline (even if we have formally extended that originally scheduled opening deadline, whether at your request or for any other reason), these incentives will not be available for that Restaurant, in which case you must pay us (1) immediately upon demand the portion of the initial franchise fee for that Restaurant that we previously waived or were willing to waive, and (2) our then-applicable standard Royalty during the Restaurant's first full year of operation.

(d) Changes in Investment Requirements. You acknowledge that the estimated expenses and investment requirements set forth in Items 6 and 7 of our Franchise Disclosure Document are subject to increase over time, and future POLLO CAMPERO® Restaurants likely will involve greater initial investment and operating capital requirements than those stated in the Franchise Disclosure Document provided to you before you signed this Rider. You must open all of the POLLO CAMPERO® Restaurants in compliance with the Schedule, regardless of (i) the requirement of a greater investment, (ii) the financial condition or performance of your previous POLLO CAMPERO® Restaurants, or (iii) any other circumstances, financial or otherwise. However, we are not obligated to execute any of the franchise agreements contemplated by this Rider if you have not complied with each and every condition in this Rider or otherwise do not meet our then-current requirements.

4. Subfranchising and Sublicensing Rights. This Rider does not give you any right to franchise, license, subfranchise, or sublicense others to develop and operate POLLO CAMPERO® Restaurants. Only you (and/or Approved Affiliates) may construct, develop, open, and operate POLLO CAMPERO® Restaurants pursuant to this Rider. This Rider also does not give you (or your Approved Affiliates) any independent right to use the POLLO CAMPERO® trademark or our other trademarks and commercial symbols. The right to use our trademarks and

commercial symbols is granted only under a franchise agreement signed directly with us. This Rider only grants you potential development rights if you fully comply with its terms.

5. **Development Fee.**

(a) **Generally-Applicable Development Fee.** As consideration for the development rights we grant you under this Rider, you must pay us—when you sign this Rider—a total of \_\_\_\_\_ Dollars (\$\_\_\_\_\_) (the “Development Fee”). The Development Fee consists of (i) the Forty-Thousand Dollar (\$40,000) initial franchise fee due under the First Franchise Agreement, plus (ii) total deposits equaling \_\_\_\_\_ Thousand Dollars (\$\_\_\_\_\_) toward the initial franchise fees due for the additional POLLO CAMPERO® Restaurants you have committed to construct, develop, and operate. Our initial franchise fee is Thirty-Thousand Dollars (\$30,000) for the second and each subsequent POLLO CAMPERO® Restaurant you have committed to develop under this Rider. The deposits appearing above represent Fifteen-Thousand Dollars (\$15,000) for the second and each subsequent POLLO CAMPERO® Restaurant you have committed to develop after the first Restaurant. The Development Fee is consideration for the rights we grant you in this Rider and for reserving the Territory for you to the exclusion of others (except as provided in this Rider with respect to Restricted Venues) while you are in compliance with this Rider, is fully earned by us when we and you sign this Rider, and is not refundable under any circumstances, even if you do not comply or attempt to comply with the Schedule and we then terminate this Rider.

The Development Fee is not refundable under any circumstances. However, each time you (or your Approved Affiliate) sign a franchise agreement for another POLLO CAMPERO® Restaurant to be developed within the Territory, we will apply the deposit related to that Restaurant (which is part of the Development Fee) toward the initial franchise fee due for that Restaurant (leaving another Fifteen-Thousand Dollars (\$15,000) of the initial franchise fee due at signing). This Rider will not be effective, and you will have no development rights, until we receive the Development Fee.

(b) **Special Development Incentive.** Notwithstanding the provisions in clause 5(a) above, if we and you fully sign this Rider on or before December 31, 2025, we will waive fifty percent (50%) of the initial franchise fee due and payable for each POLLO CAMPERO® Restaurant to be developed pursuant to this Rider if that POLLO CAMPERO® Restaurant opens for business on or before its originally scheduled opening deadline specified in the Schedule. This means that the Development Fee you must pay us when you sign this Rider will consist of (a) the Twenty-Thousand Dollar (\$20,000) initial franchise fee due under the First Franchise Agreement, plus (b) a deposit of Fifteen-Thousand Dollars (\$15,000) for each additional POLLO CAMPERO® Restaurant you have committed under this Rider to develop.

The remaining portions of our standard initial franchise fees for the POLLO CAMPERO® Restaurants to be developed within the Territory—i.e., Twenty-Thousand Dollars (\$20,000) for the first POLLO CAMPERO® Restaurant and Fifteen-Thousand Dollars (\$15,000) for each subsequent POLLO CAMPERO® Restaurant—will not be payable unless the particular Restaurant does not open for business on or before its originally scheduled opening deadline. In that event, you must pay us immediately upon demand the portion of the initial franchise fee for

that Restaurant that we previously waived or were willing to waive (either Twenty-Thousand Dollars (\$20,000) or Fifteen-Thousand Dollars (\$15,000)).

6. **Grant of Franchises.** You must send us a separate application for each POLLO CAMPERO® Restaurant that you (or your Approved Affiliate) wish to develop in the Territory. You must locate, evaluate, and select the Restaurant's site. We will not search for or select the site for you. In granting you development rights under this Rider, we are relying on your knowledge of the real estate market in the Territory and your ability to locate and access sites. You must use a licensed commercial real estate broker during the site-selection process; we have the right to pre-approve your proposed broker before you move forward.

You must give us all information and materials we request to assess each proposed Restaurant site. We will give you our then-current criteria for POLLO CAMPERO® Restaurant sites (including, without limitation, population density and other demographic characteristics, visibility, traffic flow, competition, accessibility, parking, ingress and egress, size, and other physical and commercial characteristics) to help you select and identify each Restaurant Site. We or our designee will visit the Territory one time for no fee to review a site you propose for each potential Restaurant. We may require you to pay Two Thousand Dollars (\$2,000) for each per-Restaurant site visit after the first visit. We will not unreasonably withhold our acceptance of a site if, in our and our affiliates' experience and based on the factors outlined above, the proposed site is not inconsistent with sites that we and our affiliates regard as favorable or that otherwise have been successful sites in the past for POLLO CAMPERO® Restaurants. However, we have the absolute right to reject any site not meeting our criteria or to require you to acknowledge in writing that a site you have chosen, while acceptable to us, is not recommended due to its incompatibility with certain factors bearing on a site's suitability as a location for a POLLO CAMPERO® Restaurant. We agree to use reasonable efforts to review and accept (or not to accept) sites you propose within thirty (30) days after we receive all requested information and materials. You may not proceed with a site that we have not accepted.

You also must send us for our written acceptance, which we will not unreasonably withhold, any lease or sublease that will govern your occupancy and lawful possession of each Restaurant site before you sign it. You may not sign any lease or sublease that we have not accepted in writing. We may (but have no obligation to) guide you in the leasing process but will not negotiate the lease or sublease for you or provide any legal advice.

If we accept and you secure lawful possession of the proposed site, but you (or your Approved Affiliate) have not yet signed a franchise agreement for that Restaurant, you agree within the time period we specify (but no later than the date specified in the Schedule) to sign (or have your Approved Affiliate sign) a separate franchise agreement (and related documents) for that Restaurant and to pay us the remaining portion of the initial franchise fee due (subject to the special development incentive described above). If you (or your Approved Affiliate) fail to do so, or cannot obtain lawful possession of the acceptable proposed site, we may withdraw our acceptance of the proposed site and exercise any of our other rights under this Rider. After you and your owners (or your Approved Affiliate and its owners) sign the franchise agreement (and related documents, including Guaranty and Assumption of Obligations), its terms and conditions will control the construction, development, and operation of the POLLO CAMPERO® Restaurant

(except that the required “Construction to Begin” deadline and opening deadline are governed exclusively by the Schedule in this Rider, as provided in Section 3 above).

In addition to our rights with respect to proposed POLLO CAMPERO® Restaurant sites, we may delay your development and/or opening of additional POLLO CAMPERO® Restaurants within the Territory for the time period we deem best if we believe in our sole judgment, when you submit your application for another Restaurant, or after you (or your Approved Affiliate) have developed and constructed but not yet opened a particular Restaurant, that you (or your Approved Affiliate) are not yet operationally, managerially, or otherwise prepared (no matter the reason) to develop, open, and/or operate the additional POLLO CAMPERO® Restaurant in full compliance with our standards and specifications. We may delay additional development and/or a Restaurant’s opening for the time period we deem best as long as the delay will not in our reasonable opinion cause you to breach your development obligations under the Schedule (unless we are willing to extend the Schedule proportionately to account for the delay).

7. **Term.** This Rider’s term begins on the date we sign it and ends on the date when (a) you (or your Approved Affiliate) open for business the final POLLO CAMPERO® Restaurant to be developed under the Schedule, or (b) this Rider otherwise is terminated, but in any event this Rider’s term will end no later than *<insert date>*.

8. **Termination.** We may at any time terminate this Rider and your rights under this Rider to develop POLLO CAMPERO® Restaurants within the Territory, such termination to be effective upon our delivery to you of written notice of termination:

(a) if you fail to satisfy either your development obligations under the Schedule or any other obligation under this Rider, which defaults you have no right to cure;

(b) if the First Franchise Agreement, or another franchise agreement between us and you (or your Approved Affiliate) for a POLLO CAMPERO® Restaurant, is terminated by us in compliance with its terms or by you (or your Approved Affiliate) for any (or no) reason; or

(c) if we have delivered a formal written notice of default to you (or your Approved Affiliate) under the First Franchise Agreement, or another franchise agreement between us and you (or your Approved Affiliate) for a POLLO CAMPERO® Restaurant, and you (or your Approved Affiliate) fail to cure that default within the required timeframe.

No portion of the Development Fee is refundable upon termination of this Rider or under any other circumstances. If we terminate this Rider because you fail to satisfy your development obligations under the Schedule, we will keep the Development Fee (which is not refundable) but otherwise will not seek to recover damages from you due solely to your failure to comply with the Schedule.

Termination of this Rider under clauses (a), (b), or (c) above is not deemed to be the termination of any franchise rights (even though this Rider is attached to the First Franchise Agreement) because this Rider grants you no separate franchise rights. Franchise rights arise only under franchise agreements signed directly with us. Termination of this Rider does not affect any franchise rights granted under any then-effective individual franchise agreements.

9. **Assignment.** Your development rights under this Rider are not assignable at all. This means we will not under any circumstances allow the development rights to be transferred. A transfer of the development rights would be deemed to occur (and would be prohibited) if there is an assignment of the First Franchise Agreement, a transfer of a controlling ownership interest in you, a transfer of this Rider separate and apart from the First Franchise Agreement, or any other event attempting to assign the development rights. An assignment of only a non-controlling ownership interest in you is permitted (and would not be deemed to be a transfer of your development rights) to the extent permitted by the terms and conditions of the First Franchise Agreement.

10. **Rider to Control.** Except as provided in this Rider, the First Franchise Agreement remains in full force and effect as originally written. If there is any inconsistency between the First Franchise Agreement and this Rider, this Rider's terms will control.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

**CAMPERO USA CORP.**

**FRANCHISEE**

By: \_\_\_\_\_

\_\_\_\_\_

[Name]

Title: \_\_\_\_\_

By: \_\_\_\_\_

Date: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**EXHIBIT A**  
**TO DEVELOPMENT RIGHTS RIDER**

**SCHEDULE**

You agree to develop and open \_\_\_\_\_ ( ) POLLO CAMPERO® Restaurants in the Territory, including the Restaurant that is the subject of the First Franchise Agreement, according to the following Schedule:

<b>POLLO CAMPERO Restaurant Number</b>	<b>Lease Execution / Franchise Agreement to be Signed by Franchisee (or Approved Affiliate) by (Deadline)</b>	<b>Construction to Begin by (Deadline)*</b>	<b>POLLO CAMPERO® Restaurant to be Open and Operating in Territory by (Deadline)**</b>
1	Concurrently with this Development Rights Rider		
2			
3			
4			
5			

\*This is the deadline by which you must obtain all permits and certifications required to begin lawful construction of the Restaurant.

\*\* If you cannot open a Restaurant for business by its Opening Deadline despite your diligent efforts to do so, you may request a three (3)-month extension to open. We will not unreasonably deny your request if the reasons for your request demonstrate your diligence in the Restaurant construction, development, and opening process. If you cannot open the Restaurant for business by the end of that three (3)-month extension despite your diligent efforts to do so, you may request one final two (2)-month extension to open. We will not unreasonably deny your request if the reasons for your request once again demonstrate your diligence in the Restaurant construction, development, and opening process during the first extension period. The Scheduled Opening Date under the Restaurant’s Franchise Agreement will be modified automatically to match the last day of the extension period we grant you. However, you are not entitled to receive the special development incentives described in Sections 3(c) and 5(b) of the Rider if the Scheduled Opening Date is modified from the original date appearing in this column.

Any extension we grant you for a particular Restaurant will not extend, delay, or otherwise impact any other deadline under the Schedule for any other Restaurant.

**CAMPERO USA CORP.**

**FRANCHISEE**

By: \_\_\_\_\_

\_\_\_\_\_  
[Name]

Title: \_\_\_\_\_

By: \_\_\_\_\_

Date: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**EXHIBIT B**  
**TO DEVELOPMENT RIGHTS RIDER**

**MAP OF TERRITORY**

A map of the Territory described in Section 2 of the Development Rights Rider is attached. If there is any inconsistency between the narrative description of the Territory in Section 2 and the pictorial reference to the Territory on the attached map, the narrative description of the Territory will prevail.

**CAMPERO USA CORP.**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**FRANCHISEE**

\_\_\_\_\_  
[Name]

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**EXHIBIT C**

**FINANCIAL STATEMENTS**

**Campero, Inc. and Subsidiaries  
(A wholly owned Subsidiary of  
Campero International Holdings  
Corp.)**

Consolidated Financial Statements  
Years Ended December 31, 2024 and 2023

**Campero, Inc. and Subsidiaries**  
**(A wholly owned Subsidiary of**  
**Campero International Holdings Corp.)**

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Consolidated Financial Statements  
Years Ended December 31, 2024 and 2023

**Campero, Inc. and Subsidiaries**  
**(A wholly owned Subsidiary of**  
**Campero International Holdings Corp.)**  
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## **Independent Auditor's Report**

Stockholder  
Campero Inc. and Subsidiaries  
Dallas, Texas

### ***Opinion***

We have audited the consolidated financial statements of Campero, Inc. (a wholly owned subsidiary of Campero International Holdings Corp. (the "Parent")) and Subsidiaries (the "Company"), which comprise the consolidated balance sheets as of December 31, 2024 and 2023, and the related consolidated statements of operations, changes in stockholder's equity, and cash flows for the 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 December 31, 2024 and 2023, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Basis for Opinion***

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 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 accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of 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 within one year after the date that the consolidated financial statements are issued or available to be issued.



### ***Auditor's 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the 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 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.

*BDO USA, P.C.*

May 30, 2025

## **Consolidated Financial Statements**

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**Campero, Inc. and Subsidiaries**  
**(A wholly owned Subsidiary of**  
**Campero International Holdings Corp.)**

**Consolidated Balance Sheets**

<i>December 31,</i>	2024	2023
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 12,666,518	\$ 8,370,648
Accounts receivable, net of allowance for credit losses of approximately \$0 and \$29,600, respectively	973,126	1,264,629
Inventories	2,102,945	1,623,018
Prepaid expenses and other current assets	4,266,290	1,866,712
Due from related parties, current portion	5,461,260	827,640
<b>Total Current Assets</b>	<b>25,470,139</b>	<b>13,952,647</b>
Restricted cash	2,015,862	310,167
Property and equipment, net	192,207,709	106,055,975
Operating lease right-of-use assets	147,057,212	95,241,851
Goodwill, net	21,163,365	26,894,060
Intangible assets, net	2,652,637	3,297,330
Due from related parties	-	359,484
Deposits and other assets	1,324,928	1,050,687
<b>Total Assets</b>	<b>\$ 391,891,852</b>	<b>\$ 247,162,201</b>
<b>Liabilities And Stockholder's Equity</b>		
<b>Current Liabilities</b>		
Lines of credit	\$ 92,703,000	\$ 66,415,882
Accounts payable	7,769,673	7,852,186
Accrued expenses	17,991,102	11,384,855
Due to related parties, current portion	-	159,976
Operating lease liabilities, current portion	13,132,623	9,722,173
Deferred revenue, current portion	43,820	43,820
<b>Total Current Liabilities</b>	<b>131,640,218</b>	<b>95,578,892</b>
Operating lease liabilities, less current portion	138,773,187	88,580,744
Deferred revenue, less current portion	1,166,206	490,772
Long-term debt, net	74,318,217	-
<b>Total Liabilities</b>	<b>345,897,828</b>	<b>184,650,408</b>
<b>Commitments and Contingencies (Note 12)</b>		
<b>Stockholder's Equity</b>		
Common stock	1	1
Additional paid-in capital	98,397,395	98,397,395
Accumulated deficit	(52,403,372)	(35,885,603)
<b>Total Stockholder's Equity</b>	<b>45,994,024</b>	<b>62,511,793</b>
<b>Total Liabilities And Stockholder's Equity</b>	<b>\$ 391,891,852</b>	<b>\$ 247,162,201</b>

*See accompanying notes to consolidated financial statements.*

**Campero, Inc. and Subsidiaries**  
**(A wholly owned Subsidiary of**  
**Campero International Holdings Corp.)**

**Consolidated Statements of Operations**

<i>Year ended December 31,</i>	<b>2024</b>	<b>2023</b>
<b>Revenue</b>		
Company restaurants	\$ 277,386,746	\$ 226,696,234
Royalties	2,802,206	2,216,845
Store development and initial franchise fees	41,000	113,000
Other	708,621	852,575
<b>Total Revenue</b>	<b>280,938,573</b>	<b>229,878,654</b>
<b>Operating Expenses</b>		
Food, paper and product costs	91,853,450	79,808,314
Payroll and related expenses	85,027,236	65,457,413
Occupancy expense	22,864,642	17,744,390
Employee benefits	10,227,538	6,337,682
Advertising and marketing	8,967,525	9,202,192
General and administrative	31,759,649	22,171,155
Depreciation and amortization	13,312,190	8,089,892
Intangible assets amortization	644,693	676,587
Goodwill amortization	5,730,695	5,641,769
Professional and consulting fees	11,080,149	6,171,319
Pre-opening costs	4,717,207	3,076,426
Loss on disposal of property and equipment	317,719	207,959
Other	232,967	214,266
<b>Total Operating Expenses</b>	<b>286,735,660</b>	<b>224,799,364</b>
<b>(Loss) Income From Operations</b>	<b>(5,797,087)</b>	<b>5,079,290</b>
<b>Other (Expense) Income</b>		
Interest expense	(10,674,666)	(4,031,741)
Interest income	103,984	13,984
<b>Total Other Expense</b>	<b>(10,570,682)</b>	<b>(4,017,757)</b>
(Loss) Income Before Income Taxes	(16,367,769)	1,061,533
Provision for income taxes	150,000	150,000
<b>Net (Loss) Income</b>	<b>\$ (16,517,769)</b>	<b>\$ 911,533</b>

*See accompanying notes to consolidated financial statements.*

**Campero, Inc. and Subsidiaries**  
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**Changes in Stockholder's Equity**

	Common Stock	Additional Paid-In Capital	Accumulated Deficit	Total Stockholder's Equity
<b>Balances, January 1, 2023</b>	\$ 1	\$ 98,397,395	\$ (36,797,136)	\$ 61,600,260
Net income	-	-	911,533	911,533
<b>Balances, December 31, 2023</b>	1	98,397,395	(35,885,603)	62,511,793
Net loss	-	-	(16,517,769)	(16,517,769)
<b>Balances, December 31, 2024</b>	\$ 1	\$ 98,397,395	\$ (52,403,372)	\$ 45,994,024

*See accompanying notes to consolidated financial statements.*

**Campero, Inc. and Subsidiaries**  
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**Consolidated Statements of Cash Flows**

<i>Year Ended December 31,</i>	2024	2023
<b>Cash Flows from Operating Activities:</b>		
Net (loss) income	\$ (16,517,769)	\$ 911,533
Adjustments to reconcile net (loss) income to net cash provided by operating activities:		
Bad debt expense for accounts receivable	-	253,713
Bad debt expense for due from related party	359,484	249,238
Gain on forgiveness of due to related party	-	(860,344)
Depreciation and amortization	13,312,190	8,089,892
Intangible assets amortization	644,693	676,587
Goodwill amortization	5,730,695	5,641,769
Noncash operating lease expense	13,041,906	9,243,459
Loss on disposal of property and equipment	317,719	207,959
Loss on termination of right-of-use assets and lease liabilities	-	173,465
Amortization of deferred financing costs	262,224	-
Change in operating assets and liabilities:		
Accounts receivable	291,503	(902,003)
Inventories	(479,927)	66,230
Prepaid expenses and other current assets	(2,399,578)	(120,666)
Deposits and other assets	(274,241)	(39,891)
Lease liabilities	(11,254,374)	(8,585,591)
Accounts payable	(82,513)	779,374
Accrued expenses	6,606,247	(263,747)
Deferred revenue	675,434	46,276
<b>Total Adjustments</b>	<b>26,751,462</b>	<b>14,655,720</b>
<b>Net Cash Provided By Operating Activities</b>	<b>10,233,693</b>	<b>15,567,253</b>
<b>Cash Flows from Investing Activities:</b>		
Purchases of property and equipment	(99,781,643)	(50,095,680)
Advances to related parties	(4,633,620)	(827,640)
Proceeds from sales of property and equipment	-	1,323,639
Proceeds from notes receivable	-	167,180
<b>Net Cash Used In Investing Activities</b>	<b>(104,415,263)</b>	<b>(49,432,501)</b>
<b>Cash Flows from Financing Activities:</b>		
Proceeds from the lines of credit	103,000,000	30,915,882
Proceeds from debt	74,055,993	-
Repayments on the lines of credit	(76,712,882)	-
Repayments on debt	-	(167,180)
Payments to related party	(159,976)	(887,819)
<b>Net Cash Provided By Financing Activities</b>	<b>100,183,135</b>	<b>29,860,883</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents and Restricted Cash</b>	<b>6,001,565</b>	<b>(4,004,365)</b>
<b>Cash, Cash Equivalents and Restricted Cash - beginning of year</b>	<b>8,680,815</b>	<b>12,685,180</b>
<b>Cash, Cash Equivalents and Restricted Cash - end of year</b>	<b>\$ 14,682,380</b>	<b>\$ 8,680,815</b>

*See accompanying notes to consolidated financial statements.*

**Campero, Inc. and Subsidiaries**  
**(A wholly owned Subsidiary of**  
**Campero International Holdings Corp.)**

**Consolidated Statements of Cash Flows - (Continued)**

<i>Year Ended December 31,</i>	<b>2024</b>	<b>2023</b>
<b>Supplemental Disclosure Of Cash Flow Information:</b>		
Cash paid for interest	\$ 8,193,346	\$ 4,182,806
Cash paid for income taxes	\$ 271,737	\$ 196,474
<b>Supplemental Schedule Of Non-Cash Activities:</b>		
Right-of-Use assets obtained in exchange for operating lease liabilities	\$ 64,857,267	\$ 31,723,865

*See accompanying notes to consolidated financial statements.*

**Campero, Inc. and Subsidiaries**  
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**Notes to Consolidated Financial Statements**

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## **1. Organization and Summary of Significant Accounting Policies**

### ***Organization***

Campero, Inc. is a wholly owned subsidiary of Campero International Holdings Corp. (“Parent”), a Panamanian corporation. The Parent owns the license to sell store development agreements and franchises of the Pollo Campero brand in the United States of America (the “USA”). Pollo Campero is a chain of quick-service restaurants that was initiated in Guatemala in 1971. The consolidated financial statements include the accounts of Campero, Inc. and its subsidiaries (collectively, the “Company”). The Company owns, operates and franchises quick-service restaurants under the trade name Pollo Campero (“PC”) in twenty states and the District of Columbia.

The Company is a Florida company that was formed on July 3, 2003. At December 31, 2024 and 2023, the Company owned and operated one hundred and four and seventy-seven Pollo Campero restaurants, respectively, in the states of Texas, Maryland, New York, Virginia, Massachusetts, Arkansas, Rhode Island, New Jersey, Louisiana, California, Florida, Illinois, Georgia, Nevada and the District of Columbia. During 2024 and 2023, there were no franchise acquisitions completed by the Company.

During 2023, the Company closed two restaurants in Texas, one ghost kitchen restaurant in California and sold one restaurant in Louisiana, in which the Company recorded a loss on disposal of property and equipment of approximately \$88,000, and a loss on closure of operations of approximately \$214,000, which is included in other expenses in the accompanying consolidated statements of operations. There were no closures during the year ended December 31, 2024.

As of December 31, 2024 and 2023, the Company had four and seven store development agreements, respectively, and had two and fifteen franchise agreements, respectively, with franchisees in the states of Arizona, Georgia, Louisiana, Minnesota, New Jersey, New York, North Carolina, Oklahoma, Texas, Tennessee, Pennsylvania and South Carolina. As of December 31, 2024, the Company had one hundred and twenty-one restaurants operating within various territories of which one hundred and four are owned by affiliated companies and seventeen by franchisees. As of December 31, 2023, the Company had ninety-two restaurants operating within various territories of which seventy-seven are owned by affiliated companies and fifteen by franchisees.

### ***Liquidity and Management’s Plans***

The consolidated financial statements have been prepared assuming the Company will continue as a going concern. During the year ended December 31, 2024, the Company incurred a net loss of approximately \$16,518,000 and has an accumulated deficit of approximately \$52,403,000. In addition, the Company had negative working capital of approximately \$106,170,000 at December 31, 2024. The Company is in a rapid growth phase. Management’s plan is to continue growing the business by expanding geographically.

As discussed in Note 9, the Company entered into two line of credit agreements with two different financial institutions with maturity dates between the months of April 2025 through August 2025. As of March 31, 2025, the Company has a borrowing capacity of approximately \$24,000,000 under these two lines of credit agreements. During 2025, the Company entered into a line of credit agreement with a different financial institution.

**Campero, Inc. and Subsidiaries**  
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**Notes to Consolidated Financial Statements**

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Management believes that the anticipated growth of the business and expected cash flows from operating activities, existing cash, and additional funds under the lines of credit will allow the Company to meet its obligations as they come due for at least a year and a day from the date of issuance of these consolidated financial statements. Additionally, in the event additional funds are needed, the Parent has committed to provide and maintain adequate working capital to fully support the operating, investing, and financing cash flow needs of the Company for at least a year and a day from the date of issuance of these consolidated financial statements.

***Basis of Presentation and Principles of Consolidation***

The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”). The accompanying consolidated financial statements include the accounts of Campero, Inc. and its subsidiaries. All significant intercompany transactions and balances have been eliminated in consolidation.

***Management Estimates***

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (“U.S. 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 December 31, 2024 and 2023 and revenues and expenses during the years then ended. The actual outcome of the estimates could differ from the estimates made in the preparation of the consolidated financial statements.

***Concentration of Credit Risk***

Financial instruments which potentially subject the Company to concentrations of credit risk consist principally of cash deposits in excess of the Federal Deposit Insurance Corporation (“FDIC”) insured limit of \$250,000. The Company generally limits its exposure by placing its deposits with quality financial institutions located in the United States. However, at times, such cash balances may be in excess of insured amounts. As of December 31, 2024, the Company’s cash deposits exceeded the insured limit. The Company has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash.

***Risks and Uncertainties***

The Company’s business activities are with customers located throughout the locations it operates. The Company is subject to the risks of the local economy for each of the locations. Furthermore, the quick-service restaurant industry can be significantly affected by many factors, including fluctuations in the disposable income of its existing and potential customer base, demographic trends, changes in consumer tastes, consumer concerns about the nutritional quality of quick-service and changes in the operation, number and locations of competing quick-service restaurants.

The consolidated financial statements do not include any adjustments that might result from the outcome of these uncertainties.

**Campero, Inc. and Subsidiaries**  
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**Notes to Consolidated Financial Statements**

***Cash and Cash Equivalents***

For the purposes of the statements of cash flows, the Company considers cash and cash equivalents with maturities of three months or less from their purchase dates to be cash and cash equivalents.

***Restricted Cash***

The Company holds cash received in connection with letters of credit and a financial guarantee amounting to approximately \$2,016,000 and \$310,000, at December 31, 2024 and 2023. The cash may be withdrawn once terms prescribed by the agreement are met.

The following table provides a reconciliation of cash, cash equivalents and restricted cash reported in the accompanying consolidated balance sheets that sum to the total of cash, cash equivalents and restricted cash in the accompanying consolidated statements of cash flows:

<i>December 31,</i>	<b>2024</b>	<b>2023</b>
Cash and cash equivalents	\$ 12,666,518	\$ 8,370,648
Restricted cash	2,015,862	310,167
Total as presented in the consolidated statements of cash flows	\$ 14,682,380	\$ 8,680,815

***Accounts Receivable and Allowance for Credit Losses***

Accounts receivables consist of receivables for retail sales at Company restaurants, royalties and franchise fees. Accounts receivable are recorded at net of allowance based on management's estimate of uncollectible accounts. The estimate is based on several factors, which include, but are not limited to, analytical review of loss experience, judgment with respect to economic conditions and expected credit losses over the estimated life of the receivable. Accounts receivable are written off when they are deemed to be uncollectible. The Company believes the allowance for credit losses is adequate. Bad debt expense recognized for expected credit losses is classified in the accompanying consolidated statements of operations under general and administrative expenses.

***Inventories***

Inventories, primarily consisting of food and paper products, are stated at the lower of cost or net realizable value. Cost is determined principally by the first-in, first-out method.

***Property and Equipment, net***

Property and equipment are recorded at cost less accumulated depreciation and amortization, and are depreciated using the straight-line method over the estimated useful lives of the respective assets as follows:

Furniture and fixtures	7 years
Computer equipment and software	3 - 5 years
Restaurant equipment	7 years

**Campero, Inc. and Subsidiaries**  
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**Notes to Consolidated Financial Statements**

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Leasehold improvements	Shorter of the useful life or term of lease
Company vehicles	5 years

Gains or losses on disposal of assets are credited or charged to operations. The Company capitalizes all direct costs incurred to construct and substantially improve its restaurants. The costs of repair and maintenance are expensed when incurred. Expenditures that increase the value or productive capacity of assets are capitalized. Building costs incurred for new restaurants on leased land are capitalized and amortized over the lease term, which is generally a twenty-year period.

***Impairment of Long-lived Assets***

The Company's long-lived assets, such as property and equipment, right-of-use assets and intangible assets, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to estimated undiscounted future cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized by the amount by which the carrying amount of the asset exceeds the fair value of the asset. Assets to be disposed of would be separately presented in the balance sheet and reported at the lower of the carrying amount or fair value less costs to sell and are no longer depreciated. The assets and liabilities of a disposal group classified as held for sale would be presented separately in the appropriate asset and liability sections of the consolidated balance sheets.

There was no impairment recognized for the years ended December 31, 2024 and 2023.

***Leases***

The lease term is defined as the noncancellable term of the lease plus any renewals covered by renewal options that are reasonably certain of exercise.

***Lessee Accounting***

The Company recognizes a corresponding right-of-use (ROU) asset at the same amount of the corresponding lease liability adjusted for initial direct costs of entering into the lease, any prepaid lease payments, and lease incentives received from the lessor. The ROU asset and lease liability are recognized at lease commencement, which are measured by discounting lease payments using the risk-free rate as the discount rate as the accounting alternative elected by the Company under Accounting Standard Codification (ASC) ASC 842. Amortization of the ROU 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. Lease classification and remeasurement of ROU assets and lease liabilities are reassessed when a lease is modified, and that modification is not accounted for as a separate contract or upon certain events that require reassessment.

**Campero, Inc. and Subsidiaries**  
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**Notes to Consolidated Financial Statements**

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***Intangible Assets***

**Leases**

The Company reported favorable and unfavorable operating leases in connection with the acquisition method of accounting. The Company amortizes favorable and unfavorable leases on a straight-line basis over the remaining term of the leases, as determined at the acquisition date.

**Reacquired Franchise Rights**

The Company's reacquired franchise rights are amortized on a straight-line basis over the remaining contractual life of the franchisee's term.

***Goodwill***

Goodwill represents the excess of the aggregate purchase price over the fair value of the net assets acquired in the purchase business combination. As permitted by U.S. GAAP, the Company elected an accounting alternative for the subsequent measurement of goodwill. As a result, the Company began amortizing goodwill over 10 years and elected to test goodwill for impairment at the enterprise level. For the years ended December 31, 2024 and 2023, goodwill amortization amounted to \$5,730,695 and \$5,641,769, respectively. Under the accounting alternative, goodwill is tested for impairment upon a triggering event that indicates that the fair value of a reporting unit may be below its carrying amount. Upon the occurrence of a triggering event, the Company has the option to first assess qualitative factors to determine whether the quantitative impairment test is necessary. If the qualitative assessment indicates that it is more likely than not that goodwill is impaired, the Company is required to perform the quantitative test to compare the Company's fair value of the reporting unit with its carrying amount, including goodwill. However, if the qualitative assessment indicates it is not more likely than not that goodwill is impaired, further impairment testing is unnecessary. For the years ended December 31, 2024 and 2023, the Company did not record any goodwill impairment.

***Acquisitions***

Business combinations are accounted for using the acquisition method of accounting. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The consideration transferred is measured at fair value and includes the fair value of any contingent consideration. Acquisition accounting allows for up to one year to obtain the information necessary to finalize the fair value of all assets acquired and liabilities assumed. The application of the acquisition method may result in the acquirer recognizing some assets and liabilities not previously recognized by the acquiree. The acquiring entity should then recognize and measure either goodwill or a gain on bargain purchase. There were no acquisitions during the years ended December 31, 2024 and 2023.

***Income Taxes***

Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured

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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 tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. A valuation allowance is established when it is necessary to reduce deferred tax assets to amounts for which realization is more likely than not.

The Company recognizes positions taken or expected to be taken in a tax return in accordance with existing accounting guidance on income taxes which prescribes a recognition threshold and measurement process. Interest and penalties on tax liabilities, if any, would be recorded in interest expense and other operating expense, respectively, in the accompanying consolidated statements of operations.

***Deferred Revenue***

The Company recognizes revenue as the related performance obligations are satisfied. Deferred revenue is recorded when the Company receives a payment in advance of the satisfaction of its performance obligations. At December 31, 2024, deferred revenue totaled \$1,210,026, which is included in the accompanying consolidated balance sheets and is comprised of deferred store development fees and franchise fees for the restaurants amounting to \$496,863, deferred revenue from the gain on sale of the Company's restaurant amounting to \$116,856 and deferred revenue from the Company's loyalty rewards program amounting to \$596,307. At December 31, 2023, deferred revenue totaled \$534,592, which is included in the accompanying consolidated balance sheets and is comprised of deferred store development fees and franchise fees for the restaurants amounting to \$373,917 and deferred revenue from the gain on sale of the Company's restaurant amounting to \$160,675.

***Related Parties***

For the purpose of these consolidated financial statements, parties are considered to be related if one party has the ability, directly or indirectly, to control the Company or exercise significant influence over the Company in making financial and operating decisions, or where the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

***Deferred Financing Costs***

Deferred financing costs represent fees and other costs associated with obtaining financing. These costs are capitalized and presented as a direct deduction from the carrying amount of the related debt liability on the accompanying consolidated balance sheets. Deferred financing costs are amortized over the term of the related debt agreement into interest expense using the effective interest method.

***Revenue Recognition***

***Company Restaurants***

Revenue is recognized in accordance with Accounting Standards Update ("ASU") No. 2014-09, *Revenue from Contracts with Customers*. Revenue is recognized upon the transfer of promised products or services to customers in an amount that reflects the consideration the Company received

**Campero, Inc. and Subsidiaries**  
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**Notes to Consolidated Financial Statements**

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in exchange for those products or services. Revenue is recognized when payment is tendered at the time of sale. The Company presents sales, net of sales tax, and other sales related discounts, which are recorded as a liability.

***Store Development and Initial Franchise Fees***

The Company recognizes store development fees pertaining to certain franchise agreements for pre-opening services, which is recognized at a point in time upon the opening of the store location, which is when the performance obligation is satisfied. Store development fees are non-refundable. The Company provides both initial and continuing training and support with respect to management, operations and promotions to the franchisees. The services provided in exchange for the upfront fees are highly interrelated with the franchise right and are not individually distinct from the ongoing services provides to the franchisees.

The Company recognizes initial franchise fees as revenue over time as the Company satisfies the performance obligation over the term of the related franchise agreement. Unrecognized fees are included in deferred revenue in the accompanying consolidated balance sheets, which represent franchise fees collected but not yet recognized as revenue. Franchise fees are non-refundable.

***Royalties***

The Company recognizes royalties pursuant to the terms of the specific franchise agreement. Royalties are calculated as a percentage of franchisees' restaurant sales and are recognized as revenue in the period of the related sales. Royalties are not charged to restaurants owned by affiliated companies.

***Other Revenue***

Other revenue is primarily comprised of marketing fees and lease income. The Company administers a marketing and promotion fund ("PC Advertising") in which the Company receives advertising contributions from its franchisees, based upon a percentage of restaurant sales, as required by their franchise agreements. The Company recognizes these revenues in the period of related sales. This is used exclusively for marketing of the PC brand. The Company acts as an agent for the franchisees with regard to their advertising fees. During the years ended December 31, 2024 and 2023, the Company received approximately \$594,000 and \$443,000 in advertising contributions, respectively, and are included in other revenue in the accompanying consolidated statements of operations.

The following table disaggregates the Company's revenue based on the timing of satisfaction of performance obligations:

<i>Year Ended December 31,</i>	<b>2024</b>	<b>2023</b>
Performance obligations satisfied over time	\$ 41,000	\$ 113,000
Performance obligations satisfied at a point in time	<b>280,897,573</b>	229,765,654
	<b>\$ 280,938,573</b>	<b>\$ 229,878,654</b>

**Campero, Inc. and Subsidiaries**  
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**Notes to Consolidated Financial Statements**

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***Advertising and Marketing Costs***

All advertising and marketing costs are expensed as incurred. Advertising and marketing expense was approximately \$8,968,000 and \$9,202,000 for the years ended December 31, 2024 and 2023, respectively.

***Recent Accounting Pronouncement Not Yet Adopted***

**Improvements to Income Tax Disclosures**

In December 2023, the FASB issued guidance that expands income tax disclosures, including requiring enhanced disclosures related to the rate reconciliation and income taxes paid information. For public business entities, the guidance is effective for annual disclosures for fiscal years beginning after December 15, 2024, and for entities other than public business entities, the amendments are effective for annual periods beginning after December 15, 2025, with early adoption permitted. The guidance should be applied on a prospective basis, with retrospective application to all prior period presented in the financial statements permitted. The Company is currently evaluating the impact of the guidance on the financial statement disclosures.

**2. Related Party Transactions**

The Company made payments during the ordinary course of business on behalf of the affiliated companies. The Company anticipates collecting these advances in full.

Amounts due from related parties consist of the following at December 31:

<i>December 31,</i>	<b>2024</b>	<b>2023</b>
Campero International Limited	\$ -	\$ 359,484
CMI Valories	<b>5,461,260</b>	827,640
	<b>5,461,260</b>	1,187,124
Less current portion	<b>5,461,260</b>	827,640
	<b>\$ -</b>	<b>\$ 359,484</b>

During the years ended December 31, 2024 and 2023, certain affiliated companies made payments on behalf of the Company during the ordinary course of business. During 2024 and 2023, the Company advanced approximately \$5,000,000 and \$828,000, respectively, to a related party at the rate of 10.25% and 5.20% as of December 31, 2024 and 2023, respectively. Interest income for the years ended December 31, 2024 and 2023 was approximately \$104,000 and \$14,000, respectively. During 2024, the Company charged off amounts due from related party in the amount of approximately \$359,000 with a charge through bad debt expense that is included in general and administrative in the accompanying consolidated statements of operations.

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Amounts due to related parties consist of the following at December 31:

<i>December 31,</i>	<b>2024</b>	<b>2023</b>
Centro de Servicios Integrados	\$ -	\$ 159,976
Less current portion	-	159,976
	<b>\$ -</b>	<b>\$ -</b>

**3. Note Receivable - Franchisee, Net**

On December 18, 2008, the Company entered into a promissory note with a franchisee whereby the franchisee promised to pay the Company \$1,080,000 plus interest at a fixed annual interest rate of 5% over a term of nine years. The note was executed to finance the sale of equipment and operating rights by the Company to the franchisee. The note was secured by all of the assets of the Company acquired by the franchisee. The full amount outstanding of the note receivable in the amount of \$167,180 was collected during 2023.

**4. Property and Equipment, Net**

Property and equipment, net, at December 31, 2024 and 2023 was as follows:

<i>December 31,</i>	<b>2024</b>	<b>2023</b>
Leasehold improvements	\$ 125,140,052	\$ 62,940,957
Restaurant equipment	44,335,483	29,476,306
Furniture and fixtures	18,397,001	12,547,858
Computer equipment and software	15,679,583	9,969,639
Company vehicles	-	35,164
New assets not in use	48,018,273	37,713,021
	<b>251,570,392</b>	<b>152,682,945</b>
Less accumulated depreciation and amortization	59,362,683	46,626,970
Total	<b>\$ 192,207,709</b>	<b>\$106,055,975</b>

Depreciation and amortization expense for the years ended December 31, 2024 and 2023 was \$13,312,190 and \$8,089,892, respectively. For the years ended December 31, 2024 and 2023, the Company recorded approximately \$318,000 and \$120,000, respectively, of a loss on disposal of property and equipment for the active PC quick-service restaurants.

**Campero, Inc. and Subsidiaries**  
**(A wholly owned Subsidiary of**  
**Campero International Holdings Corp.)**

**Notes to Consolidated Financial Statements**

**5. Leases**

***Operating Leases***

The Company leases restaurants, retail and office space under agreements expiring at various dates through 2044. The term of the leases do not include unexercised option periods. The restaurant facilities primarily have renewal clauses of five or ten years to be exercised at the option of the Company. Operating lease cost is recognized on a straight-line basis over the lease term. For the years ended December 31, 2024 and 2023, operating lease expense was approximately \$15,417,000 and \$11,959,000, respectively, which is included in the caption occupancy expense in the accompanying consolidated statements of operations. Cash paid under operating leases for the years ended December 31, 2024 and 2023 was approximately \$11,254,000 and \$8,586,000, respectively. During the years ended December 31, 2024 and 2023, approximately \$64,857,000 and \$31,724,000, respectively, of operating lease ROU assets and operating lease obligations were recognized. As of December 31, 2024 and 2023, the Company had no commitments related to finance leases.

<i>December 31,</i>	<b>2024</b>	<b>2023</b>
Weighted Average Remaining Lease Term - Operating Leases	<b>8.3 Years</b>	<b>8.7 Years</b>
Weighted Average Discount Rate - Operating Leases	<b>3.25%</b>	<b>2.87%</b>

At December 31, 2024, the maturities of operating lease liabilities were as follows:

<i>Years ending December 31,</i>	
2025	\$ 18,781,399
2026	18,609,308
2027	18,890,003
2028	15,312,226
2029	16,319,217
Thereafter	98,025,870
Total future lease payments	185,938,023
Less: total imputed interest	34,032,213
Total lease liability	151,905,810
Less current portion	13,132,623
	<b>\$ 138,773,187</b>

**Campero, Inc. and Subsidiaries**  
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**Notes to Consolidated Financial Statements**

**6. Intangible Assets and Goodwill, Net**

Intangible assets, net, at December 31, 2024 and 2023 were as follows:

<i>December 31, 2024</i>	Weighted Average Amortization Period	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Amortizing intangible assets:				
Reacquired franchise rights	5 years	\$ 12,000,116	\$ (10,081,632)	\$ 1,918,484
Favorable leases	7 years	1,956,239	(1,222,086)	734,153
<b>Total intangible assets</b>		<b>\$ 13,956,355</b>	<b>\$ (11,303,718)</b>	<b>\$ 2,652,637</b>

<i>December 31, 2023</i>	Weighted Average Amortization Period	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Amortizing intangible assets:				
Reacquired franchise rights	5 years	\$ 12,000,116	\$ (9,490,734)	\$ 2,509,382
Favorable leases	7 years	1,956,239	(1,168,291)	787,948
<b>Total intangible assets</b>		<b>\$ 13,956,355</b>	<b>\$ (10,659,025)</b>	<b>\$ 3,297,330</b>

Amortization expense for intangible assets was \$644,693 and \$676,587 for the years ended December 31, 2024 and 2023, respectively.

The following is a schedule of estimated future amortization expense as of December 31, 2024:

<i>Years ending December 31,</i>	
2025	\$ 639,687
2026	636,833
2027	622,558
2028	197,470
2029	36,665
Thereafter	519,424
	<b>\$ 2,652,637</b>

**Campero, Inc. and Subsidiaries**  
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**Notes to Consolidated Financial Statements**

The following table provides a reconciliation of changes in goodwill:

<i>Year Ended December 31,</i>	<b>2024</b>	<b>2023</b>
<b>Balance, January 1</b>	<b>\$ 26,894,060</b>	<b>\$ 32,535,829</b>
<b>Goodwill amortization</b>	<b>(5,730,695)</b>	<b>(5,641,769)</b>
<b>Balance, December 31</b>	<b>\$ 21,163,365</b>	<b>\$ 26,894,060</b>

## 7. Accrued Expenses

Accrued expenses consist of the following at December 31:

<i>December 31,</i>	<b>2024</b>	<b>2023</b>
Accrued bonus	<b>\$ 2,555,347</b>	<b>\$ 1,972,005</b>
Accrued marketing	<b>38,570</b>	<b>239,569</b>
Accrued taxes	<b>2,404,350</b>	<b>3,825,935</b>
Accrued payroll and payroll taxes	<b>2,928,755</b>	<b>1,384,146</b>
Accrued benefits	<b>2,011,075</b>	<b>112,379</b>
Accrued interest	<b>2,752,439</b>	<b>271,119</b>
Accrued unfavorable leases	<b>677,190</b>	<b>814,153</b>
Accrued other	<b>4,623,376</b>	<b>2,765,549</b>
	<b>\$ 17,991,102</b>	<b>\$ 11,384,855</b>

As of December 31, 2024 and 2023, accrued expenses included accrued bonus of \$2,555,347 and \$1,972,005, respectively, that was calculated based on certain performance data criteria and the discretion of senior management.

## 9. Lines of Credit

The Company obtained the below lines of credit with a financial institution which provided the Company with a revolving credit facility of \$45,000,000 with variable interest rates based on the Secure Financing Overnight Rate ("SOFR") plus 3.25% (7.74% and 8.65% as of December 31, 2024 and 2023, respectively):

**Campero, Inc. and Subsidiaries**  
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**Notes to Consolidated Financial Statements**

Originating Amount	Interest Rate	Line of Credit Issuance		December 31, 2024 Balance	December 31, 2023 Balance
		Date	Maturity Date		
\$ 5,000,000	SOFR plus 3.25%	August 24, 2022	January 22, 2024	\$ -	\$ 5,000,000
4,000,000	SOFR plus 3.25%	September 19, 2022	January 22, 2024	-	4,000,000
6,000,000	SOFR plus 3.25%	October 12, 2022	January 22, 2024	-	6,000,000
2,000,000	SOFR plus 3.25%	April 12, 2023	January 22, 2024	-	2,000,000
3,000,000	SOFR plus 3.25%	April 26, 2023	January 22, 2024	-	3,000,000
3,000,000	SOFR plus 3.25%	May 31, 2023	January 29, 2024	-	3,000,000
5,000,000	SOFR plus 3.25%	July 6, 2023	January 8, 2024	-	5,000,000
2,000,000	SOFR plus 3.25%	October 2, 2023	January 29, 2024	-	2,000,000
1,000,000	SOFR plus 3.25%	October 27, 2023	January 29, 2024	-	1,000,000
2,000,000	SOFR plus 3.25%	November 13, 2023	February 13, 2024	-	2,000,000
1,000,000	SOFR plus 3.25%	November 27, 2023	February 27, 2024	-	1,000,000
3,500,000	SOFR plus 3.25%	December 12, 2023	January 29, 2024	-	3,500,000
13,703,000	SOFR plus 3.25%	November 21, 2024	February 19, 2025	13,703,000	-
				\$ 13,703,000	\$ 37,500,000

The borrowing of \$13,703,000 under the line of credit as of December 31, 2024 matured and was refinanced during 2025 with new maturity dates ranging between the months of July and August of 2025.

The Company obtained the below lines of credit with a financial institution which provided the Company with a revolving credit facility of \$79,000,000:

Originating Amount	Interest Rate	Line of Credit Issuance		December 31, 2024	
		Date	Maturity Date	Balance	December 31, 2023 Balance
\$ 2,500,000	8.25%	May 19, 2022	February 9, 2024	\$ -	\$ 2,500,000
7,000,000	8.26%	June 9, 2022	February 9, 2024	-	7,000,000
3,000,000	8.26%	November 9, 2022	February 9, 2024	-	3,000,000
5,000,000	8.26%	November 21, 2022	February 9, 2024	-	5,000,000
3,000,000	8.26%	November 30, 2022	February 9, 2024	-	3,000,000
8,500,000	8.37%	December 1, 2023	May 29, 2024	-	8,500,000
3,500,000	8.30%	June 12, 2024	April 17, 2025	3,500,000	-
2,000,000	8.28%	June 18, 2024	April 7, 2025	2,000,000	-
2,000,000	8.28%	June 24, 2024	April 17, 2025	2,000,000	-
2,000,000	8.21%	July 12, 2024	January 7, 2025	2,000,000	-
3,000,000	8.16%	July 16, 2024	January 10, 2025	3,000,000	-
2,000,000	8.13%	July 23, 2024	January 17, 2025	2,000,000	-
3,000,000	8.11%	July 29, 2024	January 24, 2025	3,000,000	-
1,000,000	7.78%	August 19, 2024	February 14, 2025	1,000,000	-
1,000,000	7.75%	August 26, 2024	February 21, 2025	1,000,000	-
3,000,000	8.02%	September 4, 2024	March 3, 2025	3,000,000	-
2,000,000	7.93%	September 13, 2024	March 12, 2025	2,000,000	-
1,000,000	7.95%	September 16, 2024	March 14, 2025	1,000,000	-
2,000,000	7.69%	September 24, 2024	March 21, 2025	2,000,000	-
4,000,000	7.58%	October 10, 2024	April 4, 2025	4,000,000	-
24,000,000	7.63%	October 18, 2024	April 16, 2025	24,000,000	-
4,000,000	7.63%	October 23, 2024	April 17, 2025	4,000,000	-
4,000,000	7.60%	October 29, 2024	April 25, 2025	4,000,000	-
4,000,000	7.52%	November 7, 2024	May 5, 2025	4,000,000	-
4,000,000	7.47%	November 12, 2024	January 10, 2025	4,000,000	-
4,000,000	7.52%	November 13, 2024	May 9, 2025	4,000,000	-
3,500,000	7.45%	November 19, 2024	January 17, 2025	3,500,000	-
				\$ 79,000,000	\$ 29,000,000

Borrowings of \$76,000,000 under the lines of credit as of December 31, 2024 matured and were renewed or refinanced during 2025 with new maturity dates subsequent to the date of the auditor's report. One of the borrowings of \$3,000,000 under the line of credit as of December 31, 2024 matured and was repaid during 2025.

**Campero, Inc. and Subsidiaries**  
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**Notes to Consolidated Financial Statements**

The following provides the total line of credit outstanding:

<i>December 31,</i>	2024	2023
	\$ 92,703,000	\$ 66,500,000
Less: unamortized debt issuance costs	-	84,118
	\$ 92,703,000	\$ 66,415,882

**10. Long-Term Debt**

<i>December 31,</i>	2024
Note A	\$ 20,000,000
Note B	20,000,000
Note C	20,000,000
Note D	15,000,000
	75,000,000
Less: unamortized debt issuance costs	681,783
Less: current maturities	-
	\$ 74,318,217

- A. On January 24, 2024, the Company entered into a note with a financial institution in the principal amount of \$20,000,000. Interest only monthly payments accrue at the rate of SOFR plus 3.65% (8.14% as of December 31, 2024) until the note matures on January 18, 2027 when the total principal outstanding balance of \$20,000,000 is due.
- B. On January 24, 2024, the Company entered into a note with a financial institution in the principal amount of \$20,000,000. Interest only monthly payments accrue at the rate of SOFR plus 3.65% (8.14% as of December 31, 2024) until the note matures on January 18, 2027 when the total principal outstanding balance of \$20,000,000 is due.
- C. On January 24, 2024, the Company entered into a note with a financial institution in the principal amount of \$20,000,000. Interest only monthly payments accrue at the rate of SOFR plus 3.65% (8.14% as of December 31, 2024) until the note matures on January 18, 2027 when the total principal outstanding balance of \$20,000,000 is due.
- D. On January 24, 2024, the Company entered into a note with a financial institution in the principal amount of \$15,000,000. Interest only monthly payments accrue at the rate of SOFR plus 3.65% (8.14% as of December 31, 2024) until the note matures on January 18, 2027 when the total principal outstanding balance of \$15,000,000 is due.

**Campero, Inc. and Subsidiaries**  
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**Notes to Consolidated Financial Statements**

The Company's debt agreements are with a group of financial institutions that require the Company, the Parent and the Company's affiliates to collectively meet certain financial covenants. Management has concluded that the Company was in compliance with these covenants at December 31, 2024.

**11. Income Taxes**

For the years ended December 31, 2024 and 2023, income tax expense amounted to \$150,000, which consists of state income taxes.

The actual income tax expense for years ended December 31, 2024 and 2023 differs from the statutory tax expense for the year (computed by applying the U.S. federal corporate tax rate of 21% to loss before provision for income taxes) as follows:

<i>Year Ended December 31,</i>	<b>2024</b>	<b>2023</b>
Federal taxes at statutory rate	\$ (3,611,962)	\$ 222,922
State income tax expense, net of federal tax benefit	(954,077)	257,406
Change in valuation allowance	4,823,775	(841,451)
Other, net	(107,736)	511,123
	<b>\$ 150,000</b>	<b>\$ 150,000</b>

Significant components of the Company's deferred tax assets are as follows at December 31, 2024 and 2023:

<i>Year Ended December 31,</i>	<b>2024</b>	<b>2023</b>
Net operating loss carryovers	\$ 6,661,982	\$ 7,644,791
Deferred revenue	6,422	18,462
Interest expense limitation	3,571,760	-
Accrued expenses	255,690	294,159
Allowance for doubtful accounts	-	8,133
Lease liabilities	41,740,678	841,119
Depreciation and amortization	3,267,242	1,693,582
Deferred tax assets	55,503,774	10,500,246
Less: valuation allowance	(55,503,774)	(10,500,246)
Net deferred tax asset	<b>\$ -</b>	<b>\$ -</b>

The Company has approximately \$19,629,000 of Federal and State net operating loss carryforwards expiring in various amounts starting in 2028. Their utilization is limited to future taxable earnings of the Company. The Company also has \$5,063,000 of Federal and State net operating loss carryforwards that have no expiration date. Their utilization is limited to 80% of the Company's taxable income.

**Campero, Inc. and Subsidiaries**  
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**Notes to Consolidated Financial Statements**

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The U.S. Federal jurisdiction and Florida, Georgia, Illinois, Maryland, New Jersey, New York, Texas, and Virginia are the major tax jurisdictions where the Company files income tax returns. The Company is generally no longer subject to U.S. Federal or State examinations by tax authorities for years before 2021.

Due to the uncertain nature of the ultimate realization of the net deferred tax asset, the Company has established a full valuation allowance and will recognize this asset only as reassessment demonstrates it is realizable. While the need for this valuation allowance will be subject to periodic review, if the allowance is reduced, the tax benefits of the net deferred tax assets will be recorded in future operations as a reduction of the Company's income tax expense.

For the years ended December 31, 2024 and 2023, the Company did not have any unrecognized tax benefits as a result of tax positions taken during a prior period or during the current period. No interest or penalties have been recorded as a result of tax uncertainties.

## **12. Commitments and Contingencies**

### ***Litigation***

The Company is exposed to various asserted and unasserted potential claims encountered in the normal course of business. Management believes that the resolution of these matters will not have a material effect on the Company's consolidated financial position, results of its operations or cash flows.

### ***Franchise Agreements***

Under the franchise agreements for the restaurants, the Company shall spend at least 4% of gross revenues on advertising and marketing activities, including participation in approved local co-ops. Total advertising and marketing expense during the years ended December 31, 2024 and 2023 amounted to approximately \$10,124,000 and \$8,453,000, respectively, and is included in the caption advertising and marketing expenses in the accompanying consolidated statements of operations.

These franchise and development agreements impose a number of restrictions and obligations on the franchisee, and failure to comply with these requirements could result in the termination of one or more of the franchise agreements.

## **13. Retirement Plan**

The Company has a contributory 401(k) retirement savings plan which covers all employees 21 years of age or older, who have been employed for at least one year. The Company matches 100% of each employee's contribution for the first 3% of their contribution and then 50% of each employee's contribution for the next 2% of their contribution. The Company's contribution expense to this plan totaled \$311,192 and \$212,969 for the years ended December 31, 2024 and 2023, respectively, and is included in employee benefits on the accompanying consolidated statements of operations.

**Campero, Inc. and Subsidiaries**  
**(A wholly owned Subsidiary of**  
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**Notes to Consolidated Financial Statements**

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**14. Capital**

The Company has authorized 100,000 shares of common stock, par value of \$0.001 per share, and 50,000 shares of preferred stock, par value of \$0.001 per share. As of December 31, 2024, and 2023, the Company had 1,000 shares of common stock issued and outstanding. None of the preferred stock has been issued.

**15. Subsequent Events**

Subsequent events are defined as events or transactions that occur after the balance sheet date, but before the consolidated financial statements are issued or are available to be issued. The Company has evaluated subsequent events through May 30, 2025, which is the date the consolidated financial statements were available to be issued. During 2025, the Company borrowed \$29,000,000 under lines of credit originated from a different lender and received \$25,000,000 as a commitment from the Parent to pay off its existing lines of credit.

**Campero, Inc. and Subsidiaries  
(A wholly owned Subsidiary of  
Campero International Holdings  
Corp.)**

**Consolidated Financial Statements  
Years Ended December 31, 2023 and 2022**

**Campero, Inc. and Subsidiaries**  
**(A wholly owned Subsidiary of**  
**Campero International Holdings Corp.)**

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Consolidated Financial Statements  
Years Ended December 31, 2023 and 2022

**Campero, Inc. and Subsidiaries**  
**(A wholly owned Subsidiary of**  
**Campero International Holdings Corp.)**  
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100 SE 2nd St., Suite 1700  
Miami, FL 33131

## **Independent Auditor's Report**

Stockholder  
Campero Inc. and Subsidiaries  
Dallas, Texas

### ***Opinion***

We have audited the consolidated financial statements of Campero, Inc. and Subsidiaries (a wholly owned subsidiary of Campero International Holdings Corp. (the "Parent")) (the "Company"), which comprise the consolidated balance sheets as of December 31, 2023 and 2022, and the related consolidated statements of income, changes in stockholder's equity, and cash flows for the 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 December 31, 2023 and 2022, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Basis for Opinion***

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 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.

### ***Emphasis of Matter***

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 1 to the consolidated financial statements, the Company generated net income and positive cash flow from operations, has an accumulated deficit and a working capital deficit. The Company's Parent, Campero International Holdings Corp., has committed to provide capital to the Company. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty. Our opinion is not modified with respect to this matter.

### ***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 accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of 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 within one year after the date that the consolidated financial statements are issued or available to be issued.

***Auditor's 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the 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 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.

BDO USA, P.C.

Miami, Florida  
July 1, 2024

## **Consolidated Financial Statements**

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**Campero, Inc. and Subsidiaries**  
**(A wholly owned Subsidiary of**  
**Campero International Holdings Corp.)**

**Consolidated Balance Sheets**

<i>December 31,</i>	<b>2023</b>	<b>2022</b>
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 8,370,648	\$ 12,375,013
Accounts receivable, net of allowance for credit losses of approximately \$29,600 and \$23,600, respectively	1,264,629	616,339
Inventories	1,623,018	1,689,248
Prepaid expenses and other current assets	1,866,712	1,746,046
Note receivable - franchisee, current portion	-	167,180
Due from related parties, current portion	827,640	-
<b>Total Current Assets</b>	<b>13,952,647</b>	<b>16,593,826</b>
Restricted Cash	310,167	310,167
Property And Equipment, Net	106,055,975	65,581,785
Operating lease right-of-use assets	95,241,851	73,644,476
Goodwill, Net	26,894,060	32,535,829
Intangible Assets, Net	3,297,330	3,973,917
Due From Related Parties	359,484	608,722
Deposits And Other Assets	1,050,687	1,010,796
<b>Total Assets</b>	<b>\$ 247,162,201</b>	<b>\$ 194,259,518</b>
<b>Liabilities And Stockholder's Equity</b>		
<b>Current Liabilities</b>		
Lines of credit	\$ 66,415,882	\$ 35,500,000
Accounts payable	7,852,186	7,072,812
Accrued expenses	11,384,855	11,648,602
Current portion of long-term debt	-	167,180
Due to related parties, current portion	159,976	1,047,795
Operating lease liabilities, current portion	9,722,173	8,132,301
Deferred revenue, current portion	43,820	45,729
<b>Total Current Liabilities</b>	<b>95,578,892</b>	<b>63,614,419</b>
Operating Lease Liabilities, Less Current Portion	88,580,744	67,741,908
Deferred Revenue, Less Current Portion	490,772	442,587
Due To Related Parties, Less Current Portion	-	860,344
<b>Total Liabilities</b>	<b>184,650,408</b>	<b>132,659,258</b>
<b>Commitments and Contingencies (Note 12)</b>		
<b>Stockholder's Equity</b>		
Common stock	1	1
Additional paid-in capital	98,397,395	98,397,395
Accumulated deficit	(35,885,603)	(36,797,136)
<b>Total Stockholder's Equity</b>	<b>62,511,793</b>	<b>61,600,260</b>
<b>Total Liabilities And Stockholder's Equity</b>	<b>\$ 247,162,201</b>	<b>\$ 194,259,518</b>

*See accompanying notes to consolidated financial statements.*

**Campero, Inc. and Subsidiaries**  
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**Consolidated Statements of Income**

<i>Year ended December 31,</i>	<b>2023</b>	<b>2022</b>
<b>Revenue</b>		
Company restaurants	\$ 226,696,234	\$ 183,294,176
Royalties	2,216,845	2,364,417
Store development and initial franchise fees	113,000	118,166
Other	852,575	991,115
<b>Total Revenue</b>	<b>229,878,654</b>	<b>186,767,874</b>
<b>Operating Expenses</b>		
Food, paper and product costs	79,808,314	62,933,160
Payroll and related expenses	65,457,413	51,517,179
Occupancy expense	17,744,390	14,456,879
Employee benefits	6,337,682	5,050,143
Advertising and marketing	9,202,192	6,928,601
General and administrative	22,171,155	18,521,008
Depreciation and amortization	8,089,892	6,202,241
Intangible assets amortization	676,587	1,367,471
Goodwill amortization	5,641,769	4,561,249
Professional and consulting fees	6,171,319	5,948,779
Pre-opening costs	3,076,426	1,084,585
Loss on disposal of property and equipment	207,959	596,879
Other	214,266	251,031
<b>Total Operating Expenses</b>	<b>224,799,364</b>	<b>179,419,205</b>
<b>Income From Operations</b>	<b>5,079,290</b>	<b>7,348,669</b>
<b>Other (Expense) Income</b>		
Interest expense	(4,031,741)	(697,643)
Interest income	13,984	9,022
<b>Total Other Expense</b>	<b>(4,017,757)</b>	<b>(688,621)</b>
Income Before Income Taxes	1,061,533	6,660,048
Provision For Income Taxes	150,000	400,000
<b>Net Income</b>	<b>\$ 911,533</b>	<b>\$ 6,260,048</b>

*See accompanying notes to consolidated financial statements.*

**Campero, Inc. and Subsidiaries**  
**(A wholly owned Subsidiary of**  
**Campero International Holdings Corp.)**

**Changes in Stockholder's Equity**

	Common Stock	Additional Paid-In Capital	Accumulated Deficit	Total Stockholder's Equity
<b>Balances, January 1, 2022</b>	\$ 1	\$ 98,397,395	\$ (43,057,184)	\$ 55,340,212
Net income	-	-	6,260,048	6,260,048
<b>Balances, December 31, 2022</b>	1	98,397,395	(36,797,136)	61,600,260
Net income	-	-	911,533	911,533
<b>Balances, December 31, 2023</b>	\$ 1	\$ 98,397,395	\$ (35,885,603)	\$ 62,511,793

*See accompanying notes to consolidated financial statements.*

**Campero, Inc. and Subsidiaries**  
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**Consolidated Statements of Cash Flows**

<i>Year Ended December 31,</i>	<b>2023</b>	<b>2022</b>
<b>Cash Flows from Operating Activities:</b>		
Net income	\$ 911,533	\$ 6,260,048
Adjustments to reconcile net income to net cash provided by operating activities:		
Bad debt expense for accounts receivable	253,713	66,490
Bad debt expense for due from related party	249,238	-
Gain on forgiveness of due to related party	(860,344)	-
Depreciation and amortization	8,089,892	6,202,241
Intangible assets amortization	676,587	1,367,471
Goodwill amortization	5,641,769	4,561,249
Amortization of right-of-use assets	9,243,459	6,443,305
Loss on disposal of property and equipment	207,959	596,879
Loss on termination of right-of-use assets and lease liabilities	173,465	-
Change in operating assets and liabilities:		
Accounts receivable	(902,003)	(357,358)
Inventories	66,230	(417,704)
Prepaid expenses and other current assets	(120,666)	(240,574)
Deposits and other assets	(39,891)	(134,767)
Lease liabilities	(8,585,591)	(6,394,858)
Accounts payable	779,374	2,164,829
Accrued expenses	(263,747)	425,327
Deferred revenue	46,276	(85,883)
<b>Total Adjustments</b>	<b>14,655,720</b>	<b>14,196,647</b>
<b>Net Cash Provided By Operating Activities</b>	<b>15,567,253</b>	<b>20,456,695</b>
<b>Cash Flows from Investing Activities:</b>		
Purchases of property and equipment	(50,095,680)	(31,705,919)
Advances to related parties	(827,640)	-
Proceeds from sales of property and equipment	1,323,639	-
Proceeds from notes receivable	167,180	159,220
Cash paid for acquisition, net of cash (Note 6)	-	(20,336,700)
<b>Net Cash Used In Investing Activities</b>	<b>(49,432,501)</b>	<b>(51,883,399)</b>
<b>Cash Flows from Financing Activities:</b>		
Proceeds from the lines of credit	30,915,882	35,500,000
Repayments on debt	(167,180)	(159,220)
Payments to related party	(887,819)	(271,083)
<b>Net Cash Provided By Financing Activities</b>	<b>29,860,883</b>	<b>35,069,697</b>
<b>Net (Decrease) Increase in Cash and Cash Equivalents and Restricted Cash</b>	<b>(4,004,365)</b>	<b>3,642,993</b>
<b>Cash, Cash Equivalents and Restricted Cash - beginning of year</b>	<b>12,685,180</b>	<b>9,042,187</b>
<b>Cash, Cash Equivalents and Restricted Cash - end of year</b>	<b>\$ 8,680,815</b>	<b>\$ 12,685,180</b>

*See accompanying notes to consolidated financial statements.*

**Campero, Inc. and Subsidiaries**  
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**Consolidated Statements of Cash Flows - (Continued)**

<i>Year Ended December 31,</i>	<b>2023</b>	<b>2022</b>
<b>Supplemental Disclosure Of Cash Flow Information:</b>		
Cash paid for interest	\$ 4,182,806	\$ 290,935
Cash paid for income taxes	\$ 196,474	\$ 410,985
<b>Supplemental Schedule Of Non-Cash Activities:</b>		
Right-of-Use assets and deferred rent obtained in exchange for operating lease liabilities upon adoption of ASC 842	\$ 31,723,865	\$ 82,269,067

*See accompanying notes to consolidated financial statements.*

**Campero, Inc. and Subsidiaries**  
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**Notes to Consolidated Financial Statements**

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## **1. Organization and Summary of Significant Accounting Policies**

### ***Organization and Basis of Consolidation***

Campero, Inc. is a wholly owned subsidiary of Campero International Holdings Corp. (“Parent”), a Panamanian corporation. The Parent owns the license to sell store development agreements and franchises of the Pollo Campero brand in the United States of America (the “USA”). Pollo Campero is a chain of quick-service restaurants that was initiated in Guatemala in 1971. The consolidated financial statements include the accounts of Campero, Inc. and its subsidiaries (collectively, the “Company”). The Company owns, operates and franchises quick-service restaurants under the trade name Pollo Campero (“PC”) in eighteen states and the District of Columbia.

The Company is a Florida company that was formed on July 3, 2003. At December 31, 2023 and 2022, the Company owned and operated seventy-seven and seventy-four Pollo Campero restaurants, respectively, in the states of Texas, Maryland, New York, Virginia, Massachusetts, Arkansas, Rhode Island, New Jersey, Louisiana, California, Florida, Illinois, Georgia, Nevada and the District of Columbia. During 2023, there were no franchise acquisitions completed by the Company. During 2022, there were four franchise acquisitions completed by the Company (Note 6).

During 2023, the Company closed two restaurants in Texas, one ghost kitchen restaurant in California and sold one restaurant in Louisiana, in which the Company recorded a loss on disposal of property and equipment of approximately \$88,000, and a loss on closure of operations of approximately \$214,000, which is included in other expenses in the accompanying consolidated statements of income.

During 2022, the Company closed six ghost kitchen restaurants in Maryland, Texas, Florida, Illinois and California, in which the Company recorded a loss on closure of operations of approximately \$251,000, which is included in other expenses in the accompanying consolidated statements of income.

As of December 31, 2023 and 2022, the Company had eight and six store development agreements, respectively, and had fifteen and eighteen franchise agreements, respectively, with franchisees in the states of Arizona, Georgia, Louisiana, Maryland, Minnesota, New Jersey, New York, Nevada, North Carolina, Oklahoma, Texas, Tennessee and Virginia. As of December 31, 2023, the Company had ninety-one restaurants operating within various territories of which seventy-seven are owned by affiliated companies and fourteen by franchisees. As of December 31, 2022, the Company had eighty-five restaurants operating within various territories of which seventy-four are owned by affiliated companies and eleven by franchisees.

The accompanying consolidated financial statements include the accounts of the Company. All significant intercompany transactions and balances have been eliminated in consolidation.

### ***Liquidity***

As of December 31, 2023 and for the year then ended, the Company generated net income of \$911,533, had cash flows from operations of \$15,567,253, had an accumulated deficit of \$35,885,603 and a working capital deficit of \$81,626,245. Management believes its aggressive marketing program implemented to increase sales, restaurant expense control and reduction of general and administrative costs will improve the Company’s liquidity position. The Company’s

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ability to continue as a going concern is dependent upon those measures that have already been implemented and believes they will provide the necessary liquidity for the Company to meet its obligations as they come due for a period of twelve months from the date of issuance of these consolidated financial statements. Additionally, if the need arises, its Parent has committed to continue providing the necessary capital for the Company to fund its operations. During the years ended December 31, 2023 and 2022, there were no contributions from the Parent.

***Revenue Recognition***

***Company Restaurants***

Revenue is recognized in accordance with Accounting Standards Update ("ASU") No. 2014-09, *Revenue from Contracts with Customers*. Revenue is recognized upon the transfer of promised products or services to customers in an amount that reflects the consideration the Company received in exchange for those products or services. Revenue is recognized when payment is tendered at the time of sale. The Company presents sales, net of sales tax, and other sales related discounts, which are recorded as a liability.

***Store Development and Initial Franchise Fees***

The Company recognizes store development fees pertaining to certain franchise agreements for pre-opening services, which is recognized at a point in time upon the opening of the store location, which is when the performance obligation is satisfied. Store development fees are non-refundable. The Company agrees to provide both initial and continuing training and support with respect to management, operations and promotions to the franchisees. The services provided in exchange for the upfront fees are highly interrelated with the franchise right and are not individually distinct from the ongoing services provided to the franchisees. The Company recognizes initial franchise fees as revenue over time as the Company satisfies the performance obligation over the term of the related franchise agreement. Unrecognized fees are included in deferred revenue in the accompanying consolidated balance sheets, which represent franchise fees collected but not yet recognized as revenue. Franchise fees are non-refundable.

***Royalties***

The Company recognizes royalties pursuant to the terms of the specific franchise agreement. Royalties are based on franchisees' restaurant sales and are recognized as revenue in the period of the related sales. Royalties are not charged to restaurants owned by affiliated companies.

***Other Revenue***

Other revenue is primarily comprised of marketing fees and lease income. The Company administers a marketing and promotion fund ("PC Advertising") in which the Company receives advertising contributions from its franchisees, based upon a percentage of restaurant sales, as required by their franchise agreements. The Company recognizes these revenues in the period of related sales. This is used exclusively for marketing of the PC brand. The Company acts as an agent for the franchisees with regard to their advertising fees. During the years ended December 31, 2023 and 2022, the Company received approximately \$443,000 and \$473,000 in advertising contributions, respectively, and are included in other revenue in the accompanying consolidated statements of income. Other revenue also includes lease income of approximately \$4,000 for the year ended December 31, 2022.

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**Notes to Consolidated Financial Statements**

The following table disaggregates the Company’s revenue based on the timing of satisfaction of performance obligations:

<i>Year Ended December 31,</i>	<b>2023</b>	<b>2022</b>
Performance obligations satisfied over time	\$ 113,000	\$ 118,166
Performance obligations satisfied at a point in time	229,765,654	186,649,708
	<b>\$ 229,878,654</b>	<b>\$ 186,767,874</b>

***Management Estimates***

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (“U.S. 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 December 31, 2023 and 2022 and revenues and expenses during the years then ended. The actual outcome of the estimates could differ from the estimates made in the preparation of the consolidated financial statements.

***Concentration of Credit Risk***

Financial instruments which potentially subject the Company to concentrations of credit risk consist principally of cash deposits in excess of the Federal Deposit Insurance Corporation (“FDIC”) insured limit of \$250,000. The Company generally limits its exposure by placing its deposits with quality financial institutions located in the United States. However, at times, such cash balances may be in excess of insured amounts.

***Risks and Uncertainties***

The Company’s business activities are with customers located throughout the locations it operates. The Company is subject to the risks of the local economy for each of the locations. Furthermore, the quick-service restaurant industry can be significantly affected by many factors, including fluctuations in the disposable income of its existing and potential customer base, demographic trends, changes in consumer tastes, consumer concerns about the nutritional quality of quick-service and changes in the operation, number and locations of competing quick-service restaurants.

The consolidated financial statements do not include any adjustments that might result from the outcome of these uncertainties.

***Cash and Cash Equivalents***

For the purposes of the statements of cash flows, the Company considers cash and cash equivalents with maturities of three months or less from their purchase dates to be cash and cash equivalents.

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***Restricted Cash***

The Company holds cash received in connection with letters of credit amounting to approximately \$310,000, at December 31, 2023 and 2022. The cash may be withdrawn once terms prescribed by the agreement are met.

The following table provides a reconciliation of cash, cash equivalents and restricted cash reported in the accompanying consolidated balance sheets that sum to the total of cash, cash equivalents and restricted cash in the accompanying consolidated statements of cash flows:

<i>December 31,</i>	<b>2023</b>	<b>2022</b>
Cash and cash equivalents	\$ 8,370,648	\$ 12,375,013
Restricted cash	310,167	310,167
<hr/>		
Total as presented in the consolidated statements of cash flows	\$ 8,680,815	\$ 12,685,180

***Accounts Receivable and Allowance for Doubtful Accounts***

Accounts receivables consist of receivables for retail sales at Company restaurants, royalties and franchise fees. Accounts receivable are uncollateralized customer obligations due under normal terms requiring payment within 30 days from the invoice date. Payments of accounts receivable are allocated to the specific invoices identified on the respective customer's remittance advice or, if unspecified, are applied to the earliest unpaid invoices. Accounts receivable are recorded at the invoice amount net of allowance based on management's estimate of uncollectible accounts. The estimate is based on several factors, which include, but are not limited to, analytical review of loss experience and judgment with respect to economic conditions. Accounts receivable are written off when they are deemed to be uncollectible. The Company believes the allowance for doubtful accounts is adequate.

***Note Receivable***

Note receivable is reported at its recorded investment, which is the outstanding principal balance plus accrued interest at a fixed rate of 5%. Interest on the note receivable is recognized over the term of the loan and is calculated on principal amounts outstanding.

***Inventories***

Inventories, primarily consisting of food and paper products, are stated at the lower of cost or net realizable value. Cost is determined principally by the first-in, first-out method.

***Property and Equipment, net***

The Company capitalizes all direct costs incurred to construct and substantially improve its restaurants. These costs are depreciated and charged to expense based upon their proper classification when placed in service. Property and equipment are recorded at cost less accumulated

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depreciation and amortization, and are depreciated using the straight-line method over the estimated useful lives of the respective assets as follows:

Furniture and fixtures	7 years
Computer equipment and software	3 - 5 years
Restaurant equipment	7 years
Leasehold improvements	Shorter of life or term of lease
Company vehicles	5 years

Gains or losses on disposal of assets are credited or charged to income. The costs of repair and maintenance are expensed when incurred. Expenditures that increase the value or productive capacity of assets are capitalized. Building costs incurred for new restaurants on leased land are capitalized and amortized over the lease term, which is generally a twenty-year period.

***Impairment of Long-lived Assets***

The Company's long-lived assets, such as property and equipment, right-of-use assets and intangible assets, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to estimated undiscounted future cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized by the amount by which the carrying amount of the asset exceeds the fair value of the asset. Assets to be disposed of would be separately presented in the balance sheet and reported at the lower of the carrying amount or fair value less costs to sell and are no longer depreciated. The assets and liabilities of a disposal group classified as held for sale would be presented separately in the appropriate asset and liability sections of the consolidated balance sheets.

There was no impairment charge during the years ended December 31, 2023 and 2022.

**Leases**

The lease term is defined as the noncancellable term of the lease plus any renewals covered by renewal options that are reasonably certain of exercise.

**Lessee Accounting**

The Company recognizes a corresponding right-of-use (ROU) asset at the same amount of the corresponding lease liability adjusted for initial direct costs of entering into the lease, any prepaid lease payments, and lease incentives received from the lessor. The ROU asset and lease liability are recognized at lease commencement, which are measured by discounting lease payments using the risk-free rate as the discount rate. Amortization of the ROU 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. Lease classification and remeasurement of ROU assets and lease liabilities are reassessed when a lease is modified, and that modification is not accounted for as a separate contract or upon certain events that require reassessment.

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***Intangible Assets***

**Leases**

The Company reported favorable and unfavorable operating leases in connection with the acquisition method of accounting. The Company amortizes favorable and unfavorable leases on a straight-line basis over the remaining term of the leases, as determined at the acquisition date.

**Reacquired Franchise Rights**

The Company's reacquired franchise rights are amortized on a straight-line basis over the remaining contractual life of the franchisee's term.

***Goodwill***

Goodwill represents the excess of the aggregate purchase price over the fair value of the net assets acquired in the purchase business combination. As permitted by U.S. GAAP, the Company elected an accounting alternative for the subsequent measurement of goodwill. As a result, the Company began amortizing goodwill over 10 years and elected to test goodwill for impairment at the enterprise level. For the years ended December 31, 2023 and 2022, goodwill amortization amounted to \$5,641,769 and \$4,561,249, respectively. Under the accounting alternative, goodwill is tested for impairment upon a triggering event that indicates that the fair value of a reporting unit may be below its carrying amount. Upon the occurrence of a triggering event, the Company has the option to first assess qualitative factors to determine whether the quantitative impairment test is necessary. If the qualitative assessment indicates that it is more likely than not that goodwill is impaired, the Company is required to perform the quantitative test to compare the Company's fair value with its carrying amount, including goodwill (or the fair value of the reporting unit with the carrying amount, including goodwill, of the reporting unit). However, if the qualitative assessment indicates it is not more likely than not goodwill is impaired, further impairment testing is unnecessary. For the years ended December 31, 2023 and 2022, the Company did not record any goodwill impairment.

***Income Taxes***

Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards. Deferred 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 tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. A valuation allowance is established when it is necessary to reduce deferred tax assets to amounts for which realization is more likely than not.

The Company recognizes positions taken or expected to be taken in a tax return in accordance with existing accounting guidance on income taxes which prescribes a recognition threshold and measurement process. Interest and penalties on tax liabilities, if any, would be recorded in interest expense and other operating expense, respectively, in the accompanying consolidated statements of income.

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***Deferred Revenue***

The Company recognizes revenue as the related performance obligations are satisfied. Deferred revenue is recorded when the Company receives a payment in advance of the satisfaction of its performance obligations. At December 31, 2023, deferred revenue totaled \$534,592, which is included in the accompanying consolidated balance sheets and is comprised of deferred store development fees and franchise fees for the restaurants amounting to \$373,917 and deferred revenue from the gain on sale of the Company's restaurant amounting to \$160,675. At December 31, 2022, deferred revenue totaled \$488,316, which is included in the accompanying consolidated balance sheets and is comprised of deferred store development fees and franchise fees for the restaurants amounting to \$283,826 and deferred revenue from the gain on sale of the Company's restaurant amounting to \$204,490.

***Related Parties***

For the purpose of these consolidated financial statements, parties are considered to be related if one party has the ability, directly or indirectly, to control the Company or exercise significant influence over the Company in making financial and operating decisions, or where the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

***Advertising and Marketing Costs***

All advertising and marketing costs are expensed as incurred. Advertising and marketing expense was approximately \$9,202,000 and \$6,929,000 for the years ended December 31, 2023 and 2022, respectively.

***Acquisitions***

Business combinations are accounted for using the acquisition method of accounting. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The consideration transferred is measured at fair value and includes the fair value of any contingent consideration. Acquisition accounting allows for up to one year to obtain the information necessary to finalize the fair value of all assets acquired and liabilities assumed. The application of the acquisition method may result in the acquirer recognizing some assets and liabilities not previously recognized by the acquiree. The acquiring entity should then recognize and measure either goodwill or a gain on bargain purchase.

***Recently Adopted Authoritative Guidance***

***The Allowance for Credit Losses***

In June 2016, the Financial Accounting Standards Board (FASB) issued ASU 2016-13, *Financial Instruments-Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, which changes the current incurred loss model to a forward-looking expected credit loss model for most financial assets, such as trade and other receivables, loans and other instruments. For private companies, the ASU was effective for fiscal years beginning after December 15, 2022, and interim periods within those fiscal years, with early adoption permitted. Entities are required to apply the

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provisions of the standard through a cumulative-effect adjustment to retained earnings as of the effective date. On January 1, 2023, the Company adopted the provisions of ASU 2016-13 using the modified retrospective approach. There was no adjustment made to stockholder's equity as a result of the adoption. The adoption did not result in a material impact to the Company's consolidated statement of position, financial results or disclosures.

***Recent Accounting Pronouncement Not Yet Adopted***

**Improvements to Income Tax Disclosures**

In December 2023, the FASB issued guidance that expands income tax disclosures, including requiring enhanced disclosures related to the rate reconciliation and income taxes paid information. For public business entities, the guidance is effective for annual disclosures for fiscal years beginning after December 15, 2024, and for entities other than public business entities, the amendments are effective for annual periods beginning after December 15, 2025, with early adoption permitted. The guidance should be applied on a prospective basis, with retrospective application to all prior period presented in the financial statements permitted. The Company is currently evaluating the impact of the guidance on the financial statement disclosures.

**2. Related Party Transactions**

The Company made payments during the ordinary course of business on behalf of the affiliated companies. All the advances are non-interest bearing. The Company anticipates collecting these advances in full.

Amounts due from related parties consist of the following at December 31:

<i>December 31,</i>	<b>2023</b>		<b>2022</b>	
Campero International Limited	\$	359,484	\$	359,484
Campero International, S.A.		-		249,238
CMI Valories		827,640		-
		1,187,124		608,722
Less current portion		827,640		-
	<b>\$</b>	<b>359,484</b>	<b>\$</b>	<b>608,722</b>

During the years ended December 31, 2023 and 2022, certain affiliated companies made payments on behalf of the Company during the ordinary course of business. During 2023, the Company advanced approximately \$828,000 to a related party at the rate of 5.20% as of December 31, 2023. Interest income for the year ended December 31, 2023 was approximately \$14,000. All of the remaining advances are non-interest bearing.

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Amounts due to related parties consist of the following at December 31:

<i>December 31,</i>	<b>2023</b>	<b>2022</b>
Campero International Limited	\$ -	\$ 1,873,076
Centro de Servicios Integrados	159,976	-
Campero Guatemala	-	35,063
	<b>159,976</b>	<b>1,908,139</b>
Less current portion	159,976	1,047,795
	<b>\$ -</b>	<b>\$ 860,344</b>

**3. Note Receivable - Franchisee, Net**

On December 18, 2008, the Company entered into a promissory note with a franchisee whereby the franchisee promises to pay the Company \$1,080,000 plus interest at a fixed annual interest rate of 5% over a term of nine years. The note was executed to finance the sale of equipment and operating rights by the Company to the franchisee. The note is secured by all of the assets of the Company acquired by the franchisee. The balance on the note receivable as of December 31, 2022 was \$167,180. The full amount outstanding of the note receivable was collected during 2023.

**4. Property and Equipment, Net**

Property and equipment, net, at December 31, 2023 and 2022 was as follows:

<i>December 31,</i>	<b>2023</b>	<b>2022</b>
Leasehold improvements	\$ 62,940,957	\$ 50,122,883
Restaurant equipment	29,476,306	23,279,786
Furniture and fixtures	12,547,858	9,585,111
Computer equipment and software	9,969,639	6,459,041
Company vehicles	35,164	35,164
New assets not in use	37,713,021	15,822,180
	<b>152,682,945</b>	<b>105,304,165</b>
Less accumulated depreciation and amortization	46,626,970	39,722,380
Total	<b>\$ 106,055,975</b>	<b>\$ 65,581,785</b>

Depreciation and amortization expense for the years ended December 31, 2023 and 2022 was \$8,089,892 and \$6,202,241, respectively. For the years ended December 31, 2023 and 2022, the Company recorded approximately \$120,000 and \$597,000, respectively, of a loss on disposal of property and equipment for the active PC quick-service restaurants.

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**5. Leases**

***Operating Leases***

The Company leases restaurants, retail and office space under agreements expiring at various dates through 2043. The term of the leases do not include unexercised option periods. The restaurant facilities primarily have renewal clauses of five or ten years to be exercised at the option of the Company. Operating lease cost is recognized on a straight-line basis over the lease term. For the years ended December 31, 2023 and 2022, operating lease expense was approximately \$11,959,000 and \$9,829,000, respectively, which is included in the caption occupancy expense in the accompanying consolidated statements of income. Cash paid under operating leases for the years ended December 31, 2023 and 2022 was approximately \$8,586,000 and \$6,395,000, respectively. During the years ended December 31, 2023 and 2022, approximately \$31,724,000 and \$82,269,000, respectively, of operating lease ROU assets and operating lease obligations were recognized. As of December 31, 2023 and 2022, the Company had no commitments related to finance leases.

Supplemental balance sheet information related to operating lease is as follows as of December 31:

	<i>2023</i>	<i>2022</i>
Weighted Average Remaining Lease Term - Operating Leases	8.7 Years	8.1 Years
Weighted Average Discount Rate - Operating Leases	2.87%	2.69%

At December 31, 2023, the maturities of operating lease liabilities were as follows:

*Years ending December 31,*

2024	\$	12,868,651
2025		12,596,180
2026		12,346,046
2027		11,342,350
2028		10,492,619
Thereafter		59,271,287
Total future lease payments		118,917,133
Less: total imputed interest		20,614,216
Total lease liability		98,302,917
Less current portion		9,722,173
		\$ 88,580,744

**Campero, Inc. and Subsidiaries**  
**(A wholly owned Subsidiary of**  
**Campero International Holdings Corp.)**

**Notes to Consolidated Financial Statements**

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**6. Franchise Acquisitions**

During 2022, the Company acquired franchisees in expanding its ownership by affiliated companies. The acquisitions were funded by its lines of credit (Note 6). As of December 31, 2022, there were no changes in the recognized amounts or range of outcomes for the contingent consideration recognized as the result of the acquisitions with the measurement period ended.

Effective January 2022, the Company acquired all the assets of MLKR Enterprises, LLC, for \$2,250,000. MLKR Enterprises, LLC, owned and operated one PC restaurant in Texas. No amount of goodwill is expected to be deductible for tax purposes.

The following table summarizes the estimated fair value of assets acquired and the purchase price allocation as of the date of acquisition:

**Allocation of Purchase Price**

---

Petty Cash	\$	1,000
Leasehold improvements		300,000
Restaurant equipment		51,335
Computer equipment		7,978
Inventory		5,186
Goodwill		1,884,501
<b>Total Purchase Price</b>		<b>\$ 2,250,000</b>

---

Effective August 2022, the Company acquired all the assets of Latin Flavor Corporation for \$8,500,000. Latin Flavor Corporation owned and operated three PC restaurants between Virginia and Maryland. No amount of goodwill is expected to be deductible for tax purposes.

The following table summarizes the estimated fair value of assets acquired and the purchase price allocation as of the date of acquisition:

**Allocation of Purchase Price**

---

Petty Cash	\$	9,100
Leasehold improvements		918,000
Restaurant equipment		497,000
Computer equipment		55,000
Furniture & fixtures		107,000
Inventory		26,311
Goodwill		6,887,589
<b>Total Purchase Price</b>		<b>\$ 8,500,000</b>

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**Campero, Inc. and Subsidiaries**  
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**Notes to Consolidated Financial Statements**

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The acquisition related costs were \$139,698 in professional fees, which are included in the accompanying consolidated statements of income.

Effective October 2022, the Company acquired all the assets of GSK 3 Investments, LLC, and GSK Charleston, LLC for \$3,500,000. GSK 3 Investments, LLC, and GSK Charleston, LLC, owned and operated two PC restaurants in Nevada. No amount of goodwill is expected to be deductible for tax purposes.

The following table summarizes the estimated fair value of assets acquired and the purchase price allocation as of the date of acquisition:

**Allocation of Purchase Price**

---

Petty Cash	\$	3,200
Leasehold improvements		916,800
Restaurant equipment		385,660
Computer equipment		7,710
Furniture & fixtures		11,047
Deposits		20,000
Unfavorable leases		(160,000)
Goodwill		2,315,583
<hr/>		
Total Purchase Price	\$	<b>3,500,000</b>

The acquisition related costs were \$221,120 in professional fees, which are included in the accompanying consolidated statements of income.

Effective November 2022, the Company acquired all the assets of QSR Gwinnet, LLC for \$6,100,000. QSR Gwinnet, LLC, owned and operated one PC restaurant in Georgia and owned one PC restaurant in Georgi under pre-opening construction. No amount of goodwill is expected to be deductible for tax purposes.

The following table summarizes the estimated fair value of assets acquired and the purchase price allocation as of the date of acquisition:

**Allocation of Purchase Price**

---

Leasehold improvements	\$	948,203
Restaurant equipment		37,620
Computer equipment		705
Furniture & fixtures		445
Goodwill		5,113,027
<hr/>		
Total Purchase Price	\$	<b>6,100,000</b>

**Campero, Inc. and Subsidiaries**  
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**Notes to Consolidated Financial Statements**

The acquisition related costs were \$154,437 in professional fees, which are included in the accompanying consolidated statements of income.

**7. Intangible Assets and Goodwill, Net**

Intangible assets, net, at December 31, 2023 and 2022 were as follows:

<i>December 31, 2023</i>	Weighted Average Amortization Period	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Amortizing intangible assets:				
Reacquired franchise rights	5 years	\$ 12,000,116	\$ (9,490,734)	\$ 2,509,382
Favorable leases	7 years	1,956,239	(1,168,291)	787,948
<b>Total intangible assets</b>		<b>\$ 13,956,355</b>	<b>\$ (10,659,025)</b>	<b>\$ 3,297,330</b>

<i>December 31, 2022</i>	Weighted Average Amortization Period	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Amortizing intangible assets:				
Reacquired franchise rights	5 years	\$ 12,000,116	\$ (8,871,748)	\$ 3,128,368
Favorable leases	7 years	1,956,239	(1,110,690)	845,549
<b>Total intangible assets</b>		<b>\$ 13,956,355</b>	<b>\$ (9,982,438)</b>	<b>\$ 3,973,917</b>

Amortization expense for intangible assets was \$676,587 and \$1,367,471 for the years ended December 31, 2023 and 2022, respectively.

The following is a schedule of estimated future amortization expense as of December 31, 2023:

<i>Years ending December 31,</i>	
2024	\$ 643,973
2025	639,687
2026	636,833
2027	622,558
2028	198,189
Thereafter	556,090
	<b>\$ 3,297,330</b>

**Campero, Inc. and Subsidiaries**  
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**Notes to Consolidated Financial Statements**

The following table provides a reconciliation of changes in goodwill:

<i>Year Ended December 31,</i>	<b>2023</b>	<b>2022</b>
Balance, January 1	\$ 32,535,829	\$ 20,896,378
Goodwill related to business acquisitions (Note 6)	-	16,200,700
Goodwill amortization	(5,641,769)	(4,561,249)
<b>Balance, December 31</b>	<b>\$ 26,894,060</b>	<b>\$ 32,535,829</b>

### **8. Accrued Expenses**

Accrued expenses consist of the following at December 31:

<i>December 31,</i>	<b>2023</b>	<b>2022</b>
Accrued bonus	\$ 1,972,005	\$ 1,166,106
Accrued marketing	239,569	434,702
Accrued taxes	3,825,935	3,529,008
Accrued payroll and payroll taxes	1,384,146	991,314
Accrued benefits	112,379	414,070
Accrued interest	271,119	422,184
Accrued unfavorable leases	814,153	956,424
Accrued other	2,765,549	3,734,794
	<b>\$ 11,384,855</b>	<b>\$ 11,648,602</b>

As of December 31, 2023 and 2022, accrued expenses included accrued bonus of \$1,972,005 and \$1,166,106, respectively, that was calculated based on certain performance data criteria and the discretion of senior management.

### **9. Lines of Credit**

The Company obtained the below lines of credit with a financial institution which provided the Company with a revolving credit facility of \$45,000,000:

On August 24, 2022, the Company obtained a line of credit with a financial institution. Borrowings under the revolving credit facility bear interest at a rate of the Secured Overnight Financing Rate ("SOFR") plus 3.25%. As of December 31, 2023 and 2022, the Company had borrowings of \$5,000,000 under the line of credit. The line of credit matured on January 22, 2024. The line of credit was repaid during 2024.

On September 19, 2022, the Company obtained a line of credit with a financial institution. Borrowings under the revolving credit facility bear interest at a rate of the SOFR plus 3.25%. As of

**Campero, Inc. and Subsidiaries**  
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**Notes to Consolidated Financial Statements**

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December 31, 2023 and 2022, the Company had borrowings of \$4,000,000 under the line of credit. The line of credit matured on January 22, 2024. The line of credit was repaid during 2024.

On October 12, 2022, the Company obtained a line of credit with a financial institution. Borrowings under the revolving credit facility bear interest at a rate of the SOFR plus 3.25%. As of December 31, 2023 and 2022, the Company had borrowings of \$6,000,000 under the line of credit. The line of credit matured on January 22, 2024. The line of credit was repaid during 2024.

On April 12, 2023, the Company obtained a line of credit with a financial institution. Borrowings under the revolving credit facility bear interest at a rate of the SOFR plus 3.25%. As of December 31, 2023, the Company had borrowings of \$2,000,000 under the line of credit. The line of credit matured on January 22, 2024. The line of credit was repaid during 2024.

On April 26, 2023, the Company obtained a line of credit with a financial institution. Borrowings under the revolving credit facility bear interest at a rate of the SOFR plus 3.25%. As of December 31, 2023, the Company had borrowings of \$3,000,000 under the line of credit. The line of credit matured on January 22, 2024. The line of credit was repaid during 2024.

On May 31, 2023, the Company obtained a line of credit with a financial institution. Borrowings under the revolving credit facility bear interest at a rate of the SOFR plus 3.25%. As of December 31, 2023, the Company had borrowings of \$3,000,000 under the line of credit. The line of credit matured on January 29, 2024. The line of credit was repaid during 2024.

On July 6, 2023, the Company obtained a line of credit with a financial institution. Borrowings under the revolving credit facility bear interest at a rate of the SOFR plus 3.25%. As of December 31, 2023, the Company had borrowings of \$5,000,000 under the line of credit. The line of credit matured on January 8, 2024. The line of credit was repaid during 2024.

On October 2, 2023, the Company obtained a line of credit with a financial institution. Borrowings under the revolving credit facility bear interest at a rate of the SOFR plus 3.25%. As of December 31, 2023, the Company had borrowings of \$2,000,000 under the line of credit. The line of credit matured on January 29, 2024. The line of credit was repaid during 2024.

On October 27, 2023, the Company obtained a line of credit with a financial institution. Borrowings under the revolving credit facility bear interest at a rate of the SOFR plus 3.25%. As of December 31, 2023, the Company had borrowings of \$1,000,000 under the line of credit. The line of credit matured on January 29, 2024. The line of credit was repaid during 2024.

On November 13, 2023, the Company obtained a line of credit with a financial institution. Borrowings under the revolving credit facility bear interest at a rate of the SOFR plus 3.25%. As of December 31, 2023, the Company had borrowings of \$2,000,000 under the line of credit. The line of credit matured on February 13, 2024. The line of credit was repaid during 2024.

On November 27, 2023, the Company obtained a line of credit with a financial institution. Borrowings under the revolving credit facility bear interest at a rate of the SOFR plus 3.25%. As of December 31, 2023, the Company had borrowings of \$1,000,000 under the line of credit. The line of credit matured on February 27, 2024. The line of credit was repaid during 2024.

On December 12, 2023, the Company obtained a line of credit with a financial institution. Borrowings under the revolving credit facility bear interest at a rate of the SOFR plus 3.25%. As of December

**Campero, Inc. and Subsidiaries**  
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**Notes to Consolidated Financial Statements**

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31, 2023, the Company had borrowings of \$3,500,000 under the line of credit. The line of credit matured on January 29, 2024. The line of credit was repaid during 2024.

The Company obtained the below lines of credit with a financial institution which provided the Company with a revolving credit facility of \$150,000,000:

On May 19, 2022, the Company obtained a line of credit with a financial institution. Borrowings under the revolving credit facility bear interest at a rate of 8.25%. As of December 31, 2023 and 2022, the Company had borrowings of \$2,500,000 under the line of credit. The line of credit matured on February 9, 2024. The line of credit was repaid during 2024.

On June 9, 2022, the Company obtained a line of credit with a financial institution. Borrowings under the revolving credit facility bear interest at a rate of 8.26%. As of December 31, 2023 and 2022, the Company had borrowings of \$7,000,000 under the line of credit. The line of credit matured on February 9, 2024. The line of credit was repaid during 2024.

On November 9, 2022, the Company obtained a line of credit with a financial institution. Borrowings under the revolving credit facility bear interest at a rate of 8.26%. As of December 31, 2023 and 2022, the Company had borrowings of \$3,000,000 under the line of credit. The line of credit matured on February 9, 2024. The line of credit was repaid during 2024.

On November 21, 2022, the Company obtained a line of credit with a financial institution. Borrowings under the revolving credit facility bear interest at a rate of 8.26%. As of December 31, 2023 and 2022, the Company had borrowings of \$5,000,000 under the line of credit. The line of credit matured on February 9, 2024. The line of credit was repaid during 2024.

On November 30, 2022, the Company obtained a line of credit with a financial institution. Borrowings under the revolving credit facility bear interest at a rate of 8.26%. As of December 31, 2023 and 2022, the Company had borrowings of \$3,000,000 under the line of credit. The line of credit matured on February 9, 2024. The line of credit was repaid during 2024.

On December 1, 2023, the Company obtained a line of credit with a financial institution. Borrowings under the revolving credit facility bear interest at a rate of 8.37%. As of December 31, 2023, the Company had borrowings of \$8,500,000 under the line of credit. The line of credit matured on May 29, 2024. The line of credit was repaid during 2024.

## **10. Long-Term Debt**

On June 26, 2019, as a result of the business combination of Multibrands PC 2 Inc., the Company entered into a note with the Seller in the principal amount of \$622,455. Annual principal payments commenced in 2020 in the amount of approximately \$156,000 and interest payments, which accrued at a fixed rate of 5.0% and were due until the note matured on January 31, 2023. The balance on the note as of December 31, 2022 was \$167,180. The full amount outstanding of the note was repaid during 2023.

**Campero, Inc. and Subsidiaries**  
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**Notes to Consolidated Financial Statements**

**11. Income Taxes**

For the years ended December 31, 2023 and 2022, income tax expense amounted to \$150,000 and \$400,000, respectively, which consists of state income taxes.

The actual income tax expense for years ended December 31, 2023 and 2022 differs from the statutory tax expense for the year (computed by applying the U.S. federal corporate tax rate of 21% to loss before provision for income taxes) as follows:

<i>Year Ended December 31,</i>	<b>2023</b>		<b>2022</b>	
Federal taxes at statutory rate	\$	222,922	\$	1,398,610
State income tax expense, net of federal tax benefit		257,406		579,834
Change in valuation allowance		(841,451)		(1,783,753)
Other, net		511,123		205,309
	\$	<b>150,000</b>	\$	<b>400,000</b>

Significant components of the Company's deferred tax assets are as follows at December 31, 2023 and 2022:

<i>Year Ended December 31,</i>	<b>2023</b>		<b>2022</b>	
Net operating loss carryovers	\$	7,644,791	\$	7,576,045
Deferred revenue		18,462		(6,181)
Accrued expenses		294,159		251,132
Allowance for doubtful accounts		8,133		6,367
Leases		841,119		601,764
Depreciation and amortization		1,693,582		2,912,568
Deferred tax assets		10,500,246		11,341,695
Less: valuation allowance		(10,500,246)		(11,341,695)
Net deferred tax asset	\$	-	\$	-

The Company has approximately \$23,142,000 of Federal and State net operating loss carryforwards expiring in various amounts starting in 2028. Their utilization is limited to future taxable earnings of the Company. The Company also has \$5,063,000 of Federal and State net operating loss carryforwards that have no expiration date. Their utilization is limited to 80% of the Company's taxable income.

The U.S. Federal jurisdiction and Florida, Georgia, Illinois, Maryland, New Jersey, New York, Texas, and Virginia are the major tax jurisdictions where the Company files income tax returns. The Company is generally no longer subject to U.S. Federal or State examinations by tax authorities for years before 2020.

**Campero, Inc. and Subsidiaries**  
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**Notes to Consolidated Financial Statements**

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Due to the uncertain nature of the ultimate realization of the net deferred tax asset, the Company has established a full valuation allowance and will recognize this asset only as reassessment demonstrates it is realizable. While the need for this valuation allowance will be subject to periodic review, if the allowance is reduced, the tax benefits of the net deferred tax assets will be recorded in future operations as a reduction of the Company's income tax expense.

For the years ended December 31, 2023 and 2022, the Company did not have any unrecognized tax benefits as a result of tax positions taken during a prior period or during the current period. No interest or penalties have been recorded as a result of tax uncertainties.

## **12. Commitments and Contingencies**

### ***Litigation***

The Company is exposed to various asserted and unasserted potential claims encountered in the normal course of business. Management believes that the resolution of these matters will not have a material effect on the Company's consolidated financial position, results of its operations or cash flows.

### ***Franchise Agreements***

Under the franchise agreements for the restaurants, the Company shall spend at least 4% of gross revenues on advertising and marketing activities, including participation in approved local co-ops. Total advertising and marketing expense during the years ended December 31, 2023 and 2022 amounted to approximately \$8,453,000 and \$6,082,000, respectively, and is included in the caption advertising and marketing expenses in the accompanying consolidated statements of income.

These franchise and development agreements impose a number of restrictions and obligations on the franchisee, and failure to comply with these requirements could result in the termination of one or more of the franchise agreements.

## **13. Retirement Plan**

The Company has a contributory 401(k) retirement savings plan which covers all employees 21 years of age or older, who have been employed for at least one year. The Company matches 100% of each employee's contribution for the first 3% of their contribution and then 50% of each employee's contribution for the next 2% of their contribution. The Company's contribution expense to this plan totaled \$212,969 and \$174,744 for the years ended December 31, 2023 and 2022, respectively, and is included in employee benefits on the accompanying consolidated statements of income.

## **14. Capital**

The Company has authorized 100,000 shares of common stock, par value of \$0.001 per share, and 50,000 shares of preferred stock, par value of \$0.001 per share. As of December 31, 2023, and 2022, the Company had 1,000 shares of common stock issued and outstanding. None of the preferred stock has been issued.

**Campero, Inc. and Subsidiaries**  
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**Notes to Consolidated Financial Statements**

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**15. Subsequent Events**

Subsequent events are defined as events or transactions that occur after the balance sheet date, but before the consolidated financial statements are issued or are available to be issued. The Company has evaluated subsequent events through July 1, 2024, which is the date the consolidated financial statements were available to be issued. During 2024, the lines of credit amounting to \$66,415,882 as of December 31, 2023 were repaid with long-term debt borrowings originated from a different lender.

**UNAUDITED FINANCIAL STATEMENTS**

**CAMPERO INC.**  
**Financial Statement (Unaudited)**  
**From January 1<sup>st</sup> to June 30, 2025**

Consolidated Balance Sheet .....	2
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**CAMPERO INC.**  
**Consolidated Balance Sheet**  
**June, 2025**

	<u>2025</u>
	<u>US\$.</u>
<b>ASSETS</b>	
<b>CURRENT ASSETS</b>	
Cash and cash equivalents	9,561,670
Accounts receivable	158,963
Inventories	2,039,385
Other current assets	4,217,366
Deposits and other assets	<u>9,930,204</u>
Total Current Assets	26,507,588
<b>NON-CURRENT ASSET:</b>	
Property and Equipment, Net	245,590,728
Right-of-use assets	129,957,425
Intangible assets, Net	56,221,721
Deferred income taxes	<u>3,245,934</u>
Total Non-Current Asset:	<u>435,015,808</u>
Total Assets	<u><u>461,523,397</u></u>
<b>LIABILITIES</b>	
<b>CURRENT LIABILITIES</b>	
Accounts payable	13,095,422
Short-term debt	129,075,613
Tax payables	2,808,839
Lease liabilities, short term	10,952,377
Accrued expenses and other accounts payable	<u>11,947,951</u>
Total current liabilities	<u>168,217,132</u>
<b>NON-CURRENT LIABILITIES</b>	
Long-term debt	75,000,000
Lease liabilities, long term	134,729,657
Deferred Income Taxes	<u>8,096,815</u>
Total non-current liabilities	<u>217,826,472</u>
Total Liabilities	<u><u>386,043,605</u></u>
<b>STOCKHOLDER'S EQUITY</b>	
Common stock	123,397,396
Accumulated deficit	<u>(47,917,604)</u>
Total stockholder's equity	<u>75,479,792</u>
Total liabilities and stockholder's equity	<u><u>461,523,397</u></u>

THESE INTERIM FINANCIAL STATEMENTS HAVE BEEN PREPARED WITHOUT AN AUDIT. PROSPECTIVE FRANCHISEES OR SELLERS OF FRANCHISES SHOULD BE ADVISED THAT NO CERTIFIED PUBLIC ACCOUNTANT HAS AUDITED, REVIEWED, EXAMINED OR COMPILED THESE INTERIM FINANCIAL STATEMENTS AND ACCORDINGLY HAS NOT EXPRESSED AN OPINION OR ANY OTHER FORM OF ASSURANCE ON THEM.

**CAMPERO INC.**  
**Consolidated Statements of Operations**  
**From January 1st to June 30th, 2025**

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	<u>2025</u>
	<u>US\$.</u>
<b>REVENUE</b>	
Net revenue	153,075,906
Cost of sales	(49,022,670)
Gross Profit	<u>104,053,236</u>
<b>OPERATING EXPENSES</b>	
Operating expenses and administrative expenses	(104,712,442)
Other expenses	232,282
<b>Income from operation</b>	<u>(426,924)</u>
Financial expenses	(11,944,359)
Income before taxes	<u>(12,371,283)</u>
Income taxes expense	<u>(107,720)</u>
Net Income	<u><u>(12,479,003)</u></u>

THESE INTERIM FINANCIAL STATEMENTS HAVE BEEN PREPARED WITHOUT AN AUDIT. PROSPECTIVE FRANCHISEES OR SELLERS OF FRANCHISES SHOULD BE ADVISED THAT NO CERTIFIED PUBLIC ACCOUNTANT HAS AUDITED, REVIEWED, EXAMINED OR COMPILED THESE INTERIM FINANCIAL STATEMENTS AND ACCORDINGLY HAS NOT EXPRESSED AN OPINION OR ANY OTHER FORM OF ASSURANCE ON THEM.

**CAMPERO INC.**  
**Consolidated Cash Flow**  
**June, 2025**

	<b>2025</b>
	<b>US\$.</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Net Income	(12,479,003)
Adjustments to reconcile net income to net cash:	
Property and Equipment Depreciation	8,699,306
Intangible assets amortization	306,389
Right-of-use assets depreciation	7,074,455
Intangible assets impairment	(24,271)
Bad debt expense for accounts receivable	28,382
Financial expenses	11,944,359
Deferred Income Taxes	(37,068)
<i>Changes in working capital:</i>	
Accounts receivable	949,309
Inventories	63,560
Other current assets	730,706
Accounts payable	5,184,566
Due from related parties	(263,070)
Tax payables	252,833
Accrued expenses and other accounts payable	(2,834,268)
Deposits and other assets	(1,128,154)
	<hr/>
Cash flow provided by Operating Activities	18,468,032
Income tax paid	(107,720)
Net Cash flows from operating activities	<hr/> 18,360,311 <hr/>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Purchases Property and Equipment	(64,231,449)
Intangible Assets acquired	66,918
Net cash flows from investing activities	<hr/> (64,164,531) <hr/>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>	
Additional contributions from partners.	25,000,000
Interest paid	(11,944,359)
Proceeds from long-term debt	33,620,174
Principal repayments of finance lease obligation	<hr/> (4,598,045) <hr/>
Net cash flows from financing activities:	42,077,769
	<hr/>
NET (DECREASE) INCREASE IN CASH	(3,726,451)
CASH - BEGINNING OF YEAR	<hr/> 13,288,121 <hr/>
CASH - END OF PERIOD	<hr/> <hr/> 9,561,670 <hr/> <hr/>

**CAMPERO INC.**

**Reconciliation of Consolidated Balance Sheet USGAAP to IFRS**

**June, 2025**

	USGAAP	IFRS	DIFFERENCES	Assets for Rights of Use/Financial Leases	Account Reclassifications	Intangible Asset Measurement	Provisions	Deferred income taxes
	2025	2025		IFRS 16	IAS 1	IAS 36	IAS 37	IAS 12
	US\$.	US\$.	US\$.					
<b>ASSETS</b>								
<b>CURRENT ASSETS</b>								
Cash and cash equivalents	9,561,670	9,561,670	(0)					
Accounts receivable	172,518	158,963	13,555	13,555				
Due from related parties	600,000	600,000	-					
Inventories	2,039,385	2,039,385	0					
Other current assets	4,217,366	4,217,366	(0)				(0)	
Deposits and other assets	9,930,204	9,930,204	(0)					
<b>Total Current Assets</b>	<b>26,521,143</b>	<b>26,507,588</b>	<b>13,555</b>	<b>13,555</b>	<b>-</b>	<b>-</b>	<b>(0)</b>	<b>-</b>
<b>NON-CURRENT ASSET:</b>								
Property and Equipment, Net	245,590,728	245,590,728	0					
Right-of-use assets	167,449,341	129,957,425	37,491,916	37,491,916				
Intangible assets, Net	20,636,123	56,221,721	(35,585,598)			(35,585,598)		
Deferred income taxes	-	3,245,934	(3,245,934)					(3,245,934)
<b>TOTAL NON-CURRENT ASSET:</b>	<b>433,676,192</b>	<b>435,015,808</b>	<b>(1,339,616)</b>	<b>37,491,916</b>	<b>-</b>	<b>(35,585,598)</b>	<b>-</b>	<b>(3,245,934)</b>
<b>Total Assets</b>	<b>460,197,335</b>	<b>461,523,397</b>	<b>(1,326,062)</b>	<b>37,505,471</b>	<b>-</b>	<b>(35,585,598)</b>	<b>(0)</b>	<b>(3,245,934)</b>
<b>LIABILITIES</b>								
<b>CURRENT LIABILITIES</b>								
Accounts payable	12,390,421	13,095,422	(705,001)		(307,500)		(397,501)	
Short-term debt	129,075,613	129,075,613	0					
Tax payables	2,808,839	2,808,839	(0)					
Lease liabilities, short term	-	10,952,377	(10,952,377)	(10,952,377)				
Accrued expenses and other accounts payable	9,895,447	11,947,951	(2,052,504)		307,500	(2,016,110)	(343,895)	
<b>Total current liabilities</b>	<b>154,507,250</b>	<b>168,217,132</b>	<b>(13,709,882)</b>	<b>(10,952,377)</b>	<b>(0)</b>	<b>(2,016,110)</b>	<b>(741,396)</b>	<b>-</b>
<b>NON-CURRENT LIABILITIES</b>								
Long-term debt	75,000,000	75,000,000	-	-				
Lease liabilities, long term	173,928,538	134,729,657	39,198,881	39,198,881				
Deferred Income Taxes	-	8,096,815	(8,096,815)					(8,096,815)
<b>Total non-current liabilities</b>	<b>248,928,538</b>	<b>217,826,472</b>	<b>31,102,066</b>	<b>39,198,881</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(8,096,815)</b>
<b>Total Liabilities</b>	<b>403,435,788</b>	<b>386,043,605</b>	<b>17,392,183</b>	<b>28,246,504</b>	<b>(0)</b>	<b>(2,016,110)</b>	<b>(741,396)</b>	<b>(8,096,815)</b>

**THESE INTERIM FINANCIAL STATEMENTS HAVE BEEN PREPARED WITHOUT AN AUDIT. PROSPECTIVE FRANCHISEES OR SELLERS OF FRANCHISES SHOULD BE ADVISED THAT NO CERTIFIED PUBLIC ACCOUNTANT HAS AUDITED, REVIEWED, EXAMINED OR COMPILED THESE INTERIM FINANCIAL STATEMENTS AND ACCORDINGLY HAS NOT EXPRESSED AN OPINION OR ANY OTHER FORM OF ASSURANCE ON THEM.**

**CAMPERO INC.****Reconciliation of Consolidated Income Statement USGAAP to IFRS**

From January 1st to June 30th, 2025

	USGAAP	IFRS	DIFFERENCES	Assets for Rights of Use/Financial Leases	Intangible Asset Measurement	Provisions
	2025	2025		IFRS 16	IAS 36	IAS 37
	US\$.	US\$.	US\$.			
<b>REVENUE</b>						
Net revenue	153,075,906	153,075,906	-			
Cost of sales	(49,022,670)	(49,022,670)	-			
Gross Profit	104,053,236	104,053,236	-	-	-	-
<b>OPERATING EXPENSES</b>						
Operating expenses and administrative expenses	(109,860,605)	(104,712,442)	(5,148,163)	(3,610,844)	(2,012,410)	475,090
Other expenses	198,112	232,282	(34,170)	(34,170)		
<b>Income from operation</b>	(5,609,257)	(426,924)	5,182,333	3,645,014	2,012,410	(475,090)
Financial expenses	(6,984,256)	(11,944,359)	4,960,103	4,960,103		
Income before taxes	(12,593,513)	(12,371,283)	222,230	(1,315,089)	2,012,410	(475,090)
Income taxes expense	(144,787)	(107,720)	(37,067)			
Net Income	(12,738,300)	(12,479,003)	185,163	(1,315,089)	2,012,410	(475,090)

THESE INTERIM FINANCIAL STATEMENTS HAVE BEEN PREPARED WITHOUT AN AUDIT. PROSPECTIVE FRANCHISEES OR SELLERS OF FRANCHISES SHOULD BE ADVISED THAT NO CERTIFIED PUBLIC ACCOUNTANT HAS AUDITED, REVIEWED, EXAMINED OR COMPILED THESE INTERIM FINANCIAL STATEMENTS AND ACCORDINGLY HAS NOT EXPRESSED AN OPINION OR ANY OTHER FORM OF ASSURANCE ON THEM.

## **GUARANTEE OF PERFORMANCE**

**GUARANTEE OF PERFORMANCE**

For value received, **CAMPERO, INC.**, a Florida corporation located at 201 S. Biscayne Boulevard, Suite 800, Miami, Florida 33131 (the "Guarantor"), absolutely and unconditionally guarantees to assume the duties and obligations of **CAMPERO USA CORP.**, a Florida corporation located at 12404 Park Central Drive, Suite 250N, Dallas, Texas 75251-1803 (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 Dallas, Texas on the 25<sup>th</sup> day of August, 2025.

Guarantor:

**CAMPERO, INC.**

By: 

Title: Director of Legal Affairs

**EXHIBIT D**

**LIST OF FRANCHISEES**

D

**LIST OF CURRENT FRANCHISEES**  
**As of December 31, 2024**

**Georgia**

Pollo Campero #4003  
GA-Atlanta-Buford Hwy  
Campero Buford Highway, LLC  
Richard Summers  
3389 Buford Hwy  
Atlanta, Georgia 30329  
(404) 633-8400

Pollo Campero #4040  
GA-Marietta-Cobb Parkway S  
Campero Marietta, LLC  
Richard Summers  
260 Cobb Parkway S  
Marietta, Georgia 30060  
(770) 627-4849

**Louisiana**

Pollo Campero #4101  
LA-Kenner-Williams Blvd  
D.R. Investments Group, LLC  
Diego Ruiz\*  
2810 Williams Blvd. Suite A.  
Kenner, LA 70062  
(336) 416-3205

**Minnesota**

Pollo Campero #4005  
MN-St Paul-Robert Rd  
Palm Food, Inc.  
Luis Gutierrez\*  
1572 Robert Rd  
St. Paul, Minnesota 55118  
(651) 451-8910

**New Jersey**

Pollo Campero #4008  
NJ-Trenton-Hamilton Ave  
PC Trenton LLC  
Tejas Ajmeri  
508 Hamilton Ave  
Trenton, New Jersey 8609  
(609) 571-9263

**New York**

Pollo Campero #4017  
NY-Spring Valley-S Main St  
Monzon, Inc.  
Abel Monzon  
39 South Main St  
Spring Valley, New York 10977  
(845) 371-2181

**North Carolina**

Pollo Campero #4010  
NC-Charlotte-N Sharon Amity Rd  
Andi Valentino Investments, Inc.  
Gilmer Alfaro\*  
5727 North Sharon Amity Rd  
Charlotte, North Carolina 28215  
(704) 900-5639

Pollo Campero #4016  
NC-Charlotte-South Blvd  
Andi Valentino Investments, Inc.  
Gilmer Alfaro\*  
6124 South Blvd  
Charlotte, North Carolina 28217  
(704) 817-7288

\*Denotes franchisees with  
multi-unit development rights

## **North Carolina (cont'd)**

Pollo Campero #4050  
NC-Raleigh-Litchford Rd  
Andi Valentino Investments, Inc.  
Gilmer Alfaro\*  
8300 Litchford Rd.  
Raleigh, NC 27615  
(919) 301-8475

## **Oklahoma**

Pollo Campero #4030  
OK-Oklahoma City-NW 23rd St  
Campero of Oklahoma LLC  
Michael Blevins\*  
1414 NW 23rd St  
Oklahoma City, Oklahoma 73106  
(405) 607-8100

Pollo Campero #4091  
OK-Tulsa-Admiral Place  
Campero of Oklahoma LLC  
Michael Blevins\*  
7819 E Admiral Pl.  
Tulsa, Oklahoma 74115  
(405) 607-8100

Pollo Campero #4093  
OK-Yukon-N Cementery  
Campero of Oklahoma LLC  
Michael Blevins\*  
827 N Cementery Rd.  
Yukon, Oklahoma 73099  
(405) 607-8100

## **South Carolina**

Pollo Campero #4070  
SC-Rock Hill-Riverview Rd  
Andi Valentino Investments, Inc.  
Gilmer Alfaro \*  
1022 Riverview Rd  
Rock Hill, South Carolina, 29732  
(704) 965-7034

## **Tennessee**

Pollo Campero #4060  
TN-Madison-Gallatin Pike  
Gaytan Enterprises, Inc.  
Alberto Sosa\*  
1616 Gallatin Pike.  
Madison, Tennessee 37115  
(615) 712-8927

Pollo Campero #4020  
TN-Nashville-Harding Mall Dr  
Gaytan Enterprises, Inc.  
Alberto Sosa\*  
30 Harding Mall Dr  
Nashville, Tennessee 37211  
(615) 712-8927

Pollo Campero #4071  
TN-Smyrna-N Lowry  
Sosa Group, Inc.  
Alberto Sosa \*  
361 N Lowry Ave.  
Smyrna, TN 37167  
(615) 485-7312

## **Texas**

Pollo Campero #4013  
TX-Austin-E St Johns Ave  
Naseem Momin (Individual)  
Naseem Momin  
907 E St Johns Ave  
Austin, Texas 78752  
(512) 373-8812

**LIST OF FRANCHISEES WITH ACTIVE FRANCHISE AGREEMENTS BUT NOT OPEN**  
**as of December 31, 2024**

**Arizona**

Pollo Campero #4094  
AZ-Phoenix-67<sup>th</sup> St.  
Fig Tree Holdings  
Marcus Frisco\*  
1510 N. 67<sup>th</sup> St.  
Phoenix, AZ  
(310) 200-6476

Pollo Campero #  
AZ-Phoenix-5 N 35<sup>th</sup> St.  
Melmar Restaurants Inc., AZ Phx 1  
Marcus Frisco\*  
5 N 35<sup>th</sup> St.  
Phoenix, AZ  
(310) 200-6476

**Louisiana**

Pollo Campero #  
LA-Marrero-Lapalco Blvd  
D.R. Investments Group – Marrero, LLC  
Diego Ruiz\*  
4808 Lapalco Blvd.  
Marrero, LA  
(336) 416-3205

**Minnesota**

Pollo Campero #4100  
MN-Brooklyn Center-Shingle Creek  
Palm Food, Inc.  
Luis Gutierrez\*  
1180 Shingle Creek Pkwy #102  
Brooklyn Center, Minnesota 55430  
(651) 274-5221

**North Carolina**

Pollo Campero #4090  
NC-Greensboro-West Market St.  
Andi Valentino Investments, Inc.  
Gilmer Alfaro \*  
4627 West Market St.,  
Greensboro, North Carolina 27407  
(704) 965-7034

**Pennsylvania**

Pollo Campero #4112  
PA-Philadelphia-Frankford  
PC Philly Two LLC  
Tejas Ajmeri\*  
9025 Frankford Ave.,  
Philadelphia, Pennsylvania 19114  
(609) 571-9263

Pollo Campero #4111  
PA-Philadelphia-Hunting Park  
PC Philly LLC  
Tejas Ajmeri\*  
700 East Hunting Park Ave.,  
Philadelphia, Pennsylvania 19124  
(609) 571-9263

**Tennessee**

Pollo Campero #  
TN-Knoxville-Merchants Dr.  
ET Happy Chicken LLC\*  
Steve Sams & Steve Laney  
756 Merchants Dr.  
Knoxville, TN 37912

\*Denotes franchisees with  
multi-unit development rights  
1620297836.1

**EXHIBIT E**

**LIST OF FORMER FRANCHISEES**

E

**LIST OF FORMER FRANCHISEES**

**As of December 31, 2024**

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

**Georgia**

Jai Gajanand, Inc.

Arpit Patel\*

3403 Kingston Hwy

Rome, GA 30161

(706) 844-2943

***Signed but never opened***

\*Denotes franchisees with  
multi-unit development rights

**EXHIBIT F**

**TABLE OF CONTENTS OF OPERATIONS MANUALS**

# TABLE OF CONTENTS

 <u>Service</u>	45 pages
 <u>Food Safety</u>	36 pages
 <u>Cleaning</u>	45 pages
 <u>Food Procedures</u>	1 page
 <u>Breading</u>	19 pages
 <u>Frying &amp; Grilling</u>	20 pages
 <u>Prepping</u>	36 pages
 <u>Assembling</u>	33 pages
 <u>Expediting delivery</u>	24 pages
 <u>Manager Duties</u>	42 pages
 <u>Annexes</u>	15 pages
 <u>Restaurant Safety</u>	19 pages
 <u>HR Processes</u>	16 pages

**EXHIBIT G**

**LIST OF STATE FRANCHISE ADMINISTRATORS/AGENTS FOR SERVICE OF  
PROCESS**

## **STATE AGENCIES/AGENTS FOR SERVICE OF PROCESS**

Listed here are the names, addresses and telephone numbers of the state agencies having responsibility for the franchising disclosure/registration laws. We may not yet be registered to sell franchises in any or all of these states.

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

There also may be additional agents appointed in some of the states listed.

### **CALIFORNIA**

Website: [www.dfpi.ca.gov](http://www.dfpi.ca.gov)

Email: [ask.DFPI@dfpi.ca.gov](mailto:ask.DFPI@dfpi.ca.gov)

(for service of process)

Commissioner of Department of Financial  
Protection & Innovation

(state franchise administrator)

Department of Financial Protection &  
Innovation

Toll Free: 1 (866) 275-2677

#### ***Los Angeles***

320 West 4<sup>th</sup> Street, Suite 750

Los Angeles, California 90013-2344

(213) 576-7500

#### ***Sacramento***

651 Bannon Street, Suite 300

Sacramento, California 95811

(916) 576-4941

#### ***San Diego***

1455 Frazee Road, Suite 315

San Diego, California 92108

(619) 525-4233

#### ***San Francisco***

One Sansome Street, Suite 600

San Francisco, California 94104-4428

(415) 972-8559

### **HAWAII**

(for service of process)

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

(for other matters)

Commissioner of Securities  
Department of Commerce  
and Consumer Affairs  
Business Registration Division  
335 Merchant Street, Room 205  
Honolulu, Hawaii 96813  
(808) 586-2722

### **ILLINOIS**

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

**INDIANA**

(for service of process)

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

(state agency)

Indiana Secretary of State  
Securities Division  
Room E-111  
302 West Washington Street  
Indianapolis, Indiana 46204  
(317) 232-6681

**MARYLAND**

(for service of process)

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

(state agency)

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

**MICHIGAN**

Michigan Attorney General's Office  
Consumer Protection Division  
Attn: Franchise Section  
G. Mennen Williams Building, 1st Floor  
525 West Ottawa Street  
Lansing, Michigan 48933  
(517) 335-7567

**MINNESOTA**

Commissioner of Commerce  
Department of Commerce  
85 7<sup>th</sup> Place East, Suite 280  
St. Paul, Minnesota 55101  
(651) 539-1500

**NEW YORK**

(for service of process)

Attention: New York Secretary of State  
New York Department of State  
One Commerce Plaza,  
99 Washington Avenue, 6<sup>th</sup> Floor  
Albany, New York 12231-0001  
(518) 473-2492

(Administrator)

NYS Department of Law  
Investor Protection Bureau  
28 Liberty Street, 21<sup>st</sup> Floor  
New York, New York 10005  
(212) 416-8236

**NORTH DAKOTA**

(for service of process)

Securities Commissioner  
North Dakota Securities Department  
600 East Boulevard Avenue  
State Capitol, 14<sup>th</sup> Floor, Dept. 414  
Bismarck, North Dakota 58505-0510  
(701) 328-4712

(state agency)

North Dakota Securities Department  
600 East Boulevard Avenue, Suite 414  
Bismarck, North Dakota 58505  
(701) 328-2910

**OREGON**

Oregon Division of Financial Regulation  
350 Winter Street NE, Suite 410  
Salem, Oregon 97301  
(503) 378-4140

**RHODE ISLAND**

Securities Division  
Department of Business Regulations  
1511 Pontiac Avenue  
John O. Pastore Complex-Building 69-1  
Cranston, Rhode Island 02920  
(401) 462-9500

**SOUTH DAKOTA**

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

**VIRGINIA**

(for service of process)

Clerk, State Corporation Commission  
1300 East Main Street  
First Floor  
Richmond, Virginia 23219  
(804) 371-9733

(for other matters)

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

**WASHINGTON**

(for service of process)

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

(for other matters)

Department of Financial Institutions  
Securities Division  
P. O. Box 41200  
Olympia, Washington 98504-1200  
(360) 902-8760

**WISCONSIN**

(for service of process)

Administrator, Division of Securities  
Department of Financial Institutions  
4822 Madison Yards Way, North Tower  
Madison, Wisconsin 53705  
(608) 266-2139

(state administrator)

Division of Securities  
Department of Financial Institutions  
4822 Madison Yards Way, North Tower  
Madison, Wisconsin 53705  
(608) 266-9555

## **EXHIBIT H**

### **STATE-SPECIFIC ADDENDA AND FRANCHISE AGREEMENT RIDERS**

#### **NO WAIVER OR DISCLAIMER OF RELIANCE IN CERTAIN STATES**

The following provision applies only to franchisees and franchises that are subject to the state franchise registration/disclosure laws in California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, or Wisconsin:

No statement, questionnaire, or acknowledgement signed or agreed to by you 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 us, any franchise seller, or any other person acting on our behalf. This provision supersedes any other term of any document executed in connection with the franchise.

**ADDITIONAL DISCLOSURES FOR THE  
FRANCHISE DISCLOSURE DOCUMENT OF  
CAMPERO USA CORP.**

The following are additional disclosures for the Franchise Disclosure Document of Campero USA Corp. required by various state franchise laws. Each provision of these additional disclosures will not apply unless, with respect to that provision, the jurisdictional requirements of the applicable state franchise registration and disclosure law are met independently without reference to these additional disclosures.

**MINNESOTA**

1. The following language is added as the last two paragraphs of Items 5 and 7 of the Franchise Disclosure Document:

Based upon our financial condition, the Minnesota Department of Commerce has required a financial assurance. Therefore, we will defer your payment of the initial franchise fee due to us under the Franchise Agreement until we have fulfilled all our initial obligations to you under the Franchise Agreement and you have commenced operating your POLLO CAMPERO® Restaurant. You must pay us the initial franchise fee on the day you begin operating your POLLO CAMPERO® Restaurant.

In addition, we will defer your payment of the development fee due to us under a Development Rights Rider to the Franchise Agreement until we have fulfilled all our initial obligations to you and you have commenced operating your first POLLO CAMPERO® Restaurant. You must pay us the development fee due under a Development Rights Rider to the Franchise Agreement on the day you begin operating your first POLLO CAMPERO® Restaurant.

2. The following sentence is added to the “Remarks” column of the “Administrative Fee” line-item in Item 6 of the Franchise Disclosure Document:

With respect to franchises governed by Minnesota law, we will comply with Minn. Stat. Sec. 604.113, which puts a cap of \$30 on an NSF check.

3. The following paragraphs are added to the end of Item 17 of the Franchise Disclosure Document:

With respect to franchises governed by Minnesota law, we will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5 which require, except in certain specified cases, that you be given 90 days’ notice of termination (with 60 days to cure) of the Franchise Agreement and 180 days’ notice for non-renewal of the Franchise Agreement.

Minn. Stat. Sec. 80C.21 and Minn. Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or

requiring you to consent to liquidated damages, termination penalties, or judgment notes. In addition, nothing in the disclosure document or Franchise Agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes 1984, Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

Any release required as a condition of renewal, sale and/or transfer/assignment will not apply to the extent prohibited by applicable law with respect to claims arising under Minn. Rule 2860.4400D.

No statement, questionnaire, or acknowledgement signed or agreed to by you 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 us, any franchise seller, or any other person acting on our behalf. This provision supersedes any other term of any document executed in connection with the franchise.

**THE FOLLOWING PAGES IN THIS EXHIBIT ARE  
STATE-SPECIFIC RIDERS TO THE  
FRANCHISE AGREEMENT**

**RIDER TO THE CAMPERO USA CORP.  
FRANCHISE AGREEMENT  
FOR USE IN MINNESOTA**

**THIS RIDER** is made and entered into by and between **CAMPERO USA CORP.**, a Florida corporation whose principal business address is 12404 Park Central Drive, Suite 250N, Dallas, Texas 75251-1803 (“we,” “us,” or “our”), and \_\_\_\_\_, a \_\_\_\_\_ (“you” or “your”).

1. **BACKGROUND.** We and you are parties to that certain Franchise Agreement dated \_\_\_\_\_, 20\_\_ (the “Franchise Agreement”). This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) the POLLO CAMPERO® Restaurant you will operate under the Franchise Agreement will be located in Minnesota, or (b) any of the franchise offer or sales activity relating to the Franchise Agreement occurred in Minnesota.

2. **RELEASES.** The following language is added to the end of Sections 4.A, 16.C(ii)(i), 16.G, 17, and 19.F(iii) of the Franchise Agreement:

However, any release required as a condition of renewal, sale and/or assignment/transfer will not apply to the extent prohibited by the Minnesota Franchises Law with respect to claims arising under Minn. Rule 2860.4400D.

3. **INITIAL FRANCHISE FEE.** The following language is added to the end of Section 5.A of the Franchise Agreement:

Based upon our financial condition, the Minnesota Department of Commerce has required a financial assurance. Therefore, we will defer your payment of the initial franchise fee due to us under this Agreement until we have fulfilled all our initial obligations to you under this Agreement and you have commenced operating the Restaurant. You must pay us the initial franchise fee on the day you begin operating your Restaurant.

In addition, despite the payment provisions above, we will defer your payment of the development fee due to us under a Development Rights Rider until we have fulfilled all our initial obligations to you and you have commenced operating your first POLLO CAMPERO® Restaurant. You must pay us the development fee due under a Development Rights Rider on the day you begin operating your first POLLO CAMPERO® Restaurant.

4. **TERMINATION.** The following language is added to the end of Section 18.B of the Franchise Agreement:

However, with respect to franchises governed by Minnesota law, we will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5 which require, except in certain

specified cases, that you be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice of non-renewal of this Agreement.

5. **GOVERNING LAW**. The following language is added to the end of Section 21.G of the Franchise Agreement:

Nothing in this Agreement will abrogate or reduce any of your rights under Minnesota Statutes Chapter 80C or your right to any procedure, forum or remedies that the laws of the jurisdiction provide.

6. **CONSENT TO JURISDICTION**. The following language is added to the end of Section 21.H of the Franchise Agreement:

Notwithstanding the foregoing, Minn. Stat. Sec. 80C.21 and Minn. Rule 2860.4400J prohibit us, except in certain specified cases, from requiring litigation to be conducted outside of Minnesota. Nothing in this Agreement will abrogate or reduce any of your rights under Minnesota Statutes Chapter 80C or your rights to any procedure, forum, or remedies that the laws of the jurisdiction provide.

7. **WAIVER OF PUNITIVE DAMAGES AND JURY TRIAL**. If and then only to the extent required by the Minnesota Franchises Law, Sections 21.I and 21.J of the Franchise Agreement are deleted in their entirety.

8. **LIMITATION OF CLAIMS**. The following sentence is added to the end of Section 21.L of the Franchise Agreement:

Minnesota law provides that no action may be commenced under Minn. Stat. Sec. 80C.17 more than three (3) years after the cause of action accrues.

**IN WITNESS WHEREOF**, the parties have executed and delivered this Rider to be effective as of the Effective Date of the Franchise Agreement.

**CAMPERO USA CORP.**, a Florida corporation

**FRANCHISEE**

**(IF CORPORATION, LIMITED LIABILITY COMPANY OR PARTNERSHIP):**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

\_\_\_\_\_  
[Name]

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**(IF INDIVIDUALS):**

---

[Signature]

---

[Print Name]

---

[Signature]

---

[Print Name]

**EXHIBIT I**

**PARTICIPANT AGREEMENT**

Participant PC# (if known): \_\_\_\_\_

Store Address (if known): \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

## **PARTICIPANT AGREEMENT**

The undersigned individual (“Participant”) may attend the training program at Campero USA Corp. (referred to as “Franchisor”) training facilities and may attend the training and/or mentoring program at independently owned and operated franchised locations (Host Franchisees) and agrees to the following:

1. Participant acknowledges that s/he may receive confidential information, including, but not limited to Franchisor’s manuals and other materials. In order to protect the trade secrets, proprietary and confidential information, reputation and goodwill of Franchisor, Participant hereby agrees that s/he shall at all times treat all training classes/mentoring programs, seminars, meetings, manuals, materials, and any materials created for or approved for use in the operation of Franchisor’s businesses, and the information contained therein, as confidential, and shall use all reasonable efforts to maintain such materials and information as secret and confidential. Participant also agrees that s/he shall not at any time, without Franchisor’s prior written consent, copy, duplicate, record, or otherwise reproduce any materials or manuals supplied by Franchisor, in whole or in part, nor otherwise make the same available to any unauthorized person or disclose any such information to any unauthorized person. All manuals and materials at all times shall remain the sole property of Franchisor. Franchisor may from time to time revise the contents of any manuals and materials, and Participant expressly agrees to comply with each new or changed standard. Participant shall at all times ensure that their copy of any manuals and materials are kept current and up-to-date, and, in the event of any dispute as to the contents of any manuals and materials, the terms of the master copy maintained by Franchisor at its headquarters shall be controlling. The Participant acknowledges that affiliates and subsidiaries of the Franchisor to which the confidential information disclosed by the Franchisor relates is a third party beneficiary to this Agreement and has the right to enforce this Agreement.

2. For good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, Participant does hereby waive, release, remise and forever discharge Franchisor, its predecessors, successors and assigns, parent, subsidiaries and affiliated entities, and their respective managers, members, officers, directors, agents, employees and representatives, past and present, of any and all of such entities, of and from any and all claims, demands, causes of action, suits, debts, dues, duties, sums of money, accounts, reckonings, covenants, contracts, agreements, promises, damages, judgments, extents, executions, liabilities and

obligations, both contingent and fixed, known and unknown, of every kind and nature whatsoever in law or equity, or otherwise, under local, state, or federal law, against any of them which the Participant or their predecessors in interest ever had, now have, or which they, their heirs, executors, administrators, successors, or assigns hereafter can, shall, or may have, for, upon, or by reason of, any matter, cause, or thing whatsoever, from the beginning of the world through the date that the Participant's training and/or mentoring program is completed.

Without limiting the generality of the foregoing, but by way of example only, this waiver and release shall apply to all matters related to the Participant's attendance at the Franchisor training program(s) and/or mentoring program. The Participant acknowledges that s/he has been advised by Franchisor that daily training activities may be demanding and require good physical health; that the nature of the training may impose special hazards to pregnant women; and that in the ordinary course of training the Participant may be exposed to strenuous physical activity, including without limitation, heavy lifting, rotating schedules, overtime hours, exposure to and inhalation of chemicals, and walking on wet or slippery floors. The Participant acknowledges that s/he has have been informed that the strenuous and physically demanding nature of some portions of the training impose a risk of extreme and excessive physical demands on trainees who are not in good physical health and/or condition or who are pregnant including without limitation, persons with a history of back problems, leg problems, heart or other circulatory conditions or pulmonary (lung) problems. Due to the arduous and physically demanding nature of the training, the Participant has been advised to consult with his/her physicians before engaging in the training program and/or mentoring program. The Participant acknowledges that s/he has disclosed to Franchisor's Training Staff if s/he is pregnant or experiencing any health problems of a permanent or temporary nature which may affect participation in the training program and/or mentoring program, and, if temporary, have been offered the option of attending training/mentoring on alternative dates. The Participant acknowledges the possibility that the Participant may not fully know the number or magnitude of all the released claims, but nevertheless intends to assume the risk of attending and/or participating in the training and/or mentoring program and is releasing those unknown claims. The Participant acknowledges that the Participant's attendance at Franchisor's training program and/or mentoring program is contingent upon the Participant's execution of this Agreement. The Participant further agrees that if s/he does not successfully complete Franchisor's training requirements, including initial brand training, the Participant will not be granted a franchise regardless of whether the Participant was previously approved to be a franchisee and that this Agreement shall apply to such denial of a franchise.

The Participant further agrees for themselves and for their successors and assigns, to indemnify and hold harmless forever, Franchisor, its predecessors, successors, and assigns, subsidiary and affiliated entities, and their respective managers,

members, officers, directors, agents, employees and representatives, past and present, against any and all claims or actions which hereafter may be brought or instituted against any and all of them, or their successors and assigns, by or on behalf of anyone claiming under rights derived from the Participant, or any of them, or any designee or employee of theirs who may attend the training and/or mentoring program, and/or arising out of or incidental to the matters to which this release applies.

With respect to the matters hereinabove released, the Participant knowingly waives all rights and protection, if any, under Section 1542 of the Civil Code of the State of California, or any similar law of any state or territory of the United States of America. Section 1542 provides as follows:

“1542 General Release; Extent. 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. Participant will indemnify, protect, defend and hold harmless Host Franchisees whose locations are being used in Participant’s training and/or mentoring from and against any and all liabilities, claims, demands, damages, suits, costs, attorney’s fees, settlement costs and judgments which result solely from the negligent acts or willful misconduct of Participant.

4. Participant agrees that if s/he is injured while attending training and/or mentoring program in a Host Franchisee’s location, then s/he will not make claim against Host Franchisee or his/her insurance policy.

5. In addition to all other confidentiality agreements between Franchisor and the Participant, the Participant also agrees that s/he will not divulge any confidential information that relates to Host Franchisees’ businesses, which s/he may obtain while in training/mentoring at Host Franchisees’ locations.

WITNESS

PARTICIPANT:

\_\_\_\_\_  
Print Name: \_\_\_\_\_

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Address: \_\_\_\_\_

\_\_\_\_\_  
Date: \_\_\_\_\_

**EXHIBIT J**

**SAMPLE GENERAL RELEASE**

**J**

**CAMPERO USA CORP.**

**GRANT OF FRANCHISOR CONSENT AND FRANCHISEE RELEASE**

Campero USA Corp. (“we,” “us,” or “our”) and the undersigned franchisee, \_\_\_\_\_ *[insert name of franchisee entity]* (“you” or “your”), currently are parties to a Franchise Agreement dated \_\_\_\_\_ (the “Franchise Agreement”) for the operation of a POLLO CAMPERO® Restaurant at \_\_\_\_\_. You have asked us to \_\_\_\_\_ *[insert relevant detail]*. We currently have no obligation under your Franchise Agreement or otherwise to \_\_\_\_\_ *[repeat relevant detail]*, or we have the right under the Franchise Agreement to condition our approval on your and your owners signing a release of claims. We are willing to \_\_\_\_\_ *[repeat relevant detail]* if you and your owners give us the release and covenant not to sue provided below in this document. You and your owners are willing to give us the release and covenant not to sue provided below in consideration for our consent to your request.

Consistent with the previous introduction, you, on behalf of yourself and your successors, heirs, executors, administrators, personal representatives, agents, assigns, partners, owners, directors, officers, principals, employees, and affiliated entities (collectively, the “Releasing Parties”), hereby forever release and discharge us and our past, present, and future parent companies, subsidiaries, affiliates, investors, investment funds, and other related entities, and each of our and their respective past, present, and future officers, directors, owners, principals, employees, agents, executors, administrators, representatives, successors, and assigns (collectively, the “Pollo Campero Parties”) from any and all claims, damages, demands, debts, causes of action, suits, duties, liabilities, costs, and expenses of any nature and kind, whether presently known or unknown, vested or contingent, suspected or unsuspected (all such matters, collectively, “Claims”), that you and any other Releasing Party now have, ever had, or, but for this Consent, hereafter would or could have against any Pollo Campero Party (1) arising out of or related in any way to the Pollo Campero Parties’ performance of or alleged failure to perform their obligations under the Franchise Agreement before the date of your signature below, (2) arising out of or related in any way to our offer and grant to you of your POLLO CAMPERO® Restaurant franchise, or (3) otherwise arising out of or related in any way to your and the other Releasing Parties’ relationship, from the beginning of time to the date of your signature below, with any of the Pollo Campero Parties.

The released Claims include, but are not limited to, any Claim alleging violation of any deceptive or unfair trade practices laws, franchise laws, or other local, municipal, state, federal, or other laws, statutes, rules, or regulations. You and the other Releasing Parties acknowledge that you and they may after the date of the signatures below discover facts different from, or in addition to, those facts currently known to you and them, or which you and they now believe to be true, with respect to the Claims released by this document. You and the other Releasing Parties nevertheless agree that the release set forth in this document has been negotiated and agreed on despite such acknowledgement and despite any federal or state statute or common law principle which may provide that a general release does not extend to claims which are not known to exist at the time of execution.

You, on behalf of yourself and the other Releasing Parties, further covenant not to sue any Pollo Campero Party on any Claim released by this document and represent that you have not

assigned any Claim released by this document to any individual or entity that is not bound by this document.

We also are entitled to a release and covenant not to sue from your owners. By his, her, or their separate signatures below, your owners likewise grant to us the release and covenant not to sue provided above.

**[NOTE: The following language in brackets and bold type applies only when the franchisee operates in California or California law is deemed to apply. Remove the language in all other circumstances.]**

**[Each of the parties granting a release acknowledges a familiarity with Section 1542 of the Civil Code of the State of California, which provides as follows:**

**“A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or releasing party.”**

**Each party granting a release and its authorized signatories hereto recognize that he, she, or it may have some claim, demand, or cause of action against the released parties of which he, she, or it is unaware and unsuspecting, and which he, she, or it is giving up by signing this Addendum. Each party granting a release and its authorized signatories hereby waive and relinquish every right or benefit which he, she or it has under Section 1542 of the Civil Code of the State of California, and any similar statute under any other state or federal law, to the fullest extent that such right or benefit may lawfully be waived.]**

\*\*\*\*\*

**This Release does not apply with respect to claims arising under the Washington Franchise Investment Protection Act, RCW 19.100, and the rules adopted thereunder.**

**CAMPERO USA CORP.**

\_\_\_\_\_  
*[Name of Franchisee]*

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

\_\_\_\_\_  
*[Name of Owner]*

\_\_\_\_\_  
[Signature and Date]

**EXHIBIT K**

**FRANCHISEE REPRESENTATIONS**

**(This Franchisee Representations document will not be used if the franchise is to be operated in, or you are a resident of, California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, or Wisconsin)**

**CAMPERO USA CORP.**  
**FRANCHISEE REPRESENTATIONS**

**DO NOT SIGN THIS FRANCHISEE REPRESENTATIONS DOCUMENT IF THE FRANCHISE IS TO BE OPERATED IN, OR YOU ARE A RESIDENT OF, CALIFORNIA, HAWAII, ILLINOIS, INDIANA, MARYLAND, MICHIGAN, MINNESOTA, NEW YORK, NORTH DAKOTA, RHODE ISLAND, SOUTH DAKOTA, VIRGINIA, WASHINGTON, OR WISCONSIN.**

**Do not sign this Franchisee Representations if you are a resident of Maryland or the business is to be operated in Maryland.**

**Important Instructions:** Campero USA Corp. (“we,” “us,” or “our”) and you are ready to sign a Franchise Agreement for the development and operation of a POLLO CAMPERO® Restaurant (the “Restaurant”) and, possibly, a Development Rights Rider for the development and operation of multiple POLLO CAMPERO® Restaurants. This document’s purpose is to determine whether any statements or promises were made to you that we have not authorized, that do not appear in or are inconsistent with our franchise documents, and/or that may be untrue, inaccurate, or misleading. We also want to be sure that you understand certain terms of the agreements you will sign and their ramifications. Please review each of the following statements carefully and do not sign this document if it contains anything you think might be untrue. If you sign this document, you are confirming the truth of what it says. In addition, if you sign it, we will take actions in reliance on the truth of what it says.

**Initial the spaces after the statements to confirm your understanding and the accuracy of the statements.**

Name of Prospective Franchisee: \_\_\_\_\_  
(the “Franchisee”)

Each of the undersigned represents that all of the following statements are true:

1. Each of the undersigned has independently investigated us; our affiliates; the POLLO CAMPERO® Restaurant system; the risks, burdens, and nature of the business that Franchisee will conduct under the Franchise Agreement; the Restaurant; the shopping or strip center of other location for the Restaurant (if already selected); and the Restaurant’s market area.

**\*Insert initials into the following blank to confirm this statement: \_\_\_\_**

2. Each of the undersigned understands that the business Franchisee will conduct under the Franchise Agreement involves risk, and any success or failure will be substantially influenced by Franchisee’s ability and efforts, the viability of the Restaurant’s location, competition from other businesses, interest rates, inflation, labor and supply costs, lease terms, and other economic and business factors.

**\*Insert initials into the following blank to confirm this statement: \_\_\_\_**

3. Each of the undersigned understands that we previously might have signed, and in the future we may sign, franchise agreements with provisions different from the provisions of the Restaurant's Franchise Agreement.

**\*Insert initials into the following blank to confirm this statement: \_\_\_\_**

4. If we unilaterally made material changes in Franchisee's final, ready-to-be-signed copies of the Franchise Agreement, Development Rights Rider (if applicable), and related documents (other than as a result of our negotiations with Franchisee), Franchisee has had possession of those documents for at least seven calendar days before signing them and has had ample opportunity to consult with his, her, or its attorneys, accountants, and other advisors concerning those documents.

**\*Insert initials into the following blank to confirm this statement: \_\_\_\_**

5. Franchisee has received a franchise disclosure document ("FDD") as required by federal law at least 14 calendar days before signing the Franchise Agreement (and Development Rights Rider (if applicable)), or paying any consideration to us or our affiliate in connection with this franchise, and has had ample opportunity to consult with his, her, or its attorneys, accountants, and other advisors concerning the FDD.

**\*Insert initials into the following blank to confirm this statement: \_\_\_\_**

6. Except as provided in Item 19 of our FDD, we and our affiliates and agents have made no representation, warranty, promise, guaranty, prediction, projection, or other statement, and given no information, as to the future, past, likely, or possible income, sales volume, or profitability, expected or otherwise, of the Restaurant or any other business, except: (None, unless something is filled-in here or provided on additional sheets).

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**\*Insert initials into the following blank to confirm this statement: \_\_\_\_**

7. Each of the undersigned understands that:

7.1 Except as provided in Item 19 of our FDD, we do not authorize our affiliates, or our or their respective officers, directors, employees, or agents, to furnish any oral or written representation, warranty, promise, guaranty, prediction, projection, or other statement or information concerning actual or potential income, sales volume, or profitability, either generally or of any POLLO CAMPERO® Restaurant.

**\*Insert initials into the following blank to confirm this statement: \_\_\_\_**

7.2 Actual results vary from unit to unit and from time period to time period, and we cannot estimate, project, or predict the results of any particular POLLO CAMPERO® Restaurant.

**\*Insert initials into the following blank to confirm this statement: \_\_\_\_**

7.3 We have specifically instructed our affiliates, and our and their respective officers, directors, employees, and agents, that except as provided in Item 19 of our FDD, they are not permitted to make any representation, warranty, promise, guaranty, prediction, projection, or other statement or give other information as to income, sales volume, or profitability, either generally or with respect to any particular POLLO CAMPERO® Restaurant.

**\*Insert initials into the following blank to confirm this statement: \_\_\_\_**

7.4 If any unauthorized representation, warranty, promise, guaranty, prediction, projection, or other statement or information is made or given, the undersigned should not (and will not) rely on it.

**\*Insert initials into the following blank to confirm this statement: \_\_\_\_**

8. Before signing the Franchise Agreement, Development Rights Rider (if applicable), or any related documents, the undersigned Franchisee has had ample opportunity: (a) to discuss the particular agreement, any related document, and the business Franchisee will conduct with its, his, or her own attorneys, accountants, and real estate and other advisors; (b) to contact our existing franchisees; and (c) to investigate all statements and information made or given by us or our affiliates, or our or their respective officers, directors, employees, and agents, relating to the POLLO CAMPERO® Restaurant system, the Restaurant, and any other subject.

**\*Insert initials into the following blank to confirm this statement: \_\_\_\_**

9. Each of the undersigned understands that the Franchise Agreement licenses certain rights for one, and only one, Restaurant, located only at the location now specified (or to be specified) in the Franchise Agreement, and that, except as may be provided in the Franchise Agreement or a Development Rights Rider with us, no “exclusive,” “expansion,” “protected,” “non-encroachable,” or other territorial rights, rights of first refusal, or rights of any other kind are granted or have been promised concerning the shopping or strip center or other structure in which the Restaurant is located, the contiguous or any other market area of the Restaurant, or any other existing or potential POLLO CAMPERO® Restaurant or geographic territory.

**\*Insert initials into the following blank to confirm this statement: \_\_\_\_**

10. Each of the undersigned understands that the Franchise Agreement (including any riders and exhibits) and the Development Rights Rider (if applicable) constitute the entire agreement between the parties and supersede all prior and contemporaneous oral or written

agreements, statements, representations (except for those in the FDD), or understandings of us, the undersigned, and Franchisee.

**\*Insert initials into the following blank to confirm this statement: \_\_\_\_**

11. Each of the undersigned understands that nothing stated or promised that is not specifically set forth in the Franchise Agreement, Development Rights Rider (if applicable), or FDD can be relied upon by the undersigned or Franchisee.

**\*Insert initials into the following blank to confirm this statement: \_\_\_\_**

12. Each of the undersigned has confirmed that no employee or agent of ours or our affiliates, or other person speaking on our behalf, has made any statement, promise, or agreement concerning the advertising, marketing, training, support service, or assistance we will give to Franchisee that is contrary to, or different from, the information contained in the FDD and the Franchise Agreement.

**\*Insert initials into the following blank to confirm this statement: \_\_\_\_**

13. Each of the undersigned understands that we and our affiliates may sell or transfer our assets, our trademarks, and/or the POLLO CAMPERO® Restaurant system outright to a third party; may go public; may engage in a private placement of some or all of our and our affiliates' securities; may merge, acquire other companies, or be acquired by another company; and/or may undertake a refinancing, a recapitalization, a leveraged buy-out, or other economic or financial restructuring.

**\*Insert initials into the following blank to confirm this statement: \_\_\_\_**

14. The only state(s) in which each of the undersigned is a resident is (are): \_\_\_\_\_

**\*Insert initials into the following blank to confirm this statement: \_\_\_\_**

15. Each of the undersigned understands the importance of the Restaurant's location. The undersigned and Franchisee have had, or will have, ample opportunity and the means to investigate, review, and analyze independently the Restaurant's location, the shopping or strip center or other building in which it is contained, the market area and all other facts relevant to the selection of a site for a POLLO CAMPERO® Restaurant, and the lease or purchase documents for such location.

**\*Insert initials into the following blank to confirm this statement: \_\_\_\_**

16. Each of the undersigned understands that neither our acceptance or selection of any location, nor our negotiation or acceptance of any lease or purchase contract, implies or constitutes

any warranty, representation, guarantee, prediction, or projection that the location will be profitable or successful or that the lease or purchase contract is on favorable terms. It often is the case that such documents contain very tough terms.

**\*Insert initials into the following blank to confirm this statement: \_\_\_\_**

17. Each of the undersigned understands that site selection is a difficult and risky proposition. We and our affiliates have not given (and will not give) any representation, warranty, promise, guaranty, prediction, projection, or other statement or information relied upon (or to be relied upon) by the undersigned or Franchisee regarding a location's prospects for success, nearby tenants, or other attributes, even if we reviewed the lease or purchase contract. Franchisee will have any lease or purchase contract reviewed by its, his, or her own attorney and other advisors.

**\*Insert initials into the following blank to confirm this statement: \_\_\_\_**

18. Each of the undersigned understands that the estimated initial investment ranges disclosed in Item 7 of our FDD are for POLLO CAMPERO® Restaurants of a certain size, at certain types of locations, and having certain characteristics we consider to be fairly standard for POLLO CAMPERO® Restaurants. Franchisee's actual investment to develop its POLLO CAMPERO® Restaurant could be incrementally or materially higher than the estimated initial investment ranges disclosed in Item 7 if Franchisee chooses to develop a larger Restaurant or a Restaurant that otherwise is atypical when compared with standard POLLO CAMPERO® Restaurants.

**\*Insert initials into the following blank to confirm this statement: \_\_\_\_**

19. The covenants and restrictions concerning competition contained in the Franchise Agreement are fair and reasonable and will not impose an undue hardship on the undersigned or Franchisee. Each of them has other considerable skills, abilities, opportunities, and experience in other matters and of a general nature enabling each of them to derive income that is satisfactory to them from other endeavors.

**\*Insert initials into the following blank to confirm this statement: \_\_\_\_**

20. There is no fiduciary or confidential relationship between us and the undersigned or between us and Franchisee. Each of the undersigned expects us to deal, and will act as if we are dealing, with it, him, or her at arm's length and in our own best interests.

**\*Insert initials into the following blank to confirm this statement: \_\_\_\_**

21. We have advised the undersigned and Franchisee to consult with their own advisors on the legal, financial, and other aspects of the Franchise Agreement, Development Rights Rider (if applicable), this document, the Restaurant, any lease, sublease, or purchase contract for the premises, and the business contemplated. Each of the undersigned has either consulted with such advisors or deliberately declined to do so.

**\*Insert initials into the following blank to confirm this statement: \_\_\_\_**

22. Neither we or our affiliates, nor any of our or our affiliates' employees or agents, have provided the undersigned or Franchisee with services or advice that is legal, accounting, or other professional services or advice.

**\*Insert initials into the following blank to confirm this statement: \_\_\_\_**

23. We may communicate directly with Franchisee's trade suppliers at any time during the Restaurant's operation and obtain from them any sales and purchasing information relating to their dealings with Franchisee.

**\*Insert initials into the following blank to confirm this statement: \_\_\_\_**

24. The statements made in this document supplement and are cumulative to statements, warranties, and representations made in other documents, such as the Franchise Agreement and Development Rights Rider. The statements made in this document and the Franchise Agreement (and Development Rights Rider, if applicable) are made separately and independently. They are not intended to be, and will not be, construed as modifying or limiting each other.

**\*Insert initials into the following blank to confirm this statement: \_\_\_\_**

25. Each of the undersigned acknowledges that Franchisee is entering the franchise relationship with the intent and expectation that we and Franchisee are and will be independent contractors. Neither we nor Franchisee is—and neither we nor Franchisee intends to be—a partner, joint venturer, associate, or employee of the other in any way. We (and our affiliates) will not exercise direct or indirect control over the Restaurant's personnel except to the extent any indirect control is related to our legitimate interest in protecting the quality of products, service, or the POLLO CAMPERO® brand. We (and our affiliates) will not share or codetermine the employment terms and conditions of the Restaurant's employees or affect matters relating to the employment relationship between Franchisee and the Restaurant's employees, such as employee selection, training, promotion, termination, hours worked, rates of pay, other benefits, work assigned, discipline, adjustment of grievances and complaints, and working conditions. We (and our affiliates) will not be the employer or joint employer of the Restaurant's employees.

**\*Insert initials into the following blank to confirm this statement: \_\_\_\_**

26. The President of the United States of America has issued Executive Order 13224 (the "Executive Order") prohibiting transactions with terrorists and terrorist organizations, and the United States government has adopted, and in the future may adopt, other anti-terrorism measures (the "Anti-Terrorism Measures"). We therefore require certain certifications that the parties with whom we deal are not directly or indirectly involved in terrorism. For that reason, the undersigned and Franchisee hereby certify that neither they nor any of their employees, agents, or representatives, nor any other person or entity associated with Franchisee, is: (a) a person or entity

listed in the Annex to the Executive Order; (b) a person or entity otherwise determined by the Executive Order to have committed acts of terrorism or to pose a significant risk of committing acts of terrorism; (c) a person or entity who assists, sponsors, or supports terrorists or acts of terrorism; or (d) owned or controlled by terrorists or sponsors of terrorism. The undersigned and Franchisee further covenant that neither they nor any of their employees, agents, or representatives, nor any other person or entity associated with them, will during the term of the Franchise Agreement become a person or entity described above or otherwise become a target of any Anti-Terrorism Measure.

**\*Insert initials into the following blank to confirm this statement: \_\_\_\_**

**FRANCHISEE:**

[\_\_\_\_\_]

By: \_\_\_\_\_  
**Signature**

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**Owners/executives of the Franchisee legal entity must sign below individually**

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Name Printed)

\_\_\_\_\_  
(Name Printed)

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Date)

## State Effective Dates

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered or exempt from registration, as of the Effective Date stated below:

<b>State</b>	<b>Effective Date</b>
Minnesota	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 Campero USA Corp. 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.

[Michigan law requires that Campero USA Corp. give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first. New York requires that Campero USA Corp. give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.]

If Campero USA Corp. 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 agency identified on Exhibit G.

The franchisor is Campero USA Corp., located at 12404 Park Central Drive, Suite 250N, Dallas, Texas 75251-1803, (972) 770-2800.

Issuance date: August 20, 2025

The franchise sellers for this offering are: Luis Javier Rodas and [\_\_\_\_\_] at Campero USA Corp., 12404 Park Central Drive, Suite 250N, Dallas, Texas 75251-1803, (972) 770-2800, and \_\_\_\_\_ at \_\_\_\_\_.

We authorize the respective state agents identified on Exhibit G to receive service of process for us in the particular states. I received a disclosure document from Campero USA Corp. issued as of August 20, 2025, that included the following Exhibits:

- A. Franchise Agreement
- B. Incentive Program Development Rights Rider to Franchise Agreement
- C. Financial Statements
- D. List of Franchisees
- E. List of Former Franchisees
- F. Operations Manual Table of Contents
- G. List of State Agencies/Agents for Service of Process
- H. State-Specific Addenda and Franchise Agreement Riders
- I. Participant Agreement
- J. Sample General Release
- K. Franchisee Representations

\_\_\_\_\_  
Date

\_\_\_\_\_  
Prospective Franchisee [Print Name]

\_\_\_\_\_  
Prospective Franchisee [Signature]

***(Date, sign, and return to us at our address above or by emailing a scanned copy of the signed and dated Receipt to [franchising@campero.com](mailto:franchising@campero.com).***

## 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 Campero USA Corp. 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.

[Michigan law requires that Campero USA Corp. give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first. New York requires that Campero USA Corp. give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.]

If Campero USA Corp. 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 agency identified on Exhibit G.

The franchisor is Campero USA Corp., located at 12404 Park Central Drive, Suite 250N, Dallas, Texas 75251-1803, (972) 770-2800.

Issuance date: August 20, 2025

The franchise sellers for this offering are: Luis Javier Rodas and [\_\_\_\_\_] at Campero USA Corp., 12404 Park Central Drive, Suite 250N, Dallas, Texas 75251-1803, (972) 770-2800, and \_\_\_\_\_ at \_\_\_\_\_.

We authorize the respective state agents identified on Exhibit G to receive service of process for us in the particular states. I received a disclosure document from Campero USA Corp. issued as of August 20, 2025, that included the following Exhibits:

- A. Franchise Agreement
- B. Incentive Program Development Rights Rider to Franchise Agreement
- C. Financial Statements
- D. List of Franchisees
- E. List of Former Franchisees
- F. Operations Manual Table of Contents
- G. List of State Agencies/Agents for Service of Process
- H. State-Specific Addenda and Franchise Agreement Riders
- I. Participant Agreement
- J. Sample General Release
- K. Franchisee Representations

\_\_\_\_\_  
Date

\_\_\_\_\_  
Prospective Franchisee [Print Name]

\_\_\_\_\_  
Prospective Franchisee [Signature]

*(Date, Sign, and Keep for Your Own Records)*