

FRANCHISE DISCLOSURE DOCUMENT



Boss' Pizza Franchise, LLC
A South Dakota Limited Liability
Company
4804 S. Minnesota Avenue
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Boss' Pizza Franchise, LLC offers individual unit franchises for the development and operation of a Boss' Pizza & Chicken® restaurant ("Restaurant"), featuring broasted chicken, specialty pizzas, and other pub-style food, as well as alcoholic and non-alcoholic beverages.

The total investment necessary to begin operation of a traditional Restaurant is from \$137,200 to \$401,200, which includes \$30,000 to \$37,500 that must be paid to us. The total investment necessary to begin operation of a Restaurant with a sports bar is \$239,700 to \$538,500, which includes \$30,000 to \$37,500 that must be paid to us.

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

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Josh Benz at 4804 S. Minnesota Avenue Sioux Falls, South Dakota 57108, (605)368-4796, jbenz.franchiseboss@gmail.com.

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

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

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

Issuance Date: October 25, 2024

How to Use This Franchise Disclosure Document

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

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

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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

Special Risks to Consider About *This Franchise*

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

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in South Dakota. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in South Dakota than in your own state.
2. **Short Operating History.** The franchisor is at an early stage of development and has a limited operating history. This franchise is likely to be a riskier investment than a franchise in a system with a longer operating history.

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

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

To simplify the language in this disclosure document, “we” means Boss’ Pizza Franchise, LLC, the franchisor. “You” means the person who buys the franchise. If a corporation, partnership or limited liability company buys a franchise, “you” also may refer to the shareholders of the corporation, partners of the partnership or members of the limited liability company.

The Franchisor

We are a South Dakota limited liability company formed on June 18, 2021. Our principal place of business is at 4804 S. Minnesota Avenue Sioux Falls, South Dakota 57108, and our telephone number is (605)368-4796. Our email address is jbenz.franchiseboss@gmail.com. Our agents for service of process are disclosed in Exhibit C.

Our Business Experience, Predecessors and Affiliates

We grant franchises for the operation of restaurants under the name “Boss’ Pizza & Chicken” featuring broasted chicken, specialty pizzas, and other pub-style food, as well as alcoholic and non-alcoholic beverages (“Restaurants”). We offer two models of Restaurants under this disclosure document, a traditional model (“Traditional Restaurant”) and a sports bar model (“Sports Bar Restaurant”). A Traditional Restaurant is one that offers either (a) dine-in, delivery, and pick up services or (b) delivery and pick up only services. A Sports Bar Restaurant is a larger full service dine-in Traditional Restaurant with a bar serving beer, wine, and other alcoholic beverages. If we offer, and you elect, to open a Sports Bar Restaurant, you must sign the Sports Bar Addendum attached as Exhibit G to the Franchise Agreement when you sign the Franchise Agreement. Unless otherwise specified, all references to “Restaurant” in this disclosure document refer to both a Traditional Restaurant and a Sports Bar Restaurant. We began offering franchises for Boss’ Pizza & Chicken Restaurants in October 2021. Although we have not directly operated the type of business you will operate, our predecessor (see below) and several related entities currently operate Boss’ Pizza & Chicken Restaurants.

Our predecessor and affiliate, Boss’ Pizza & Chicken, LLC, a South Dakota limited liability company (“Predecessor”) created the “Boss’ Pizza & Chicken” concept and began operating Boss’ Pizza & Chicken Restaurants in September 2005. Predecessor was formed in May 2005, and it owns the “Boss’ Pizza & Chicken” (and design) and the “Boss” design trademarks, and other trademarks and service marks used in operating the System and licenses them to us for use in the System. Predecessor directly or through affiliated entities operates 9 Boss’ Pizza & Chicken® Restaurants. Predecessor has not and does not currently offer franchises in any line of business. Predecessor shares its principal place of business with us.

Other than as described above, we have no affiliates, predecessors or parents required to be disclosed in this Item 1.

Franchise Offered

You will sign a “Franchise Agreement” to receive the right to own and operate a Restaurant at a location to which we have consented, offering the “Products” and any services we approve, and using our formats, designs, methods, specifications, standards, operating and marketing procedures and the Marks (as defined in Item 13), including the Mark “Boss’ Pizza & Chicken” (collectively, the “System”).

Market and Competition

Boss' Pizza & Chicken restaurants offer specialty pizzas, broasted chicken, and alcoholic and non-alcoholic beverages, and other products to the customer. The customer base for the Restaurants is broad, consisting of the general public, and includes local residents, college students, and people traveling to the area for work or pleasure. The market and competition are well developed and will include other franchised and company-owned restaurants offering (among other items) up-scale tavern food and alcoholic and non-alcoholic beverages.

Laws and Regulations

The restaurant industry is heavily regulated. Many of the laws, rules and regulations that apply to businesses generally also apply to Boss' Pizza & Chicken restaurants. All Boss' Pizza & Chicken restaurants must comply with federal, state and local laws applicable to the operation and licensing of restaurant businesses, including nutritional disclosure requirements, regulations affecting the content of foods served in restaurants and obtaining all applicable health permits and/or inspections and approvals by municipal, county or state health departments that regulate food and liquor service operations. Your Restaurant must also meet applicable municipal, county, state and federal building codes and handicap access codes. You should consider the cost and time required to comply with these laws and regulations when evaluating your prospective Restaurant.

Depending on the type of Restaurant that you will operate, you must secure a liquor license to sell alcoholic beverages at your Restaurant unless we permit you to open and operate a Restaurant that will not offer alcoholic beverages (which may be based upon the type of Restaurant you operate, its location, and other criteria as we determine in our sole discretion). The difficulty and cost of obtaining a liquor license, and the steps for securing the license, vary greatly from area to area. There is also wide variation in state and local laws and regulations that govern the sale of alcoholic beverages. In addition, state dram shop laws give rise to potential liability for injuries that are directly or indirectly related to the sale and consumption of alcohol.

The U.S. Food and Drug Administration, the U.S. Department of Agriculture and state and local health departments administer and enforce regulations that govern food preparation and service and restaurant sanitary conditions. State and local agencies inspect restaurants to ensure that they comply with these laws and regulations.

The Federal Clean Air Act and various state laws require certain state and local areas to meet national air quality standards limiting emissions of ozone, carbon monoxide and particles, including caps on emissions from commercial food preparation. Some state and local governments also regulate indoor air quality, including limiting the use of tobacco products in public places, such as restaurants.

You should investigate whether there are other regulations and requirements that may apply in the geographic area in which you are interested in locating your franchise and should consider both their affect and cost of compliance.

ITEM 2 BUSINESS EXPERIENCE

Jeremy Seefeldt: Owner and President:

Jeremy has served as our Owner and President since our inception in June 2021. Jeremy has also served as the Owner and President of our predecessor, Boss' Pizza & Chicken, LLC, in Sioux Falls, South Dakota since September 2005.

Josh Benz: Director of Franchising, Development, and Sales:

Josh has served as our Director of Franchising, Development, and Sales since our inception in June 2021. From April 2014 to February 2021, Josh served as Project Manager of Total Card Inc. d/b/a “Vervent” located in Sioux Falls, South Dakota.

**ITEM 3
LITIGATION**

No litigation is required to be disclosed in this Item.

**ITEM 4
BANKRUPTCY**

No bankruptcy information is required to be disclosed in this Item.

**ITEM 5
INITIAL FEES**

Initial Franchise Fee

The “Initial Franchise Fee” for a single Restaurant is \$30,000. The Initial Franchise Fee is paid to us when you sign the Franchise Agreement and is not refundable under any circumstances. We collected Initial Franchise Fees in 2023 that ranged between \$25,000 and \$30,000.

Veteran Discount

If you are an honorably discharged veteran who meets our qualifications, we will discount the applicable Initial Franchise Fee by \$5,000 for your first Restaurant.

Qualified Employee Discount

We also have a discount program to reward qualified employees of our franchisees who have been recommended in writing by their employer, who have been employed in good standing by their employer for at least two years and who otherwise meet all of our qualification guidelines to be our franchisee. We offer a \$5,000 discount off the Initial Franchise Fee for the employee’s first Restaurant.

Conversion Discount

If you have an existing pizza business that is similar to a Boss’ Pizza & Chicken Restaurant and has been operational for at least two continuous years, and you agree to modify the premises and satisfy each of our other current facility, operational and financial requirements to convert that business into a Boss’ Pizza & Chicken Restaurant (a “Conversion Restaurant”), we will discount the Initial Franchise Fee by 20% for your first Conversion Restaurant.

You may not combine discounts respecting more than one of the above-mentioned discount programs.

Site Selection Addendum

If you do not already have a potential site for a Restaurant, we will offer to you optional site selection and lease negotiation assistance in connection with obtaining an authorized location for your Traditional Restaurant under Exhibit F to the Franchise Agreement (the “Site Selection Addendum”). Upon signing the Site Selection Addendum, you must pay us a non-refundable fee equal to \$7,500. Under the Site

Selection Addendum, we, or our designee, will conduct 2 site visits for a Traditional Restaurant (or 1 site visit for a Sport Bar Restaurant) to evaluate one or more proposed locations at no charge. If you request any additional site visits, you must pay us or our designee \$500 for each additional site visit plus related costs and expenses for travel, lodging and meals.

Opening Campaign

During the period commencing 30 days before you open your Restaurant and ending 30 days after you open your Restaurant, you must spend a minimum of \$10,000 on the Restaurant opening campaign that we have approved in advance (“Opening Campaign”). We reserve the right to collect the Opening Campaign amount directly from you and spend it on your behalf in connection with the Restaurant Opening Campaign.

**ITEM 6
OTHER FEES**

Type of Fee	Amount (See Note 1)	Due Date	Remarks
Royalty Fee	5% of total “Gross Sales”	Payable weekly by electronic funds transfer (EFT) each Wednesday following the week (Sunday to Saturday) during which the Gross Sales were made	(See Notes 2 and 3)
Brand Development Fee	3% of Gross Sales	At the same time and in the same manner as the Royalty Fee	
Local Marketing	Currently no minimum requirement, but up to 1% of Gross Sales in the future	Minimum amount must be spent during each calendar year	We reserve the right to require you to spend a minimum of 1% of Gross Sales on local marketing expenditures, upon written notice.
Advertising Cooperative	In the future, we may require you to participate in local or regional advertising cooperatives	Established by us	Your contributions to any regional or local advertising cooperatives will be credited toward your local marketing obligations.
Technology Fee	Currently \$50 per week	At the same time and in the same manner as the Royalty Fee	We may adjust the amount of the Technology Fee once per calendar year upon 60 days’ notice to you, but the weekly Technology Fee will not exceed \$100 during the initial term.
Late Fee	\$250 per occurrence, plus any bank charges	When incurred	The late fee is not interest or a penalty, but is to compensate us for increased administrative and management costs due to your late payment. This fee does not limit our rights to other available remedies.
Additional Initial Training Program	Currently \$1,500 per attendee for a Traditional Restaurant and \$2,000 per attendee for a Sport Bar Restaurant, plus our costs and expenses	When incurred	If you appoint a new Operating Principal or general manager, those individuals must attend our initial training program. We may charge you our then-current fee for those new individuals. You also must pay any related travel, room and board expenses.
Supplemental or Refresher Training	Currently \$350 per day plus our costs and expenses	When incurred	We may require your Operating Principal and any general manager to attend all supplemental and refresher training programs that we designate for up to 3 days each calendar year, in addition to any Annual Conferences we designate. We will charge you our then-current fee for these supplemental and refresher training programs. You also must pay any related travel, room and board expenses we or you incur.

Type of Fee	Amount (See Note 1)	Due Date	Remarks
Income and Sales Taxes	We may collect from you the cost of all taxes arising from our licensing of intellectual property to you in the state where your Restaurant is located, as well as any related assessment.	When applicable, payable after invoiced by us	Only imposed if state collects these taxes or assessments and we seek reimbursement.
Approved Supplier/Product Testing Fee	Currently, \$500 per request plus the costs and expenses we incur	Payable when you request our approval of a proposed supplier or product	We may require you to pay the actual cost of the inspection and evaluation, including the cost of our time spent evaluating the alternative product or supplier. If we elect to use the proposed supplier or product systemwide, then we may refund the \$500 fee.
Relocation Fee	50% of then-current standard initial franchise fee	Payable upon our acceptance of your proposed new location	If you desire to relocate your Restaurant, you must obtain our consent and pay us the Relocation Fee.
Transfer Fee	75% of then-current standard initial franchise fee for new Boss' Pizza & Chicken franchisee-transferees 50% of then-current standard initial franchise fee for existing Boss' Pizza & Chicken franchisee-transferees \$1,500 if less than a controlling interest in you is transferred	Before completion of transfer	You must pay us the Transfer Fee when you notify us of your request to transfer.
Renewal Fee	10% of then-current standard initial franchise fee	At least 30 days before renewal of Franchise Agreement	
Remodeling Expenses	Will vary under circumstances	When incurred	(See Note 4).
Costs and Attorneys' Fees	Will vary under circumstances	When incurred	We may recover costs and reasonable attorneys' fees if you lose in a dispute with us.
Audit	Cost of audit (including the charges of any independent accountants and the travel expenses, room and board and compensation of our employees) plus interest from due date	15 days after receipt of report	Payable only if audit shows an understatement of at least 2% of Gross Sales for any month
Interest Expenses	Lesser of 18% per year or the maximum rate permitted by law	When due	Payable if you do not timely pay Royalty Fee, Brand Development Fee or other amounts owed to us or our affiliates
Insurance	Cost of insurance plus late charges and administrative fee	Payable before opening	If you do not obtain and maintain required insurance, we may obtain insurance and you must reimburse us for insurance, including late charges, together with an administrative fee equal to 5% of the insurance premium.
Operating Assistance	Currently, \$350 per day plus our costs and expenses	When incurred	We may provide you with additional operating assistance for a fee. You may request such assistance or we may require such assistance.
Management Fee	10% of Gross Revenue generated while we provide management services to you, plus our costs and expenses	When incurred	While you are in default, we may manage the Restaurant, or designate a third party to manage the Restaurant, and we will charge you our management fee, plus our costs and expenses.
Quality Assurance Audits	Up to \$250 per inspection	When incurred	We may charge you this fee if we designate a third-party to conduct the inspection on our behalf.
Mystery Shopper Program Expenses	Cost of third-party mystery shopper services	When incurred	Payable if we establish a mystery shopper program and seek reimbursement for third-party fees related to your Restaurant

Type of Fee	Amount (See Note 1)	Due Date	Remarks
Annual Conference	Our then-current conference fee	When incurred	You and certain personnel must attend any annual conference that we sponsor or designate, and pay our then-current conference fee. You must pay this fee if you fail to attend without our prior written consent. You also must pay any related travel, room and board expenses you and your personnel incur.
Reimbursement of Designated Programs and Promotions	Costs of marketing, advertising and promotional programs we establish	When incurred	We may require you to reimburse us for any expenses we incur on your behalf for all social media, text messaging and any other marketing, advertising and promotional programs. Such amounts will be credited toward your local marketing expenditures.
Taxes	Varies	When incurred	(See Note 5).

Notes:

- (1) Except where otherwise noted, all fees are payable to us, are non-refundable, and are uniformly imposed.
- (2) “Gross Sales” means the aggregate amount of all sales of all food and beverages, and other goods and services, whether for cash, on credit or otherwise, made or provided at or in connection with the Restaurant, including off-premises sales and monies derived at or away from the Restaurant. The term “Gross Sales” does not include: (1) any federal, state, municipal or other sales, value added or retailer’s excise taxes paid or accrued by you; and (2) adjustments for net returns on salable goods and discounts allowed to customers on sales; or (3) discounts for meals for Restaurant employees. Gross Sales will not be adjusted for uncollected accounts. 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. If the state or local jurisdiction in which the Restaurant is located prohibits or restricts in any way your ability to pay royalties and/or the marketing fund contributions on the sale of alcoholic beverages, you will be required to pay such fees/contributions at an increased percentage to offset the amount prohibited or restricted by law.
- (3) *Conversion Restaurant Only:* If you have a Conversion Restaurant, and it is your first Conversion Restaurant with us, then during the first 12-months of operations, we will reduce your Royalty Fee to equal 3% on an initial portion of your Gross Sales (the “Calculated Base”). The Calculated Base will equal the average of your existence business’s qualifying gross sale of the last two years, divided by 50%. You will pay the discounted Royalty Fee on all Gross Sales generated by the Conversion Restaurant up to the Calculated Base, and pay the full Royalty Fee for all Gross Sales generated above the Calculated Base. For example, if the average qualifying gross sales of your existing business in the prior two years equaled \$200,000, then the Calculated Base would equal \$100,000. You would pay the discounted Royalty Fee of 3% on the first \$100,000 in Gross Sales generated by your Conversion Restaurant, and the full Royalty Fee on all Gross Sales generated above \$100,000. This discounted Royalty Fee is also only available for your first Conversion Restaurant.
- (4) You must make such reasonable capital expenditures necessary to remodel, modernize and redecorate the Restaurant premises so that your Restaurant reflects the then-current physical appearance of new Restaurants. We may require you to take such action: (1) 5 years after the date of the Franchise Agreement; (2) as a condition to transfer; (3) as a condition of renewal; and (4) otherwise during the term of the Franchise Agreement as further described in the Operations Manual. We cannot estimate the current cost for a remodeling project because remodeling requirements will vary from Restaurant to Restaurant. You may make these payments in whole or in part to various third parties.

If you relocate your Restaurant, you will likely incur certain build-out or remodeling expenses at the new Restaurant premises in addition to paying us the relocation fee.

- (5) You must pay to us when due any federal, state or local sales, gross receipts, use, value added, excise or other taxes levied or assessed against us on any initial franchise fees, periodic fees and other payments paid to us under the Franchise Agreement, including any income tax, franchise or other tax levied or assessed against us for the privilege of doing business in your state or on account of services or goods that we provided to you.

ITEM 7
ESTIMATED INITIAL INVESTMENT
YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure (See Note 1)	Amount (Traditional Restaurant) (See Note 2)	Amount (Sports Bar Restaurant) (See Note 2)	Method of Payment	When Due	To Whom Payment Is To Be Made
Initial Franchise Fee See Note 3	\$30,000	\$30,000	Lump Sum	When you sign the Franchise Agreement	Us
Site Selection Addendum See Note 4	\$0 - \$7,500	\$0 - \$7,500	Lump Sum	When you sign the Franchise Agreement	Us
Rent (3 months), Utility and Security Deposit See Note 5	\$2,000 - \$8,000	\$8,000 - \$17,000	As Agreed Upon	As Incurred	Landlord, Various Third Parties
Design & Architectural Fees	\$1,000 - \$2,000	\$1,000 - \$2,000	As Agreed Upon	As Incurred	Various Third Parties
Leasehold Improvements See Note 6	\$10,000 - \$120,000	\$10,000 - \$120,000	As Agreed Upon	As Incurred	Landlord and Various Third Parties
Facility Costs See Note 7	\$3,000 - \$10,000	\$9,000 - \$19,000	As Agreed Upon	As Incurred	Landlord and Various Third Parties
Signage See Note 8	\$4,000 - \$17,000	\$4,000 - \$17,000	As Incurred	As Incurred	Various Third Parties
Furniture & Fixtures See Note 9	\$2,000 - \$25,000	\$6,000 - \$25,000	As Agreed Upon	Before Opening	Approved Suppliers or Us
POS/Back Office System See Note 10	\$12,000 - \$20,000	\$12,000 - \$20,000	As Incurred	Before Opening	Approved Suppliers and Us
Equipment See Note 11	\$36,500 - \$100,000	\$73,500 - \$170,000	As Incurred	Before Opening	Designated Suppliers, Approved Suppliers or Us
Office Equipment and Supplies See Note 12	\$1,200 - \$2,000	\$1,200 - \$2,000	As Incurred	As Incurred	Various Third Parties
Licenses & Permits See Note 13	\$500 - \$1,200	\$500 - \$3,000	As Incurred	Before Opening	Local government agencies and Various Third Parties
Professional Fees See Note 14	\$500 - \$1,000	\$500 - \$1,000	As Incurred	As Incurred	Various Third Parties
Initial Inventory See Note 15	\$8,000 - \$18,000	\$27,000 - \$35,000	As Agreed Upon	As Ordered	Approved Suppliers and Us
Insurance See Note 16	\$1,500 - \$2,500	\$2,000 - \$3,500	As Incurred	Before Opening	Various Third Parties
Training Expenses See Note 17	\$5,000 - \$7,000	\$15,000 - \$16,500	As Incurred	Before Opening	Various Third Parties

Type of Expenditure (See Note 1)	Amount (Traditional Restaurant) (See Note 2)	Amount (Sports Bar Restaurant) (See Note 2)	Method of Payment	When Due	To Whom Payment Is To Be Made
Grand Opening Advertising See Note 18	\$10,000	\$10,000	As Incurred	As Ordered	Approved Media Vendors, Us or Our Affiliate
Additional Funds - 3 Months See Note 19	\$10,000 - \$20,000	\$30,000 - \$40,000	As Incurred	As Incurred	Various Third Parties
TOTAL See Note 10	\$137,200 - \$401,200	\$239,700 - \$538,500			

Notes:

- (1) Factors Impacting Expenses. The typical size of a Traditional Restaurant is approximately 1,550 to 2,300 square feet, which may depend upon whether you offer dine-in services. The typical size of a Sports Bar Restaurant is approximately 5,100 to 7,100 square feet. For several items discussed below, your cost will increase as the number of square feet increases. A variety of factors may impact the size of your Restaurant such as the landlord, municipality or zoning board requirements or restrictions, layout of the Restaurant, and availability and cost of leased or purchased space. This table reflects your estimated initial investment for a single Restaurant operated under a Franchise Agreement. To the extent that you already have an existing pizza business that you would like to convert to a Conversion Restaurant, then the estimates in the above chart may differ based upon your specific circumstances.
- (2) Amount/Refundability. Except where otherwise noted, all fees that you pay to us are non-refundable. Third party lessors, contractors and suppliers will decide if payments to them are refundable. We do not provide financing for any amounts payable to us or our affiliates.
- (3) Initial Franchise Fee. You will pay us the Initial Franchise Fee as more fully described in Item 5. The above chart assumes that you are not entitled to any discounts and that you will pay the full Initial Franchise Fee.
- (4) Site Selection Addendum. If you elect to sign the optional Site Selection and Lease Negotiation Assistance Addendum attached as Exhibit F to the Franchise Agreement, you must pay us a non-refundable fee of \$7,500. You also must pay us \$500 for each additional site visit not included under the Site Selection Addendum plus related costs and expenses for travel, lodging and meals.
- (5) Rent and Security Deposit. Depending on the market conditions and other factors in your geographic area, the cost associated with the Restaurant premises may vary from the estimates provided in this Item 7. Our estimates (for 3 months) assume that you will lease the Restaurant premises. The exact cost or impact on your rental expense will depend on several factors, including the condition of the premises, the landlord's agreement to reimburse you for certain improvements, the size and location of the premises for your Restaurant, and other economic factors. If you purchase the land and building for your Restaurant, you will incur significantly greater costs in developing your Restaurant.
- (6) Leasehold Improvements. Assuming that you will lease the premises for your Restaurant, you will need to make certain leasehold improvements to the leased premises to comply with our approved plans and specifications. Leasehold improvements include plumbing systems, electrical systems, mechanical systems, lighting, flooring and partition walls. We anticipate that you likely will negotiate the cost of leasehold improvements as part of your rental expense. The exact cost or impact on your rental expense will depend on several factors, including the condition of the premises, whether you elect to do more than the minimum required renovations, the landlord's

agreement to reimburse you for certain improvements, the size and location of the premises for your Restaurant and other economic factors. We estimate that you may pay approximately \$8 to \$20 per square foot in rental expense (including common area maintenance (CAM) and taxes) for your Restaurant premises. The exact amount of rental expense will vary greatly, depending on the location of the Restaurant premises, the size of the premises, the portion of rent representing the value of leasehold improvements at the Restaurant premises, local market conditions and other factors. You will incur greater start-up costs if you cannot negotiate the cost of leasehold improvements as part of your rental expense.

- (7) Facility Costs. This amount is an estimate of the common area maintenance (CAM) expenses and taxes that you may be required to pay under your lease.
- (8) Signage. We require you to purchase interior and exterior signs that meets our specifications. Local sign codes will dictate the type of signs that is allowed on certain properties and in certain areas.
- (9) Furniture and Fixtures. This amount includes estimated expenses for restaurant and bar furniture, menu boards, waste containers, office supplies, a safe, AV equipment, tables, chairs, and other miscellaneous items. Your costs may vary as a result of the characteristics of the Restaurant site, price differences among suppliers, and shipping distances from suppliers. We may require you to purchase certain equipment and other items from us or our approved suppliers. You may purchase or lease approved brands and models of other equipment, fixtures and furniture from any approved supplier.
- (10) POS/Back Office System. We require you to purchase the designated Restaurant point-of-sale system described further in Item 11, which includes certain computer hardware and software. In certain situations, you may be able to obtain part of this system at a discount through us.
- (11) Equipment. This amount includes estimated expenses for kitchen and bar equipment, smallwares/food equipment, security system, phone system, office equipment and other miscellaneous equipment. The cost of purchasing the equipment and other items may vary due to the characteristics of the Restaurant site, price differences among suppliers, and shipping costs from suppliers. We may require you to purchase certain equipment from us or our designated suppliers. You may purchase or lease approved brands and models of other equipment from any approved supplier.
- (12) Office Equipment and Supplies. This amount includes various expenses for general office supplies.
- (13) Licenses and Permits. This amount includes estimated expenses for local license and permit fees. The above chart does not include the estimated cost and expense of obtaining a liquor license, the cost of which can vary significantly. Because it varies significantly by city and state, we strongly recommend that you investigate the cost to obtain a liquor license in your market before you sign a Franchise Agreement.
- (14) Professional Fees. We recommend that you employ an attorney, an accountant and any other consultants necessary to assist you in establishing your Restaurant. These fees may vary from location to location depending upon prevailing rates.
- (15) Initial Inventory. You will need to purchase opening inventory that complies with our specifications and is purchased from us or approved suppliers. We may be an approved supplier for certain items. This amount does not reflect amounts needed to replenish inventory during the initial stage of operation. See Item 8 for additional information.

- (16) Insurance. The insurance estimate reflects insurance costs for a period of 3 months.
- (17) Training Expenses. Training expenses include salaries, benefits, lodging, meals and travel expenses for 3 people to attend the initial training program (4 people if you will operate a Sports Bar Restaurant).
- (18) Grand Opening Advertising. This amount includes estimated expenses for the Opening Campaign.
- (19) Additional Funds – 3 Months. This amount estimates the expenses you will incur during the first 3 months of Restaurant operations, including initial wages and fringe benefits, uniforms costs, taxes, maintenance and service contracts, repairs, and interest payments on any business loans as well as on any interim financing or construction loans. It does not include inventory costs beyond the opening inventory costs identified in the table and does not include your compensation during this 3-month period. Your costs will depend on factors such as how much you follow our systems and procedures, your management skills and experience, local economic conditions, the local market for the Boss' Pizza & Chicken concept and products, the prevailing wage rate, competition, the amount of the initial investment you decide to finance, and the sales level reached during the initial period.
- (20) Total. This total is an estimate of your pre-opening initial investment and the expenses you will incur during the first 3 months of the Restaurant operations. This total is based on our estimate of regional average costs and prevailing market conditions and our management team's experience operating quick-service restaurants. You should review this information carefully with a business advisor before deciding to purchase the franchise.

ITEM 8 RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

To ensure a uniform image and uniform quality of products and services throughout the Boss' Pizza & Chicken system, you must maintain and comply with our quality standards.

Designated Products and Services

You must purchase for use or sale at your Restaurant those food products and alcoholic and non-alcoholic drinks used in or sold at your Restaurant and other services or products we designate from us, our designees or from other suppliers we approve. We, our affiliates or our designees may be the designated or sole source of supply for certain services and products.

We may require you to purchase private labeled ingredients, provisions, products, smallwares, merchandise, and other items from us, our affiliates, or our designated suppliers. Performance Food Group ("PFG") currently is our designated supplier of certain food and private labeled products required for the operation of your Restaurant. If your Restaurant is located in an area that is not serviced by PFG, we will designate an alternative supplier as necessary.

If you fail to create or maintain the required financial records for your Restaurant in the format we require or approve, we reserve the right to require you to use, at your expense, a third party accounting service or firm that we designate or approve to prepare those records.

Currently, neither we nor our affiliates are a designated supplier for any items.

Location of your Restaurant

You must locate a site for your Restaurant that we consent to, and you may not sign a lease or enter into a purchase agreement to acquire any land or building for the site until we have given our consent in writing. We approve locations on a case by case basis, considering items such as size, appearance, and other physical characteristics of the site, demographic characteristics, traffic patterns, competition from other businesses in the area and other commercial characteristics, such as purchase price and financing if you are acquiring the land and buildings and rental obligations and other lease terms (including those that we require be in the lease) if you lease the premises for your Restaurant. You are not required to purchase, lease or sublease the Restaurant premises from us or our affiliate.

Building Construction and Leasehold Improvements; Fixtures, Equipment, Furniture and Signs

You must satisfy our specifications and standards in constructing and developing your Restaurant. We will furnish to you prototypical drawings and specifications for your Restaurant, including requirements for overall dimensions, interior and exterior materials, décor, fixtures, equipment, furniture and signs. You must retain a licensed architect we designate or approve and submit working drawings, construction and architectural plans and specifications to us for our approval before you begin construction of your Restaurant. You must submit all revised plans and specifications to us during the course of construction. You must ensure that the plans and specifications comply with the Americans with Disabilities Act and all other applicable federal, state and local laws, ordinances, building code and permit requirements and lease requirements and restrictions. In developing and operating your Restaurant, you may purchase only the types of construction and decorating materials, fixtures, equipment, furniture and signs that we require and have approved as meeting our specifications and standards for quality, design, appearance, function and performance. We or an affiliate may be an approved supplier of one or more of these items.

Computer Hardware and Software

We currently require you to purchase the point-of-sale system we designate. Currently, Spot-On is our sole designated third-party supplier for the POS system. See Items 7 and 11 for further information. We also currently require you to use Qvinci financial reporting software and Microsoft Office Suite.

Insurance

You must purchase and maintain in force, at your expense, insurance at a minimum in the types of coverage and amounts we specify in the Operations Manual or otherwise in writing. All insurance policies must insure you, us and our affiliates and their respective officers, directors and employee, and any other person that we designate from all liability, damages or injury, must be purchased from an approved supplier, and must meet all other requirements that we designate. You will provide us with copies of the certificate of insurance, insurance policy endorsements and other evidence of compliance with these requirements as we periodically require at least 2 weeks before you take possession and commence development of the Restaurant premises and at such other times as we may require. In addition, you will provide to us a copy of the evidence of the renewal or extension of each insurance policy in a form we require.

Advertising and Promotional Approval

If we provide local Restaurant media planning assistance, you can use our recommended media plan in promoting the Restaurant or otherwise develop, and obtain our advance written approval to, an alternative plan. You also must use only our approved advertising and promotional materials in promoting the Restaurant. You must also participate in all social media, text messaging and any other marketing, advertising and promotional programs we that we establish and require. See Item 11 for further information regarding advertising programs.

Gift Card and Loyalty Programs

You must, at your expense, participate in, and honor all provisions of any gift card or loyalty programs we establish, and use any designated providers we specify for such programs. You must also participate in any mystery shopper program we require.

Supplier and Product Approval

We will provide you with lists of approved manufacturers, suppliers and distributors (“Approved Suppliers List”) and approved products and services, other inventory items, fixtures, furniture, equipment, signs, supplies and other items or services necessary to operate your Restaurant (“Approved Supplies List”). The Approved Suppliers List may specify the specific manufacturer of a specific product or piece of equipment and you can purchase those products only from a source identified on the Approved Suppliers List. We, an affiliate or a third-party vendor or supplier periodically may be the only approved supplier for certain products. The lists specify the suppliers and the products and services that we have approved for use in the System. We may revise these lists and provide you with a copy of approved lists as we deem advisable. We may impose limits on the number of approved suppliers and supplies for any products, ingredients, supplies or equipment sold or used in the Restaurant. If you propose to use any products, material, fixture, equipment, sign or other item which we have not approved, or purchase any items from any supplier that we have not approved, you must first notify us in writing and must provide us with sufficient information, specifications, samples photographs, drawings or other information to permit us to determine whether the product, service, material, fixture, equipment, sign or other item (or brand of such item) complies with our specifications, or the supplier meets our approved supplier criteria. We will notify you of our decision within a reasonable time, generally within 30 days, following our receipt of all information requested. You must pay the reasonable cost of the inspection and evaluation, which currently is \$500 per request, plus the costs and expenses we incur. We may re-inspect the facilities and products of any supplier or approved item and revoke our approval of any item or supplier which fails to continue to meet any of our criteria. We will send written notice of any revocation of an approved supplier or supply. As part of the approval process, we may require that a proposed supplier sign a supplier agreement covering such items as insurance, product quality, trademark use, and indemnification. We do not provide material benefits to you based on your use of designated or approved sources of supply.

We apply certain general criteria in approving a proposed supplier, including the supplier’s quality and pricing of products, ability to provide products/services that meet our specifications, responsiveness, ability to provide products/services within the parameters required by the System, quickness to market with new items, financial stability, credit program for franchisees, freight costs, and the ability to provide support to the System (merchandising, field assistance, education and training respecting sales and use of products and services).

We will notify you in writing if we elect to revoke our approval of a supplier. If we revoke our approval of a supplier, you will have 30 days to stop offering, selling or using those products or other items or services in your Restaurant.

For the fiscal year ending December 31, 2023, we did not receive any revenue from the purchase of these products and services by franchisees from us or approved suppliers.

One or more of our officers have an interest in us. No officer owns a material interest in any other supplier.

Miscellaneous

We may negotiate prices for numerous products for the benefit of the System, but not for any individual franchisee. We are not aware of any purchasing or distribution cooperative in the System. We may attempt to receive volume discounts for the System.

We (directly or through an affiliate) may derive revenue directly or in the form of rebates or other payments from suppliers, based directly or indirectly on sales of Products, advertising materials and other items to franchisees, and from other service providers. These payments may range from less than 1% up to 10% or more of the total purchase price of those items.

We estimate that the purchase or lease of products, equipment, software, signs, fixtures, furnishings, supplies, advertising and sales promotions materials and other items that meet our specifications will represent approximately 70% to 90% of the cost to develop the Restaurant and approximately 30% to 50% of the cost to operate your Restaurant.

ITEM 9 FRANCHISEE'S OBLIGATIONS

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

Obligation	Section in Agreement	Disclosure Document Item
a. Site selection and acquisition/lease	Sections 2(A) and 6(A), and Exhibits B and F, of Franchise Agreement	Items 7, 8, 11, and 12
b. Pre-opening purchases/leases	Sections 6(B)-(D), 6(F)-(G) of Franchise Agreement	Items 7, 8 and 11
c. Site development and other pre-opening requirements	Sections 6(A)-(G) and 7(A), and Exhibits B and F, of Franchise Agreement	Item 5, 7, and 11
d. Initial and ongoing training	Sections 1(E), 3(B)(4), 7(B)-(C) and 14(D) of Franchise Agreement	Items 5, 7 and 11
e. Opening	Sections 6(E)-6(G) and 7(C) of Franchise Agreement	Items 5 and 11
f. Fees	Sections 3(B), 4, 5(A)-(C), 5(E), 6(D), 6(F)-(H), 7(B), 7(D), 8(E), 9(K)-(L), 11(C), 14(B)-(D), 15(D) and 18(D) of Franchise Agreement	Items 5, 6 and 7
g. Compliance with standards and policies/Operations Manual	Sections 3(B), 5(B)-(E), 6, 7(D)-(E), 8(A), 9 and 4(B) of Franchise Agreement	Items 11 and 16
h. Trademarks and proprietary information	Sections 1(A)-(C), 2(A)-(B), 6(D), 8, 9(J), 9(M), 12, 13(C)-(E), 16(A) of Franchise Agreement	Items 13 and 14
i. Restriction on products/services offered	Sections 1(G), 1(I), 2, 4(F), 7(E), 8(B)-(C), 9(C), 9(E) and 9(I) of Franchise Agreement	Items 8 and 16
j. Warranty and customer service requirements	Sections 9(E)-(H) of Franchise Agreement	Items 11 and 16
k. Territorial development and sales quotas	Sections 2(B) and 2(C) of Franchise Agreement	Items 11 and 12
l. Ongoing product/service purchases	Sections 6(C)-(D) and 9 of Franchise Agreement	Items 8 and 11
m. Maintenance, appearance and remodeling requirements	Sections 3(B), 9(A)-(B) and 9(I) of Franchise Agreement	Items 6 and 11
n. Insurance	Section 9(L) of Franchise Agreement	Items 6, 7 and 8
o. Advertising	Sections 5, 6(F)-(G), 9(I) and 12(B) of Franchise Agreement	Items 6, 7 and 11
p. Indemnification	Section 17 of Franchise Agreement	None
q. Owner's participation/management/staffing	Sections 9(D) and 9(K) of Franchise Agreement	Items 11 and 15
r. Records and reports	Section 10 of Franchise Agreement	Item 6
s. Inspections and audits	Section 11 of Franchise Agreement	Item 6

Obligation	Section in Agreement	Disclosure Document Item
t. Transfer	Section 14 of Franchise Agreement	Items 6 and 17
u. Renewal	Section 3 of Franchise Agreement	Items 6 and 17
v. Post-termination obligations	Sections 13(B), 13(D) and 16 of Franchise Agreement	Item 17
w. Non-competition covenants	Section 13 of Franchise Agreement	Item 17
x. Dispute resolution	Sections 18 of Franchise Agreement	Item 17

**ITEM 10
FINANCING**

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

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

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

Pre-Opening Assistance. Before you open your Restaurant, we will:

- (1) Provide reasonable consulting services in your evaluation and selection of a site for the Restaurant and consent to the Restaurant site. We will also offer you the option to enter into our Site Selection Addendum, under which we will provide certain site selection and lease negotiation assistance. However, in any event, you are solely responsible for identifying proposed sites that satisfy our minimum site selection criteria (Franchise Agreement – Section 7(A), Exhibit B and Exhibit F)
- (2) Provide you with prototype drawings and specifications for your Restaurant, reflecting our requirements for dimensions, interior design and layout, building materials, fixtures, equipment, furniture, signs and décor (Franchise Agreement – Section 7(A)).
- (3) Provide for a Traditional Restaurant the initial training program described below to your “Operating Principal” (as defined in Item 15) and 2 key management personnel. (Franchise Agreement – Section 7(B)). For a Sports Bar Restaurant, we will provide the initial training program described below to your Operating Principal, the Restaurant kitchen manager and at least 2 other full-time management personnel. (Franchise Agreement – Exhibit F).
- (4) Provide to you access to the confidential Operations Manual. You must keep the Operations Manual confidential and discontinue using it when the Franchise Agreement terminates (Franchise Agreement – Section 7(E)).
- (5) Make available to you the Computer System that we have selected for the System as described further below (Franchise Agreement – Section 6(D)).
- (6) Provide you with lists of approved suppliers and approved products, equipment, or services necessary to operate your Restaurant (Franchise Agreement – Section 6(C)).

We are not required to assist you with conforming your Restaurant to any ordinances or codes, or hiring any employees.

Ongoing Assistance. During the operation of your Restaurant, we will:

- (1) Provide 2 of our representatives for a combined total of 4 days (for a Traditional Restaurant) or 3 of our representatives for a combined total of 12 days (for a Sports Bar Restaurant) to assist you in the opening and initial operations of the Restaurant (Franchise Agreement – Section 7(C) and Exhibit F).
- (2) Provide advisory services relating to Restaurant operations, including Products and services offered for sale, selecting, purchasing and marketing other approved materials and items, marketing assistance and sales promotion programs, and general administrative and operating procedures (Franchise Agreement – Section 7(D)).
- (3) Periodically provide you with updated and revised materials for the Operations Manual (Franchise Agreement – Section 7(E)).
- (4) Operate the Brand Development Fund (Franchise Agreement – Section 5(A)).

Advertising Programs. We establish and conduct certain advertising programs as follows:

You will pay to us for deposit in a brand development and promotional fund (the “Brand Development Fund” or “Fund”) a weekly Brand Development Fee (the “Brand Development Fee”) equal to 3% of Gross Sales. We will place all Brand Development Fees we receive in the Brand Development Fund and will manage the Fund. We also will contribute to the Brand Development Fund for each Boss’ Pizza & Chicken restaurant that we or our affiliates develop or acquire, and operate in the United States following the commencement of our franchise program (October 2021) at the same percentage rate as a majority of Boss’ Pizza & Chicken restaurants must pay to the Brand Development Fund. Reasonable disbursements from the Fund will be made solely to pay expenses we incur in connection with the general promotion of the Marks and the System, including the cost of formulating, developing and implementing advertising, marketing, direct mail, promotional and public relations campaigns; expenses related to market research and customer and franchise satisfaction surveys; the cost of product research and development and menu development; organizing and hosting franchise conferences; the development and maintenance of online ordering, website hosting and e-commerce programs; and the reasonable costs of administering the Fund, including the cost of employing advertising, public relations and other third party agencies to assist us and providing promotional brochures and advertising materials to Boss’ Pizza & Chicken restaurants and to regional and local advertising cooperatives, as well as accounting expenses and the actual costs of salaries and fringe benefits paid to our employees engaged in administration of the Fund. The Brand Development Fund is not a trust or escrow account, and we have no fiduciary obligations regarding the Fund. You understand that the Brand Development Fund is intended to maximize the public’s awareness of the Boss’ Pizza and Chicken Restaurants and the System, and that we undertake no obligation to ensure that any individual franchisee benefits directly or on a pro rata basis from the placement, if any, of advertising, marketing or other activities in its local market. You further acknowledge that your failure to derive any such benefit, whether directly or indirectly, will not be cause for your nonpayment or reduction of the required contributions to the Brand Development Fund. We may use a portion of the monies contained in the Fund to establish regional marketing funds and/or to establish and maintain a website for Boss’ Pizza and Chicken Restaurants, which may include one or more pages dedicated to promotion of the franchise program and franchise sales. We may spend in any fiscal year an amount greater or less than the aggregate contributions of Boss’ Pizza & Chicken restaurants to the Brand Development Fund in that year. We may, through the Brand Development Fund, furnish you with approved local marketing plans and materials on the same terms and conditions as plans and materials we furnish to other Boss’ Pizza & Chicken restaurants. We will determine the methods of advertising, media employed and scope, contents, terms and conditions of advertising, marketing, promotional and public relations campaigns and programs. Upon written request, we will provide you an annual unaudited statement of the receipts and disbursements of the Brand Development Fund for the most recent calendar year.

During our fiscal year ending December 31, 2023, we spend 30% of the Brand Development Fund on advertising production, 40% on media placement and 30% on administrative expenses.

We may develop, and make available to you, local restaurant media planning assistance. If we do so, you must use our recommended media plan in promoting the Restaurant or otherwise develop, and obtain our advance written approval to, an alternative media/promotion plan. In addition, you will use only our approved advertising and promotional materials in promoting the Restaurant. If you desire to use any advertising or promotional materials in promoting the Restaurant which we previously have not approved, you must submit all materials to us for our approval before using any such materials, which approval will not be unreasonably withheld. If we do not disapprove those advertising or promotional materials within 10 days after you submit those materials to us, then you may use the materials, although we reserve the right to later disapprove those materials. If you use any advertising or promotional materials without submitting those materials to us or if you use materials we disapprove, in addition to any separate remedies we may have, any amounts spent on those materials will not be credited toward your local marketing obligations described below.

As described in Item 5 and Item 7, during the period beginning 30 days before the opening of your Restaurant and ending 30 days following such opening, you must spend a minimum \$10,000 on a Restaurant opening campaign that we have approved in advance. You will use our designated media vendor (if any) and must implement our recommended media plan (if any) in conducting the Restaurant opening campaign. We reserve the right to collect the \$10,000 directly from you and spend it on your behalf in connection with the Restaurant opening campaign. On or before the last day of each month during the first 3 months of Restaurant operations, you must provide us with an accurate accounting of Restaurant opening campaign (advertising and marketing) expenses.

In addition to the Brand Development Fee described above, while we currently do not impose a minimum requirement, we reserve the right in the future to require you to spend up to a minimum of 1% of Gross Sales during each calendar year on “approved” Restaurant marketing and promotional activities in your local geographic area. Regardless of whether we have imposed any minimum requirement, we may require that on or before February 15 of each year, you provide us with an accounting of the funds that you have spent on local marketing for the preceding calendar year. You must also participate in all social media, text messaging and any other marketing, advertising and promotional programs we establish in the manner we direct. Your participation in these programs will be at your expense and may require that you reimburse us to the extent we incur expenses directly related to those programs on your behalf (and such reimbursements will be credited toward your local marketing expenditures).

You will participate in, support and contribute a proportionate share of the cost of any regional or other geographic cooperative marketing programs we designate. Each Boss’ Pizza & Chicken restaurant located within the designated area of a cooperative will be a member of the cooperative. We or members of the cooperative and their designated officials may be responsible for administering the cooperative. Boss’ Pizza & Chicken restaurants that we or our affiliates own and operate are not obligated to participate in any cooperative we form or approve. Each cooperative must adopt written governing documents, which must reflect any form documents that we provide to franchisees or otherwise approve. A copy of the governing documents of the cooperative (if one has been established) for your market area will be available upon request. The cooperative will determine the amount of your contribution, although we may designate the contribution amount if the cooperative is unable or unwilling to designate the amount of the contribution. In addition, we reserve the right to establish minimum and maximum contribution amounts. We reserve the right to designate regional and other geographic marketing or advertising markets, to establish marketing cooperatives and to establish the bylaws and other rules under which such cooperatives will operate. Your contributions to marketing cooperatives will be credited toward your local marketing expenditures described above. As of the issuance date of this disclosure document, we have not established any advertising cooperatives.

As of the issuance date of this disclosure document, we do not have an advertising council composed of franchisees.

Computer System. You must purchase the computer, point-of-sale and reporting system, including all existing or future communication or data storage systems, components thereof and associated service, which we have developed or selected for the System (“Computer System”). The Computer System may include one or more proprietary or other software programs that may be developed or customized for us (the “Proprietary Software”). You must use any such Proprietary Software, and the Proprietary Software will remain the confidential property of us or our third-party supplier. You must enter into our or our designee’s standard form software license agreement in connection with your use of any Proprietary Software. We reserve the right to charge you an initial license fee related to your use of the Proprietary Software. You will pay the then-current fee (if any) for the Proprietary Software at or before the Proprietary Software is delivered to you. The Computer System may also include the use of various technology platforms, applications or services, which may include online ordering, third-party delivery services and other technology-based services as further described in the Operations Manual. You will pay the then-current fees associated with any technology platform we require to the designated third-party provider.

You must pay us a Technology Fee to offset costs related to the Computer System. As of the issuance date of this disclosure document, the Technology Fee is \$50 per week. We may increase the Technology Fee upon 60 days’ notice to you, but the weekly Technology Fee will not exceed \$100 during the initial term of the Franchise Agreement.

As of the issuance date of this disclosure document, the required Computer System includes: (a) 4 POS touchscreen computers; (b) 4 phones and phonelines, and one recording device for each phone; (c) Spot-On point-of-sale software system; (d) Qvinci financial reporting software; and (e) Microsoft Office Suites. In addition, we recommend, but do not require, QuickBooks. We estimate that the initial cost for the Computer System will range from \$12,000 to \$20,000. Financing for the Computer System may be available from our designated suppliers. Any software fees are currently paid directly to the relevant approved third-party supplier.

You must have Internet access with a form of high-speed connection as we require. You will use an e-mail address we designate for communication with us. We have the right to designate a single source from which you must purchase the Computer System, any software or hardware components thereof or associated service, and we or our affiliates may be that single source. You will be required to use and, at our discretion, pay for all future updates, supplements and modifications to the Computer System, including any additions or modifications to any Proprietary Software. We also may independently access financial information and customer data produced by or otherwise located on your Computer System (collectively the “Customer Data”). During the Term, we and you will have joint ownership of the Customer Data that is stored on the Computer System, although you will be responsible for obtaining all customer consents necessary to allow us to use the Customer Data for various purposes as we may identify. We will periodically establish policies respecting the Customer Data. You must comply with all laws and regulations relating to privacy and data protection, and must comply with any privacy policies or data protection and breach response policies we periodically may establish. You cannot use the Customer Data for any purpose other than the operation of the Restaurant consistent with our standards of use. There are no contractual limitations on our right to access the information and data.

You may be required to obtain ongoing maintenance and repairs respecting the Computer System, as well as upgrades or updates respecting the Proprietary Software. We estimate the cost of optional or required maintenance, updates and upgrades will be \$0 to \$500 per year. There are no contractual limitations on the frequency and cost of additional maintenance or repair. You must incorporate these upgrades and updates to the Computer System. We, our affiliates, and third-party suppliers are not currently required to provide any ongoing maintenance, repairs, upgrades or updates to you.

Site Selection. If you already have a potential site for a Restaurant, you may propose the location to us. We may consent to the site after we have independently evaluated it. The site for the Restaurant will be identified in Exhibit A to the Franchise Agreement. If you do not have a proposed site, you will sign Exhibit B to the Franchise Agreement and will have 3 months following the date of the Franchise Agreement to identify a Restaurant site acceptable to us. We will provide you with our general site selection and evaluation criteria. If you sign Exhibit B to the Franchise Agreement and we cannot agree on a site for a Restaurant, we can terminate your Franchise Agreement. You are solely responsible for locating and obtaining a site which meets our standards and criteria and that is acceptable to us. However, we will offer to you optional site selection and lease negotiation assistance for a fee under the terms of the Site Selection Addendum attached as Exhibit F to the Franchise Agreement.

You must submit to us a complete site report (containing information that we may reasonably require) for the proposed Restaurant site. The general site and evaluation criteria which you should consider include demographic characteristics of the proposed location, traffic patterns, parking, the predominant character of the neighborhood, the proximity to other businesses (including other Boss' Pizza & Chicken restaurants), and other commercial characteristics, and the proposed location, size of premises, appearance and other physical characteristics. We will notify you in writing within 30 days after we receive your complete site report and other materials we request whether the proposed site satisfies our site selection criteria.

Under the Site Selection Addendum, we or our designee will conduct 2 site visits to evaluate one or more proposed locations for a Traditional Restaurant as we deem necessary and appropriate. For a Sports Bar Restaurant, we or our designee will conduct a single site visit and related site evaluation services as we deem necessary and appropriate to identify one proposed suitable location for your Restaurant under the Site Selection Addendum. If you request any additional site visits, you must pay us \$500 for each additional site visit and pay for our or our designee's related expenses for travel, lodging, and meals. Once you have selected, and we have approved, the location for the Restaurant, then pursuant to the Site Selection Addendum we will communicate with the landlord about the terms of the lease, assist with local municipalities and applicable licenses and permits for the Restaurant, communicate with and provide additional assistance with construction companies to ensure compliance with our brand standard, and provide any other additional site development assistance as we determine in our sole discretion.

Our review of a site for the Restaurant, and any negotiations that we conduct on your behalf, does not represent any recommendation or guaranty as to the success of the proposed site.

Development Time. The typical length of time between our acceptance of the Franchise Agreement and the opening of your Restaurant varies from 6 to 9 months. This period may be longer or shorter, depending on the time of year, availability of financing, local construction delays, how soon you can attend training or other factors. We have the right to terminate the Franchise Agreement if you fail to open and commence operations within 9 months of signing the Franchise Agreement.

Training. Before you open your Traditional Restaurant, we will provide the initial training program to your Operating Principal and 2 key management personnel. If you are opening a Sports Bar Restaurant, in addition to the Operating Principal, the Restaurant kitchen manager and at least two other full-time management personnel must attend and successfully complete the initial training program. To the extent we permit an individual other than the controlling Principal Owner to serve as the Operating Principal, the controlling Principal Owner separately must attend and successfully complete the initial training program and all supplemental and refresher training programs referenced below. Our initial training program is conducted in Sioux Falls, South Dakota or an alternative location we designate. We currently plan to offer the initial training program as often as we determine is necessary during the upcoming year. The initial training program for the Operating Principal and general manager will take place over a period of 7 days for a Traditional Restaurant and over a period of 14 days for a Sports Bar Restaurant. The initial

training program includes classroom instruction and on-site training relating to Restaurant operations, understanding the equipment usage and maintenance, customer service, marketing and sales programs and methods of controlling operating costs. You may not open your Traditional Restaurant unless the Operating Principal and 2 key management personnel successfully complete the initial training program, and you may not open your Sports Bar Restaurant unless the Operating Principal, kitchen manager, and 2 key management personnel successfully complete the initial training program. If, during the initial training program, we determine that the Operating Principal or any of the key management personnel is not qualified to manage the Restaurant, we will notify you and you must select and enroll a substitute person in the initial training program.

The initial training program consists of the following:

**TRAINING PROGRAM
(Traditional Restaurant)**

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Orientation	7	1	Sioux Falls, SD or another location we designate
Office and Administration; Brand Development and Marketing	8	0	Sioux Falls, SD or another location we designate
Purchasing Food Orders; Order Taking	6	2	Sioux Falls, SD, or another location we designate
Pizza Preparation	4	4	Sioux Falls, SD, or another location we designate
Broasted and Fry Side Preparation	4	4	Sioux Falls, SD, or another location we designate
Manage Store	0	18-20	Sioux Falls, SD, or another location we designate
Totals	29	29-31	

**TRAINING PROGRAM
(Sports Bar Restaurant)**

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Orientation	7	1	Sioux Falls, SD, or another location we designate
Office and Administration: Brand Development and Marketing	8	0	Sioux Falls, SD, or another location we designate
Purchasing Food Orders; Order Taking	6	2	Sioux Falls, SD, or another location we designate
Pizza Preparation	4	4	Sioux Falls, SD, or another location we designate
Broasted and Fry Side Preparation	4	4	Sioux Falls, SD, or another location we designate
Bartending	8	0	Sioux Falls, SD, or another location we designate

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Bartending (Bartender); Pizza Preparation OJT (Cook); Broasted and Fry Side Preparation OJT (Cook)	0	32-34	Sioux Falls, SD, or another location we designate
Review of Materials	8	0	Sioux Falls, SD, or another location we designate
Manage Store: (Store Open to Dinner Shift Change)	0	8-10	Sioux Falls, SD, or another location we designate
Manage Store (Dinner Shift Change through Store Close)	0	8-10	Sioux Falls, SD, or another location we designate
Manage Store: (Training Completion)	0	4-8	Sioux Falls, SD, or another location we designate
Totals	45	63-73	

The instructional materials for all training programs include the Operations Manual, handouts and visual aids, and will include lecture, classroom discussion, hands-on demonstration and/or practice training at a Boss' Pizza & Chicken restaurant.

Jeremy Seefeldt will oversee the initial training program. Mr. Seefeldt has more than 22 years of management experience in the restaurant industry, including more than 17 years in managing Boss' Pizza & Chicken restaurants.

We do not charge a fee for the first 3 individuals to attend the initial training program for a Traditional Restaurant, or for the first 4 individuals to attend the initial training program for a Sports Bar Restaurant. You are responsible for travel and living expenses that your Operating Principal and key management personnel incur while attending the initial training program. If you appoint a new or substitute Operating Principal, or have more than 3 individuals attend the initial training program, we may charge you our then-current fee for those individuals. You also must pay any related travel, room and board expenses. See Item 7 for additional information on travel and living expenses.

We may require that the Operating Principal and any key management personnel attend all supplemental and refresher training programs that we designate for up to 3 days each calendar year, in addition to any annual conference we designate. We may decide the time and place of training and may charge you a reasonable fee for these supplemental and refresher training programs.

You are solely responsible for the compensation, travel, lodging and living expenses you and your employees incur in attending the initial training program, supplemental or refresher training programs, and any franchise conventions or meetings. You also are solely responsible for paying your employees and providing all necessary insurance, including worker's compensation insurance, for you and your employees, while you and your employees attend training or any franchise conventions or meetings.

Annual Conference. We periodically may hold or sponsor franchise conventions and meetings relating to new Products, new operational procedures or programs, training, business management, sales and sales promotion, or similar topics. These franchise conventions and meetings may be optional or mandatory, as we designate. Your Operating Principal and up to 2 key management personnel must attend, at your expense, all mandatory franchise conventions and meetings we may hold. If your Operating Principal cannot attend a convention or meeting, he or she must so notify us before the convention or meeting and must have a substitute person acceptable to us attend the event. We reserve the right to charge

you a fee for any annual franchise convention or meeting that we sponsor or designate, regardless of your attendance.

Operations Manual. During the term of the Franchise Agreement, we will allow you to access our Operations Manual (the “Operations Manual”). The current table of contents of the Operations Manual is attached as Exhibit G to this disclosure document and has 150 total pages; however, we are currently updating our Operations Manual and anticipate issuing a new Operations Manual following the issuance of this disclosure document.

ITEM 12 TERRITORY

You will receive a “Protected Territory” surrounding the Restaurant location. The Protected Territory will be delineated by zip codes or other boundaries as we determine in our sole discretion. The size of the Territory depends on population density, zip codes, counties, median household income and economic development. Each Protected Territory will have a minimum population of 40,000 people, based upon the most recently published U.S. census, determined in our sole discretion. If your Restaurant will be located in a market that has a population of at least 1,000,000 people, we may grant you a minimum protected territory that is limited to a 1/8th-mile radius surrounding the Restaurant. During the term of the Franchise Agreement, if you are complying with the provisions of the Franchise Agreement, we will not establish any other franchised or company-owned Boss’ Pizza & Chicken restaurants in the Protected Territory.

You will not receive an exclusive territory. You may face competition from other franchisees, from businesses that we own or from other channels of distribution or competitive brands that we control. You will not receive an exclusive territory because we reserve the right to operate, or grant others the right to operate Boss’ Pizza & Chicken restaurants at “Captive Market Locations” within your Protected Territory. The term “Captive Market Locations” includes airports or other transportation terminals, sports facilities, hospitals, college and university campuses, corporate campuses, a department within an existing retail store, hotels, grocery stores and other locations that do not have direct street access.

The location of the Restaurant and the Protected Territory will be identified in Exhibit A to the Franchise Agreement. If you do not have a site for your Restaurant when you sign the Franchise Agreement, you will sign Exhibit B to the Franchise Agreement and will have 3 months after the date of the Franchise Agreement to find a site for the Restaurant (acceptable to us) within the designated geographic area. We also offer optional site selection and lease negotiation assistance through the Site Selection Addendum attached as Exhibit F to the Franchise Agreement. See Items 5 and 11 for more information about the Site Selection Addendum.

Once we approve a location within the geographic area established in Exhibit B to the Franchise Agreement, we and you will then sign Exhibit A (which identifies the Protected Territory for your Restaurant). Maintenance of your Protected Territory is not dependent upon achieving certain sales volumes, market penetration or other contingency. Your Protected Territory will not be altered during the initial term of your Franchise Agreement, although it may be altered upon renewal of your franchise.

You may offer catering and delivery services from the Restaurant in the Protected Territory only in compliance with the Franchise Agreement, the Operations Manual and other policies and requirements we impose. We reserve the right to terminate or restrict your right to offer catering and delivery services if you fail to satisfy our then-current standards for catering and delivery services following written notice. If neither we nor another franchisee operates in an area adjacent to your Protected Territory, you may offer catering and delivery services outside of your Protected Territory with our prior written consent. You acknowledge and agree that we retain all rights to all unassigned territory located outside of your Protected

Territory, including those rights described below. We may elect to develop or sell any unassigned territory located outside of your Protected Territory at any time without prior notice or accommodation to you.

You may relocate your Restaurant only with our written consent, which we will not unreasonably withhold. If we permit you to relocate your Restaurant, you will pay us a relocation fee equal to 50% of our then-current standard initial franchise fee for services we will provide in assisting you in relocating your Restaurant. In addition, you will need to build out the Restaurant consistent with our then-current standards for new Restaurants.

We (for us and our affiliates) retain the right, without compensation to you:

1. to directly operate, or to grant other persons the right to operate, Boss' Pizza & Chicken restaurants at locations outside the Protected Territory;
2. to directly operate, or to grant other persons the right to operate, Boss' Pizza & Chicken restaurants at Captive Market Locations within and outside the Protected Territory;
3. to promote, sell and distribute anywhere, including through restaurants or other establishments, the Products and the services authorized for sale at Boss' Pizza & Chicken restaurants under trademarks and service marks other than the Marks through similar or dissimilar channels of distribution;
4. to promote, sell, distribute and license the Products and the services authorized for sale at Boss' Pizza & Chicken restaurants as well as ancillary products and services such as food products, beverages, clothing, glassware and memorabilia under the Marks through dissimilar channels of distribution (*i.e.*, other than the operation of Traditional Restaurants or Sports Bar Restaurants), including direct mail, wholesale activities, grocery stores, convenience stores, gas stations, and by electronic means such as the Internet, and pursuant to conditions we deem appropriate within and outside the Protected Territory;
5. to acquire businesses that are the same as or similar to the Restaurant or other Boss' Pizza & Chicken restaurants and operate such businesses regardless of whether such businesses are located within or outside the Protected Territory, and to be acquired by any third party which operates businesses that are the same as or similar to the Restaurant or other Boss' Pizza & Chicken restaurants regardless of whether such businesses are located within or outside the Protected Territory; and
6. to promote the System and the Restaurants generally, including on the Internet (or any other existing or future form of one or more electronic commerce) and to create, operate, maintain and modify, or discontinue the use of websites using the Marks.

We recommend that you concentrate all advertising and other solicitation of customers inside the local geographic area of your Restaurant. You may not offer, promote or sell any products or services through any other channels of distribution, including the Internet (or any other existing or future form of electronic commerce). You will not have the right to subfranchise or sublicense any of your rights under the Franchise Agreement.

We do not grant to you any options, rights of first refusal or similar rights to acquire additional franchises within a particular territory.

As of the issuance date of this disclosure document, neither we nor any affiliate operates, franchises, or has any current plans to operate or franchise any business selling the Products and services authorized for sale at a Boss' Pizza & Chicken restaurant under any other trademark or service mark.

ITEM 13 TRADEMARKS

We grant you the right under the Franchise Agreement to operate your Restaurant under the name “Boss' Pizza & Chicken,” and other trademarks or service marks we identify (the “Marks”).

The following table lists only the principal Marks that you are licensed to use. We have filed with the Principal Register of the United States Patent and Trademark Office all required affidavits and renewal registrations for the registered Marks listed below.

Principal Marks	U.S. Registration or Serial No.	Registration/Application Date
BOSS' PIZZA & CHICKEN	Reg. No. 6,750,972	June 7, 2022
BOSS' PIZZERIA AND SPORTS BAR	Reg. No. 6,736,124	May 24, 2022
BOSS' (Design only)	Reg. No. 6,710,933	April 26, 2022
ORDER FROM THE LOCAL GUY	Reg. No. 6,801,017	July 26, 2022

The “Boss' Chicken & Pizza” mark and related marks and logos (“Marks”) are owned by our affiliate, Boss' Pizza & Chicken, LLC (“BPC LLC”), and are licensed to us. BPC LLC has granted us an exclusive license (“Trademark License”) to use the Marks to sell Products and Services and grant franchises associated with the System in the United States. The Trademark License extends for 10 years, commencing October 1, 2021, but it will renew upon our notice to BPC LLC for subsequent 10 year periods; provided we are not in default of the Trademark License. If the Trademark License is terminated, BPC LLC has agreed to license the use of the Marks directly to our franchisees until such time as each Franchise Agreement expires or is otherwise terminated.

We have the right to periodically change the list of Marks. Your use of the Marks and any goodwill is to our exclusive benefit and you retain no rights in the Marks. You also retain no rights in the Marks when the Franchise Agreement expires or terminates. You are not permitted to make any changes or substitutions respecting the Marks unless we direct in writing. You may not use any Mark or portion of any Mark as part of any corporate or any trade name, or any modified form or in the sale of any unauthorized product or service, or in any unauthorized manner. You may not market, advertise or promote your Restaurant or conduct any business using the Marks on any website or otherwise on the Internet, including using social and professional networking sites to promote your Restaurant, except as provided in our written social media policy (if any) or with our prior written approval.

There currently are no effective material determinations by the U.S. Patent and Trademark Office, the Trademark Trial and Appeal Board, the trademark administrator of any state or any court, or any pending infringement, opposition or cancellation proceeding, or any pending material litigation, involving the principal Marks that are relevant to your use in any state. There are currently no agreements in effect that significantly limit our rights to use or license the use of any principal Marks in any manner material to the franchise.

You must immediately notify us of any apparent infringement of or challenge to your use of any Marks, and we have sole discretion to take any action we deem appropriate. We are aware of certain third parties operating other businesses under similar names, some of which have or may have rights in the territory where you may locate your Restaurant, including “Bosses Pizza Wings & Burgers” in Texas and “Boss. Pizza + Wings” in California. In certain situations, you may not be able to restrict their use of that name or may be prevented from using the mark “Boss' Pizza & Chicken” in certain geographic locations.

Aside from certain third party use (or potential use) of the name “Bosses Pizza Wings & Burgers” and “Boss. Pizza + Wings,” we are unaware of any infringing uses or superior rights that could materially affect your use of the “Boss’ Pizza & Chicken (and Design)” Mark.

We are not obligated to protect you against infringement or unfair competition claims arising out of your use of the Marks, or to participate in your defense or indemnify you. We reserve the right to control any litigation relating to the Marks and we will have the sole right to decide to pursue or settle any infringement actions relating to the Marks. You must notify us promptly of any infringement or unauthorized use of the Marks of which you become aware. If we determine that a trademark infringement action requires changes or substitutions to the Marks, you will make these changes or substitutions at your own expense.

ITEM 14 PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

There are no patents or copyrights currently registered that are material to the franchise. We do claim copyright ownership and protection for the Operations Manual as well as our recipes, advertising copy and design, menu designs, written training materials, training videos and for certain other written materials we provide to assist you in operating your Restaurant.

We own certain proprietary or confidential information relating to the operation of Boss’ Pizza & Chicken restaurants, including information in the Operations Manual and recipes (“Confidential Information”). You must keep confidential during and after the term of the Franchise Agreement the Confidential Information. When your Franchise Agreement expires or terminates, you must return to us all Confidential Information and all other copyright material. You must notify us immediately if you learn of an unauthorized use of the Confidential Information. We are not obligated to take any action and we will have the sole right to decide the appropriate response to any unauthorized use of the Confidential Information. You must comply with all changes to the Operations Manual at your expense. During the term of your Franchise Agreement, you and we will have joint ownership of Customer Data stored on your Computer System. As the Customer Data is Confidential Information, you must cease to use it when your Franchise Agreement expires or terminates. We will periodically establish policies respecting the Customer Data.

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

You must designate an individual we approve and who successfully completes our required training to be the operating principal (“Operating Principal”). The controlling Principal Owner (defined below) must be the Operating Principal unless we approve another Principal Owner to serve as the Operating Principal. The Operating Principal is responsible for day-to day Restaurant operations. The Operating Principal assumes his/her responsibilities on a full-time basis and may not engage in any other business or other activity that requires any significant management responsibility, time commitments, or otherwise may conflict with his/her obligations. In addition, at all times, the Restaurant must be under the direct, on-site supervision of the Operating Principal or a general manager. The Operating Principal and general manager may be the same person. We recommend that the Operating Principal have food service experience.

Each individual who owns a 10% or greater interest in the franchisee entity is considered a “Principal Owner” and must sign the Guaranty and Assumption of Obligations attached to the Franchise Agreement. These people agree to discharge all obligations of the franchisee entity to us under the Franchise Agreement and are bound by all of its provisions, including maintaining the confidentiality of

Confidential Information described in Item 14 and complying with the non-compete covenants described in Item 17.

The Restaurant must at all times be under the Operating Principal’s direct supervision, and the Operating Principal or a certified manager who has successfully completed our initial training program must be the on-site manager at the Restaurant at all times. You and the Operating Principal must at all times faithfully, honestly and diligently perform the obligations under this Agreement, and you and the Operating Principal must continuously use its best efforts to promote and enhance the business of the Restaurant. The Operating Principal must assume responsibilities on a full-time basis and must not engage in any other business or other activity, directly or indirectly, that requires any significant management responsibility, time commitments, or otherwise may conflict with your obligations.

If at any time the Operating Principal is not managing the Restaurant, we immediately may appoint a manager to manage the Restaurant for you and charge you a reasonable fee for these management services.

**ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL**

You must offer and sell in your Restaurant all, and only, those products and services that we have approved (see Item 8). You must at all times maintain an inventory of approved products and other items in such quantities and variety that we direct. We may add new Products or services that you must offer at or use in your Restaurant. Our right to modify the approved list of Products and services to be offered at the Restaurant is not limited.

**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.

Provision	Section in Franchise Agreement or Other Agreement	Summary
a. Length of the franchise term	Section 3	10 years.
b. Renewal or extension of the term	Section 3	If you are in good standing, you can renew the Franchise Agreement for 2 additional 5-year terms.
c. Requirements for you to renew or extend	Section 3	Provide advance notice, comply with current Franchise Agreement, satisfactorily complete any new/refresher training programs, sign new agreement (which may contain materially different terms and conditions than your original Franchise Agreement), remodel, provide proof you will maintain possession of the Restaurant premises and remodel the Restaurant as necessary to comply with our then-current standards and specifications, pay renewal fee, and sign a general release of claims.
d. Termination by you	Section 15(A)	If you comply with the Franchise Agreement, and we fail to cure a material provision within 60 days after written notice.
e. Termination by us without cause	Not Applicable	Not Applicable
f. Termination by us with cause	Sections 15(B) and (C)	We may terminate the Franchise Agreement only if you default.

Provision	Section in Franchise Agreement or Other Agreement	Summary
g. "Cause" defined – curable defaults	Sections 15(B) and (C)	You have 30 days to cure the following defaults: failure to open Restaurant when required, failure to complete training, failure to comply with System standards, failure to conform to System, the result of an audit discloses an understatement of Gross Sales of 2% or more, and a violation of any material provision of the Agreement. You have 10 days to cure a failure to pay amounts due us or any creditors and to cure the revocation or suspension of your liquor license. You have 72 hours to cure a health code violation.
h. "Cause" defined – non-curable defaults	Sections 15(B) and (C)	Failure on 3 or more occasions in any 12 months to comply with any provision, any default which is not curable, you repeatedly deceive Restaurant customers, a material misrepresentation on franchise application, any of your managers (including the Operating Principal), directors, officers or any Principal Owner is convicted of, or pleads guilty to or no contest to a felony, a crime involving moral turpitude, or any other crime or offense that we believe will injure the System, the Marks or the goodwill associated therewith, or if we have proof that such person has committed such a felony, crime or offense, insolvency, an assignment of assets to creditors, Restaurant abandonment, defaults which injure the goodwill associated with the Marks, unauthorized assignment of agreement or interest, operation of the Restaurant results in a threat to public health or safety, your lease expires or is terminated, you falsify applications or reports.
i. Your obligations on termination/nonrenewal	Section 16, 13(B), and 13(D)	Cease operation of the Restaurant and use of Marks, pay all amounts due us, stop using and return manuals and other materials, assign to us the Restaurant telephone number and telephone listing or (at our option) disconnect the telephone number, remove all signs and other materials containing any Marks, comply with obligations under any proprietary software license/access agreements, cancel all fictitious or assumed name filings, cease using Confidential Information, sell back to us or return all Products, and comply with all restrictive covenants (see also Item 17(o) and (r) below).
j. Assignment of contract by us	Section 14(A)	Assignee must fulfill our obligations under the agreement.
k. "Transfer" by you-defined	Section 14(B) and (C)	Includes transfer of franchise agreement to entity and transfer of Restaurant or its assets, or your interest in agreement or any significant ("controlling interest") ownership change.
l. Our approval of transfer by franchisee	Sections 14(B) and (C)	We have the right to approve all transfers of the Franchise Agreement, but will not unreasonably withhold approval.
m. Conditions for our approval of transfer	Section 14(C) and Exhibit G to Franchise Agreement	New franchisee qualifies and completes training, all amounts owed us or our affiliates are paid, and you are in good standing, new franchisee assumes existing Agreement or (at our option) signs then-current franchise agreement, we approve transfer agreement, transfer fee paid, lease assigned (if applicable), you sign non-compete agreement and general release. For the Sports Bar concept, the initial training must be attended and completed by the Operating Principal, the kitchen manager, and at least two other full-time management personnel. If the Principal Owner is separate from the Operating Principal, the Principal Owner must separately attend and complete the initial training program and all supplemental and refresher training programs.
n. Our right of first refusal to acquire your business	Section 14(F)	We can match any offer for your business.
o. Our option to purchase your business	Section 16(C)	When the Franchise Agreement expires or terminates, we may purchase assets at fair market value, less the value of any goodwill associated with our trademarks and other intangible assets.
p. Your death or disability	Section 14(D)	If the Principal Operator dies or is permanently disabled, his/her executor, administrator, or other personal representative must transfer his/her interest within a reasonable time, not to exceed twelve 12 months from the date of death or permanent disability, to a person we approve.

Provision	Section in Franchise Agreement or Other Agreement	Summary
q. Non-competition covenants during the term of the franchise	Section 13(C) and (E)	No involvement in a Competing Business. A “Competing Business” means any business similar to the Boss’ Pizza & Chicken restaurant, including an upscale tavern and/or upscale sports bar that distributes, sells or otherwise deals in, at wholesale or retail, upscale tavern food or other items similar to the Products, or any other business that may be confusingly similar to a Boss’ Pizza & Chicken Restaurant.
r. Non-competition covenants after the franchise is terminated or expires	Section 13(D)	No involvement in a Competing Business that is located within a 10-mile radius of the former site of the Restaurant or any other then-existing Boss’ Pizza & Chicken restaurant for two years.
s. Modification of the agreement	Sections 7(E) and 19(D)	No modifications generally, except in writing. We may modify Operations Manual, Marks, System and Products/services to be offered from your Restaurant.
t. Integration/merger clause	Section 19(K)	Only the terms of the Franchise Agreement (including exhibits) are binding (subject to federal and state law). <u>Any other promises may not be enforceable.</u>
u. Dispute resolution by arbitration or mediation	Section 18	Except for actions we bring for monies owed, injunctive or extraordinary relief, or actions involving real estate, all disputes first will be subject to non-binding mediation in Sioux Falls, South Dakota, then (if not resolved) to <u>binding arbitration in in Sioux Falls, South Dakota (subject to applicable law).</u>
v. Choice of forum	Section 18(F)	Litigation must be in state or federal court in Sioux Falls, South Dakota (subject to state law). We also have the right to file suit where the Restaurant is located (subject to applicable law).
w. Choice of law	Section 18(D)	South Dakota law applies (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.

The tables below contain unaudited information on Gross Sales, Cost of Goods Sold, Rent and Labor for all five company-owned and five franchisee-owned Boss’ Pizza & Chicken® Restaurants that were open as of December 31, 2023 and operating during all or at least one full calendar month during calendar year 2023. The information below is based on performance during calendar year 2023. The Restaurants presented in the table below are located in South Dakota, North Dakota, Iowa, Nebraska, and Wisconsin, have a footprint ranging between 1,800 to 9,000 square feet and have been open from less than 1 year to 18 years. Each of the Restaurants presented below are located in smaller to mid-size regional cities.

Unaudited Statement of Gross Sales, Cost of Goods, Labor and Rent for Calendar Year 2023

	Sioux Falls West*	Grand Forks	Rapid City Tuscany	North Platte	Sioux Falls Central*	Keystone South Dakota*	Des Moines	Fargo	Yankton*	Brookings*
Gross Sales	\$523,670.16	\$1,596,388.89	\$1,104,693.39	\$754,493.49	\$1,507,616.77	\$716,354.22	\$1,178,348.76	\$1,915,109.11	\$745,070.97	\$957,485.88
Labor	\$193,478.76	\$501,226.76	\$326,297.17	\$249,749.15	\$700,512.63	\$128,943.76	\$320,412.65	\$542,025.97	\$229,112.25	\$350,598.10
Cost of Goods	\$156,459.45	\$421,435.10	\$332,440.07	\$296,132.73	\$423,526.28	214,906.27	\$493,276.99	\$574,207.63	\$255,186.81	\$468,305.97
Rent	\$27,864.00	\$87,863.27	\$30,739.88	\$46,996.91	\$48,309.40	\$ -	\$57,920.19	\$ -	\$55,942.17	\$28,724.58

* - Franchised location that were open as of 12/31/2023

Notes to the Tables:

1. Each of the Restaurants vary in terms of the format offered. The 26th Street (Sioux Falls) and Rapid City Tuscany Restaurants only offer carry out and delivery. The Grand Forks Restaurant is located in a hotel and offers dine-in, carry out and delivery options. The Sioux Falls Central, Keystone and Fargo Restaurants offer dine-in, carry out and delivery options. The Des Moines, Yankton, Brookings, and North Platte Restaurants are Sports Bar Restaurants located in hotels. The information above provides results for a full 12-month period, with the exception of the North Platte location which opened in June of 2023 (results limited to a 7-month period).
2. “Gross Sales” means the aggregate amount of all sales of goods and services, whether for cash, on credit or otherwise, made or provided in connection with each Boss’ Pizza & Chicken Restaurant, excluding sales tax.
3. “Cost of Goods Sold” means costs that are directly attributable to the preparation or purchase of food and beverage menu items and other goods sold at the Boss’ Pizza & Chicken® Restaurant. This amount includes the cost of ingredients, but does not include packaging, labor, marketing, overhead or other general expenses of the Restaurant.
4. “Labor” means costs attributable to wages and compensation for employees of the Restaurant, including managers and full-time and part-time hourly employees. Each of the Restaurants generally employ 8 to 12 full-time employees, 8 to 12 part-time employees and 2 to 5 managerial employees.
5. “Rent Expense” means costs attributable to rent, taxes, common area maintenance, insurance and utilities associated with the Restaurant premises.
6. “% of Sales” expresses Labor as a percentage of Gross Sales.

ADDITIONAL NOTES TO THE FINANCIAL PERFORMANCE REPRESENTATION:

- A. Written substantiation of the financial performance representation will be made available to the prospective franchisee upon reasonable request.
- B. **Some outlets have earned this amount. Your individual results may differ. There is no assurance that you’ll earn as much.**
- C. The information presented above relates to the actual historical performance of the Boss’ Pizza & Chicken® Restaurants presented above. The information is based on operations during calendar year 2023. The financial information we used in preparing this Item 19 was based entirely upon information reported to us by each of the Predecessor’s affiliated entities or franchisees. None of this information was audited.

- D. You are responsible for developing your own business plan for your Restaurant, including capital budgets, financial statements, projections and other elements appropriate to your particular circumstances. We encourage you to consult with your own accounting, business and legal advisors in doing so.
- E. The financial performance representation does not reflect all costs or expenses that you will incur in operating the Restaurant. You will incur additional expenses, including the following: equipment repairs, Royalty Fees, Brand Development Fees, Technology Fees, security services, snow removal and lawn care, insurance, computer support, credit card fees, taxes, service charges, supplies, postage, bad debt expense, donations, IT support and repairs, banking fees, legal fees, tax preparation, accounting, bookkeeping, business meals and entertainment, utilities, janitorial services, waste removal services, printed selling materials, uniforms, depreciation and amortization expenses, and all other miscellaneous expenses. You should conduct an independent investigation of the costs and expenses you will incur in operating your Restaurant.

Other than the preceding financial performance representation, we do not make any representations about a franchisee’s future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor’s management by contacting Josh Benz at 4804 S. Minnesota Avenue Sioux Falls, South Dakota 57108, (605) 368-4796, jbenz.franchiseboss@gmail.com, the Federal Trade Commission, and the appropriate state regulatory agencies.

**ITEM 20
OUTLETS AND FRANCHISEE INFORMATION**

**TABLE NUMBER 1
Systemwide Restaurant Summary
For Years 2021-2023**

Restaurant Type	Year	Restaurants at the Start of the Year	Restaurants at the End of the Year	Net Change
Franchised	2021	0	0	0
	2022	0	3	+3
	2023	3	5	+2
Company-Owned*	2021	6	7	+1
	2022	7	9	+2
	2023	9	5	-4
TOTAL*	2021	6	7	+1
	2022	7	12	+5
	2023	12	10	-2

* - For purposes of Item 20, Boss’ Pizza & Chicken restaurants owned by our affiliates, members or officers are considered company-owned Restaurants.

TABLE NUMBER 2
Transfers of Restaurants from Franchisee to New Owners (Other than the Franchisor)
For Years 2021-2023

State	Year	Number of Transfers
TOTAL	2021	0
	2022	0
	2023	0

TABLE NUMBER 3
Status of Franchised Restaurants
For Years 2021-2023

State	Year	Restaurants at the Start of the Year	Restaurants Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations / Other Reasons	Restaurants at the End of the Year
South Dakota	2021	0	0	0	0	0	0	0
	2022	0	2	0	0	0	0	2
	2023	2	3	0	0	0	0	5
Iowa	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
Wisconsin	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1
	2023	1	0	0	0	0	1	0
TOTAL	2021	0	0	0	0	0	0	0
	2022	0	3	0	0	0	0	3
	2023	3	3	0	0	0	1	5

TABLE NUMBER 4
Status of Company-Owned Restaurants
For Years 2021-2023

State	Year	Restaurants at the Start of the Year	Restaurants Opened	Restaurants Reacquired From Franchisees	Restaurants Closed	Restaurants Sold to Franchisees	Restaurants at the End of the Year
Iowa	2021	0	0	0	0	0	0
	2022	0	1	0	0	0	1
	2023	1	0	0	0	0	1
North Dakota	2021	1	1	0	0	0	2
	2022	2	0	0	0	0	2
	2023	2	0	0	0	0	2
South Dakota	2021	5	1	0	0	0	6
	2022	6	1	0	1	0	6
	2023	6	0	0	2	3	1
Nebraska	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
	2023	0	1	0	0	0	1
TOTAL	2021	6	1	0	0	0	7
	2022	7	3	0	1	0	9
	2023	9	1	0	2	3	5

TABLE NUMBER 5
Projected Openings
As of December 31, 2023

State	Franchise Agreements Signed But Restaurant Not Opened	Projected New Franchised Restaurants through the End of the Current Fiscal Year	Projected New Company-Owned Restaurants through the End of the Current Fiscal Year
Colorado	0	1	0
Iowa	0	0	0
Minnesota	1	0	0
Nebraska	1	0	0
North Dakota	1	0	0
South Dakota	1	1	0
Wisconsin	0	0	0
TOTAL	4	2	0

Attached as Exhibit F is a list of all Boss' Pizza & Chicken franchisees as of December 31, 2023. We have not had a franchisee who has had a Boss' Pizza & Chicken franchise terminated, canceled, or not renewed, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement nor transferred a Boss' Pizza & Chicken franchise. In addition, no franchisee has failed to communicate with us within the 10-week period before the issuance date of the disclosure document. If you buy a Boss' Pizza & Chicken franchise, your contact information may be disclosed to other buyers when you leave the franchise system. We have no trademark specific franchisee association.

ITEM 21
FINANCIAL STATEMENTS

Our audited financial statements as of December 31, 2021, December 31, 2022 and December 31, 2023, together with our unaudited statement as of August 31, 2024 are attached as Exhibit A.

ITEM 22
CONTRACTS

The Franchise Agreement (including the Personal Guaranty) is attached as Exhibit B. The State Addenda are attached as Exhibit D. The General Release Form is attached as Exhibit E. The Disclosure Acknowledgment Agreement is attached as Exhibit H.

ITEM 23
RECEIPTS

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

EXHIBIT A
FINANCIAL STATEMENTS

BOSS' PIZZA FRANCHISE, LLC
FINANCIAL STATEMENTS
WITH INDEPENDENT AUDITORS'
REPORT
DECEMBER 31, 2023 AND 2022

Paceline
CERTIFIED PUBLIC ACCOUNTANTS | LLP



BOSS' PIZZA FRANCHISE, LLC

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INDEPENDENT AUDITORS' REPORT

To the Members
of Boss' Pizza Franchise, LLC
Sioux Falls, South Dakota

Opinion

We have audited the accompanying financial statements of Boss' Pizza Franchise, LLC (a South Dakota limited liability company), which comprise the balance sheets as of December 31, 2023 and 2022, and the related statements of income and members' equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Boss' Pizza Franchise, LLC 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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Boss' Pizza Franchise, LLC and to meet our other ethical responsibilities in accordance with the relevant ethical requirements related to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Boss' Pizza Franchise, LLC's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Boss' Pizza Franchise, LLC's ability to continue as a going concern for a reasonable period of time.

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

Priceline Accounting Group, LLP

Sioux Falls, South Dakota
May 29, 2024

BOSS' PIZZA FRANCHISE, LLC

BALANCE SHEETS

DECEMBER 31, 2023 AND 2022

	ASSETS	
	<u>2023</u>	<u>2022</u>
CURRENT ASSETS		
Cash	\$ 5,826	\$ 652
Accounts Receivable	46,206	16,027
Total current assets	<u>52,032</u>	<u>16,679</u>
 PROPERTY AND EQUIPMENT		
Website	5,200	5,200
Startup costs	91,975	91,975
	<u>97,175</u>	<u>97,175</u>
Less accumulated depreciation and amortization	(17,618)	(9,754)
	<u>79,557</u>	<u>87,421</u>
 Total assets	 \$ <u><u>131,589</u></u>	 \$ <u><u>104,100</u></u>
 LIABILITIES AND MEMBERS' EQUITY		
CURRENT LIABILITIES		
Accounts Payable	\$ 15,872	\$ 4,362
Total current liabilities	<u>15,872</u>	<u>4,362</u>
 Total liabilities	 <u>15,872</u>	 <u>4,362</u>
 MEMBERS' EQUITY	 <u>115,717</u>	 <u>99,738</u>
	 \$ <u><u>131,589</u></u>	 \$ <u><u>104,100</u></u>

BOSS' PIZZA FRANCHISE, LLC

STATEMENTS OF INCOME AND MEMBERS' EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
REVENUE		
Royalties	\$ 216,568	\$ 102,579
Franchise fees	60,000	-
	<u>276,568</u>	<u>102,579</u>
EXPENSES		
Advertising and marketing	67,185	9,100
Wages	29,563	-
Legal and professional fees	28,171	10,003
Depreciation and amortization	7,865	7,865
Payroll Taxes	2,774	-
Office expense	2,705	15
Training	1,784	3,389
Utilities	599	-
Insurance	456	-
Bank charges	208	138
Travel	103	1,363
	<u>141,413</u>	<u>31,873</u>
Net operating income	135,155	70,706
OTHER INCOME (EXPENSE)	<u>-</u>	<u>-</u>
Net income	<u>\$ 135,155</u>	<u>\$ 70,706</u>
MEMBERS' EQUITY, beginning of year	\$ 99,738	\$ 115,352
Members contributions	24,775	3,070
Members distributions	(143,951)	(89,390)
Net income	<u>135,155</u>	<u>70,706</u>
MEMBERS' EQUITY, end of year	<u>\$ 115,717</u>	<u>\$ 99,738</u>

BOSS' PIZZA FRANCHISE, LLC

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	\$ 135,155	\$ 70,706
Adjustments to reconcile change in net loss to net cash provided by operating activities		
Depreciation and amortization	7,865	7,865
Changes in operating assets and liabilities		
Accounts receivable	(30,179)	(16,027)
Accounts payable	11,509	4,362
Net cash provided in operating activities	<u>124,350</u>	<u>66,906</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Members contributions	24,775	3,070
Members distributions	(143,951)	(89,390)
Net cash used in financing activities	<u>(119,176)</u>	<u>(86,320)</u>
Change in cash	5,174	(19,414)
CASH, Beginning of year	<u>652</u>	<u>20,066</u>
CASH, End of year	<u>\$ 5,826</u>	<u>\$ 652</u>

BOSS' PIZZA FRANCHISE, LLC
NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Nature of Business

Boss' Pizza Franchise, LLC was organized in June 2021 as a limited liability company and shall continue until such time as the members consent to dissolve. The Company grants franchises for the operation of the Boss' Pizza & Chicken business concept and operates the related franchise system.

b. Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles.

c. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

d. Cash and Cash Equivalents

For purposes of reporting cash flows, cash includes amounts on deposit at financial institutions. The Company maintains its cash in two bank accounts which may exceed federally insured limits. The Company has not experienced any losses in such accounts and believes it is not exposed to any significant risk related to the cash accounts.

e. Receivables and Allowance of Doubtful Accounts

The Company evaluates receivables annually and considers the reported balance of accounts receivable to be fully collectible. Accordingly, no allowance for credit losses has been provided as no material write-offs are expected. If amounts become uncollectible, they will be charged to operations when that determination is made. As of December 31, 2023, 2022, and 2021 the accounts receivable balance was \$46,206, \$16,027, and \$0, respectively.

f. Property and Equipment

Property and equipment are recorded at cost. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets, which range from three to seven years. The Company uses other depreciation methods (generally, accelerated depreciation methods) for tax purposes where appropriate. When assets are sold or otherwise disposed of, the cost and related depreciation or amortization are removed from the accounts, and any remaining gain or loss is included on the income statement. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

The carrying values of property and equipment are reviewed for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When considered impaired, impairment loss is recognized to the extent carrying value exceeds the fair value of the asset. There were no indicators of asset impairment during the years ending December 31, 2023.

BOSS' PIZZA FRANCHISE, LLC
NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

g. Intangible Assets

The Company amortizes intangible assets with finite lives on a straight-line basis over their estimated useful lives. Intangible assets are reviewed annually for impairment or when events or circumstances indicate their carrying amount may not be recoverable. Accumulated amortization as of December 31, 2023 and 2022 is \$13,285 and \$7,154, respectively and is included in accumulated depreciation on the balance sheets. Amortization expense for the years ended December 31, 2023 and 2022 was \$6,132 and \$6,132, respectively.

h. Advertising and Marketing

The Company expenses advertising costs as they are incurred. Advertising expense as of December 31, 2023 and 2022 totaled \$67,185 and \$9,100, respectively.

i. Revenue Recognition

The Company recognizes revenue in accordance with FASB ASC 606, Revenue from Contracts with Customers ("ASC 606"). In accordance with ASC 606, the Company identifies a contract when it has approval and commitment from both parties, the rights of the parties are identified, payment terms are identified, the contract has commercial substance and collectability of consideration is probable. Revenue is recognized when obligations under the terms of the contract with the customer is satisfied; generally, this occurs with the transfer of control of the goods or services to the customer. Revenue is measured as the amount of consideration the Company expects to receive in exchange for transferring goods or providing services.

Revenue from sales of individual franchises is recognized when substantially all significant services to be provided to the franchisee have been performed. A non-refundable lump sum initial franchise fee is charged and recognized as revenue upon the execution of the franchise agreement. Continuing non-refundable royalties, brand development, and technology fees are paid by the franchisees and recognized weekly over the term of the agreement.

j. Major Customers and Commitments

For the years ended December 31, 2023 and 2022, four and three customers, respectively, generated revenues in excess of 10% of total revenue. Revenue generated from these customers in December 31, 2023 and 2022 made up 90.41% and 100% of total revenue, respectively, and had made up for 46.30% and 100% of accounts receivable as of December 31, 2023 and 2022, respectively, with these customers.

k. Income Taxes

Boss' Pizza Franchise, LLC is organized as a limited liability company under South Dakota state law. Accordingly, the Company earnings pass through to the members and are taxed at the member level. No income tax provision has been included in these financial statements.

l. Fair Value of Financial Instruments

The Company calculates the fair value of its assets and liabilities, which qualify as financial instruments, and includes this additional information in the notes to financial statements when the fair value is different than the carrying value of these financial instruments. The estimated fair value of accounts receivable and accounts payable approximate their carrying amounts due to the relatively short maturity of these instruments. None of these instruments are held for trading purposes.

BOSS' PIZZA FRANCHISE, LLC
NOTES TO FINANCIAL STATEMENTS

2. RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

Accounting Standards Adopted

As of January 1, 2023 the Company adopted FASB ASU 2016-13, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, as amended, which modifies the measurement of expected credit losses on certain financial instruments. The adoption of this standard did not have a material impact on the Company's financial statements but did change how the allowance for credit losses is determined.

3. SUBSEQUENT EVENTS

Management has evaluated subsequent events through May 29, 2024, the date which the financial statements were available to be issued.

BOSS' PIZZA FRANCHISE, LLC
FINANCIAL STATEMENTS
WITH INDEPENDENT AUDITORS' REPORT
DECEMBER 31, 2021

BOSS' PIZZA FRANCHISE, LLC

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INDEPENDENT AUDITORS' REPORT

To the Members
of Boss' Pizza Franchise, LLC
Sioux Falls, South Dakota

Opinion

We have audited the accompanying financial statements of Boss' Pizza Franchise, LLC (a South Dakota limited liability company), which comprise the balance sheets as of December 31, 2021, and the related statements of income and members' equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Boss' Pizza Franchise, LLC as of December 31, 2021, 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 of Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibility under those standards is further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Boss' Pizza Franchise, LLC and to meet our other ethical responsibilities in accordance with the relevant ethical requirements related to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Boss' Pizza Franchise, LLC's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Boss' Pizza Franchise, LLC's ability to continue as a going concern for a reasonable period of time.

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

Pracellus Accounting Group LLP

Sioux Falls, South Dakota
June 24, 2022

BOSS' PIZZA FRANCHISE, LLC

BALANCE SHEETS

DECEMBER 31, 2021

ASSETS

CURRENT ASSETS

Cash	\$	<u>20,066</u>
Total current assets		20,066

PROPERTY AND EQUIPMENT

Website		5,200
Startup costs		<u>91,975</u>
		97,175
Less accumulated depreciation and amortization		<u>(1,889)</u>
		<u>95,286</u>

Total assets	\$	<u><u>115,352</u></u>
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LIABILITIES AND MEMBERS' EQUITY

CURRENT LIABILITIES

Total current liabilities		<u>-</u>
---------------------------	--	----------

Total liabilities		-
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MEMBERS' EQUITY

		<u>115,352</u>
	\$	<u><u>115,352</u></u>

BOSS' PIZZA FRANCHISE, LLC
STATEMENTS OF INCOME AND MEMBERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2021

REVENUE	\$ <u> -</u>
EXPENSES	
Advertising and marketing	14,877
Depreciation and amortization	1,889
Wages	20,192
	<u>36,958</u>
Net operating (loss) income	(36,958)
OTHER INCOME (EXPENSE)	<u> -</u>
Net income	<u>\$ (36,958)</u>
MEMBERS' EQUITY, beginning of year	\$ <u> -</u>
Members contributions	152,310
Net income	<u>(36,958)</u>
MEMBERS' EQUITY, end of year	<u>\$ 115,352</u>

BOSS' PIZZA FRANCHISE, LLC
STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2021

CASH FLOWS FROM OPERATING ACTIVITIES	
Net loss	\$ (36,958)
Adjustments to reconcile change in net loss to net cash provided by operating activities	
Depreciation and amortization	1,889
Net cash used in operating activities	<u>(35,069)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of property and equipment	<u>(97,175)</u>
Net cash used in investing activities	<u>(97,175)</u>
CASH FLOWS FROM FINANCING ACTIVITIES	
Members contributions	152,310
Net cash provided in investing activities	<u>152,310</u>
Change in cash	20,066
CASH, Beginning of year	<u>-</u>
CASH, End of year	<u><u>\$ 20,066</u></u>

BOSS' PIZZA FRANCHISE, LLC
NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Nature of Business

Boss' Pizza Franchise, LLC was organized in June 2021 as a limited liability company and shall continue until such time as the members consent to dissolve. The Company grants franchises for the operation of the Boss' Pizza & Chicken business concept and operates the related franchise system.

b. Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles.

c. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

d. Cash

For purposes of reporting cash flows, cash includes amounts on deposit at financial institutions.

The Company maintains its cash in a single bank account which may exceed federally insured limits. The Company has not experienced any losses in such account and believes it is not exposed to any significant risk related to the cash account.

e. Fixed Assets

Property and equipment are recorded at cost. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets, which range from three to seven years. The Company uses other depreciation methods (generally, accelerated depreciation methods) for tax purposes where appropriate. When assets are sold or otherwise disposed of, the cost and related depreciation or amortization are removed from the accounts, and any remaining gain or loss is included on the income statement. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

The carrying values of property and equipment are reviewed for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When considered impaired, and impairment loss is recognized to the extent carrying value exceeds the fair value of the asset. There were no indicators of asset impairment during the years ending December 31, 2021.

f. Advertising and Marketing

The Company expenses advertising costs as they are incurred. Advertising expense as of December 31, 2021 totaled \$14,877.

BOSS' PIZZA FRANCHISE, LLC

NOTES TO FINANCIAL STATEMENTS

2. RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

Accounting Standards Not Yet Adopted

In February 2016, FASB issued ASU 2016-02, Leases (Topic 842), which provides guidance for accounting for leases. The new guidance requires companies to recognize the assets and liabilities for the rights and obligations created by leased assets, initially measured at the present value of the lease payments. The accounting guidance for lessors is largely unchanged. This ASU is effective for fiscal years beginning after December 15, 2021 and interim periods within fiscal years beginning after December 15, 2022, with early adoption permitted. It is to be adopted using the modified retrospective approach. The Company is currently evaluating this guidance to determine the impact it may have on its financial statements.

3. RISKS AND UNCERTAINTIES

In March 2020 the World Health Organization declared the novel strain of coronavirus (COVID-19) a global pandemic and recommended containment and mitigation measures worldwide. The Company cannot reasonably estimate the length or severity of this pandemic, or the extent to which the disruption from this pandemic may impact the Company's operations and consolidated financial statements.

4. SUBSEQUENT EVENTS

On March 21, 2022, the Company signed the first franchise agreement with the franchise fee to be paid prior to the opening of the restaurant.

The Company has evaluated subsequent events through June 24, 2022, the date which the financial statements were issued.

THE FOLLOWING FINANCIAL STATEMENTS HAVE BEEN PREPARED WITHOUT AN AUDIT. PROSPECTIVE FRANCHISEES OR SELLERS OF FRANCHISES SHOULD BE ADVISED THAT NO INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT HAS AUDITED THESE FIGURES OR EXPRESSED AN OPINION WITH REGARD TO THEIR CONTENT OR FORM.

Boss Pizza Franchise LLC

Balance Sheet

As of August 31, 2024

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
1030 Boss Pizza Franchise	49,517.80
1040 Brand Development	12,845.66
Boss Pizza Franchise - 1	-8,554.74
Total Bank Accounts	\$53,808.72
Accounts Receivable	
1100 Accounts Receivable (A/R)	35,175.56
Total Accounts Receivable	\$35,175.56
Other Current Assets	
Undeposited Funds	0.00
Total Other Current Assets	\$0.00
Total Current Assets	\$88,984.28
TOTAL ASSETS	\$88,984.28
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
2070 Federal Taxes (941/943/944)	1,195.23
2080 SD Unemployment Tax	128.54
2085 Federal Unemployment (940)	247.32
2150 SD Dept of Revenue Payable	317.00
Direct Deposit Payable	4,216.84
Payroll Liabilities	
ND Income Tax	45.00
Total Payroll Liabilities	45.00
Repayment	
Advance	0.00
Total Repayment	0.00
Total Other Current Liabilities	\$6,149.93
Total Current Liabilities	\$6,149.93
Total Liabilities	\$6,149.93
Equity	
3000 Opening Balance Equity	52,345.17
3020 Partner Contributions - Jeremy	27,856.50
3060 Partner Distributions - Jeremy	-187,938.16
3065 Partner Distributions - Josh	-59,832.50
Retained Earnings	204,749.17
Net Income	45,654.17
Total Equity	\$82,834.35
TOTAL LIABILITIES AND EQUITY	\$88,984.28

Boss Pizza Franchise LLC

Profit and Loss January - August, 2024

	TOTAL
Income	
4040 Royalties	222,589.60
Total Income	\$222,589.60
Cost of Goods Sold	
6010 Commissions	1,431.30
6020 Wages	88,998.98
6210 Taxes	8,613.74
Total Cost of Goods Sold	\$99,044.02
GROSS PROFIT	\$123,545.58
Expenses	
6530 Advertising	44,659.33
6585 Bank Charges	222.32
6640 Legal & Professional Fees	3,170.18
6650 Office Expense	3,218.93
6670 QuickBooks Payments Fees	4,484.22
6800 Travel Expense	1,086.52
6810 Utilities	1,148.07
Advertising & marketing	1,226.94
Payroll Expenses	
Wages	15,424.90
Total Payroll Expenses	15,424.90
Rent	3,250.00
Total Expenses	\$77,891.41
NET OPERATING INCOME	\$45,654.17
NET INCOME	\$45,654.17

EXHIBIT B
FRANCHISE AGREEMENT



Boss' Pizza & Chicken

**BOSS' PIZZA & CHICKEN™
FRANCHISE AGREEMENT**

YOU (FRANCHISEE)

DATE OF AGREEMENT

Boss' Pizza Franchise LLC
FTC 2024 Franchise Agreement

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BOSS' PIZZA & CHICKEN™ FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (“Agreement”) is made and entered into this _____ day of _____, 20____, between Boss’ Pizza Franchise LLC, a South Dakota limited liability company, with a principal place of business at 4804 S. Minnesota Avenue, Sioux Falls, South Dakota 57108 (“we” or “us”), and _____, a _____ [corporation / limited liability company / partnership] with a principal place of business at _____ (“you”).

INTRODUCTION

A. We have developed and own a System (as defined below) relating to the development and operation of restaurants featuring broasted chicken, specialty pizzas, and other pub-style food, as well as alcoholic and non-alcoholic beverages.

B. Our affiliate owns and licenses to us the “Boss’ Pizza & Chicken” trademark and service marks, and other related trademarks and service marks as we periodically may modify (the “Marks”) used in operating the System.

C. We grant qualified persons the right to develop, own and operate a Franchised Business (as defined below) at a specific location.

D. You desire to obtain the right to develop and operate a Restaurant using the System at a specific location.

AGREEMENTS

In consideration of the mutual covenants and agreements stated below, the parties agree as follows:

1. DEFINITIONS

A. “Boss’ Pizza and Chicken Restaurant” means a restaurant that operates under the Marks and the System featuring broasted chicken, specialty pizzas, and other pub-style food, as well as alcoholic and non-alcoholic beverages.

B. “Confidential Information” means the methods, techniques, formats, marketing and promotional techniques and procedures, specifications, information, recipes, Operations Manual (as defined in Section 7(E)), systems, and knowledge of and experience in the operation and franchising of Boss’ Pizza and Chicken restaurants that we communicate to you or that you otherwise acquire in operating the Restaurant under the System. Confidential Information does not include information, processes or techniques that are generally known to the public, other than through disclosure (whether deliberate or inadvertent) by you.

C. “Marks” means the “Boss’ Pizza and Chicken” trademark and service marks, the related design logo, and other trademarks, service marks, domain names, logos, slogans, and commercial symbols that we have designated, or may in the future designate, for use in the System.

D. “Gross Sales” means the aggregate amount of all sales of all food and beverages, and other goods and services, whether for cash, on credit or otherwise, made or provided at or in connection with the Restaurant, including off-premises sales and monies derived at or away from the Restaurant. The term “Gross Sales” does not include: (1) any federal, state, municipal or other sales, value added or retailer’s

excise taxes paid or accrued by you; and (2) adjustments for net returns on salable goods and discounts allowed to customers on sales; or (3) discounts for meals for Restaurant employees. Gross Sales will not be adjusted for uncollected accounts. For purposes of the Royalty Fee described in Section 4(B) below, the sale is made at the earlier of delivery of the product or service, or receipt of payment. 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.

E. “Operating Principal” means the designated individual responsible for the day-to-day operation of the Restaurant. The controlling Principal Owner must be the Operating Principal unless we approve another Principal Owner to serve as the Operating Principal. The Operating Principal must successfully complete our initial training program and all mandatory follow-up training programs.

F. “Principal Owner” means any person or entity who directly or indirectly owns a ten percent (10%) or greater interest in you. If any corporation or other entity other than a partnership is a Principal Owner, a “Principal Owner” also will mean a shareholder or owner of a ten percent (10%) or greater interest in such corporation or other entity. If a partnership is a Principal Owner, a “Principal Owner” also will mean each general partner of such partnership and, if such general partner is an entity, each owner of a ten percent (10%) or greater interest in such general partner.

G. “Products” means broasted chicken, specialty pizzas, and other food items, and alcoholic and non-alcoholic beverages and related food and beverage products, and other accessories, that we may (1) identify on the authorized menu for Boss’ Pizza and Chicken Restaurants, as we periodically may modify, or (2) otherwise approve for sale in the Restaurant.

H. “Protected Territory” means the geographic area, identified in Exhibit A, which is an area surrounding the location of the Restaurant that we determine.

I. “Restaurant” means the Boss’ Pizza and Chicken Restaurant developed and operated under this Agreement that offers the Products.

J. “System” means our method of doing business, which includes the sale of Products for the individual consumer under the Marks at select locations, using certain distinctive types of décor, products, equipment (including the Computer System (as defined in Section 6(D) below)), supplies, Confidential Information, business techniques, methods and procedures, sales promotion programs, and the Marks, as we periodically may modify and further improve.

2. GRANT OF FRANCHISE

A. Grant of Franchise, Authorized Location and Protected Territory. Subject to the provisions contained in this Agreement, we grant you a license (the “Franchise”) to own and operate a Boss’ Pizza and Chicken Restaurant (the “Restaurant”) at a site to which we consent (the “Authorized Location”) and to use the Marks and other aspects of the System in operating the Restaurant. The location of the Restaurant and your Protected Territory are identified in Exhibit A, or alternatively, you and we will complete and sign Exhibit B, in which you and we agree on a geographic area in which the location of the Restaurant will be established, subject to our written consent, within three (3) months after the date of this Agreement. You do not receive any territorial rights upon designation of the geographic area in Exhibit B, and we and our affiliates have the right to operate and franchise other Boss’ Pizza and Chicken Restaurants within that designated area. Once we consent to a location for the Restaurant within the geographic area established in Exhibit B, however, you and we will sign Exhibit A and identify the Protected Territory. As further described in Section 7(A) below, we will offer to you optional site selection and lease negotiation assistance

under the terms of a Site Selection and Lease Negotiation Assistance Addendum attached hereto as Exhibit F.

B. Nature of Your Protected Territory. During the term of this Agreement, if you are in compliance with the terms of this Agreement, we will not directly operate or franchise other persons to operate any other Boss' Pizza and Chicken Restaurant within the Protected Territory. The Franchise granted to you under this Agreement is personal in nature, may not be used at any location other than at the Authorized Location, and does not include the right to sell any Products or services identified by the Marks at any location other than at the Authorized Location. This Agreement does not include the right to sell any Products or services identified by the Marks through any other channels of distribution, including the Internet (or any other existing or future form of electronic commerce). You will not open any other Boss' Pizza and Chicken Restaurant, whether within or outside the Protected Territory, unless we permit you to do so under a separate franchise agreement. You will not have the right to subfranchise or sublicense any of your rights under this Agreement. You will not use the Restaurant for any purposes other than the operation of a Boss' Pizza and Chicken Restaurant. You also understand and agree that the Protected Territory does not include, and we reserve all franchise and development rights respecting any regional, enclosed or similarly situated shopping centers or malls, airports or other transportation terminals, sports facilities, hospitals, college and university campuses, corporate campuses, a department within an existing retail store, hotels, grocery stores, or other similar types of locations that have a restricted trade area ("Captive Market Locations") located within the geographic boundaries of the Protected Territory.

C. Catering and Delivery Services. You may offer catering and delivery services from the Restaurant in the Protected Territory only in compliance with this Agreement, the Operations Manual and other policies and requirements we impose. We reserve the right to terminate or restrict your right to offer catering and delivery services if you fail to satisfy our then-current standards for catering and delivery services following written notice. If neither we nor another franchisee operates in an area adjacent to your Protected Territory, you may offer catering and delivery services outside of your Protected Territory with our prior written consent. You acknowledge and agree that we retain all rights to all unassigned territory located outside of your Protected Territory, including those rights described in Section 2(D) below. We may elect to develop or sell any unassigned territory located outside of your Protected Territory at any time without prior notice or accommodation to you.

D. Rights Reserved to us. We (for us and our affiliates) retain the right:

1. to directly operate, or to grant other persons the right to operate, Boss' Pizza and Chicken Restaurants at locations outside the Protected Territory;

2. to directly operate, or to grant other persons the right to operate, Boss' Pizza and Chicken Restaurants at Captive Market Locations within and outside the Protected Territory;

3. to promote, sell and distribute anywhere, including through restaurants and other establishments, the Products and the services authorized for sale at Boss' Pizza and Chicken Restaurants under trademarks and service marks other than the Marks through similar or dissimilar channels of distribution;

4. to promote, sell, distribute and license the Products and the services authorized for sale at Boss' Pizza and Chicken Restaurants as well as ancillary products and services such as food products, beverages, clothing, glassware and memorabilia under the Marks through dissimilar channels of distribution (*i.e.*, other than the operation of full-service Boss' Pizza and Chicken Restaurants), including direct mail, wholesale activities, grocery stores, convenience stores, gas

stations, and by electronic means such as the Internet, and pursuant to conditions we deem appropriate within and outside the Protected Territory;

5. to acquire businesses that are the same as or similar to the Restaurant or other Boss' Pizza and Chicken Restaurants and operate such businesses regardless of whether such businesses are located within or outside the Protected Territory, and to be acquired by any third party which operates businesses that are the same as or similar to the Restaurant or other Boss' Pizza and Chicken Restaurants regardless of whether such businesses are located within or outside the Protected Territory; and

6. to promote the System and the Restaurants generally, including on the Internet (or any other existing or future form of one or more electronic commerce) and to create, operate, maintain and modify, or discontinue the use of websites using the Marks.

3. TERM OF FRANCHISE; RENEWAL RIGHTS

A. Term. The term of this Agreement will be for ten (10) years commencing on the date of this Agreement (the "Effective Date").

B. Renewal Agreement. You will have the right to enter into a renewal agreement for the Franchise for the Business for two (2) additional terms of five (5) years each, provided you satisfy the following conditions respecting each renewal term:

1. You have given us written notice at least sixty (60) days but no more than one hundred eighty (180) days before the end of the term of this Agreement of your intention to enter into a renewal agreement;

2. You have complied with all of the material provisions of this Agreement and all other agreements between you and us or any of our respective affiliates, including the payment of all monetary obligations you owe to us or our affiliates, and have complied with our material operating and quality standards and procedures;

3. You provide documentation satisfactory to us that you have the right to maintain possession of the Restaurant premises during the renewal term described in our then-current Franchise Agreement and have, at your expense, made such reasonable capital expenditures necessary to remodel, modernize and redecorate the Restaurant premises and to replace and modernize the décor, supplies, fixtures, signs, and equipment used in operating the Restaurant so that the Restaurant reflects the then-current physical appearance of new Boss' Pizza and Chicken Restaurants, or can secure a new location within the Protected Territory to which we have consented (such consent not to be unreasonably withheld) and agree to make all required improvements to the Restaurant premises and install all required fixtures and equipment in compliance with our then-current standards and specifications for new Boss' Pizza and Chicken Restaurants;

4. Both a Principal Owner we approve and the Operating Principal complete, to our satisfaction, any new training and refresher training as we may reasonably require. You are responsible for travel, living and compensation costs of attendees;

5. You have paid to us at least thirty (30) days before the term of this Agreement expires a Renewal Fee equal to ten percent (10%) of the then-current standard initial franchise fee for a new Boss' Pizza and Chicken™ franchise;

6. You sign our then-current standard Franchise Agreement which may differ materially from the provisions of this Agreement; provided that you will be required to pay the Renewal Fee in lieu of the Initial Franchise Fee stated in the then-current Franchise Agreement; and

7. You and each Principal Owner sign a general release, in form acceptable to us, of all claims against us and our affiliates, officers, directors, employees, and agents.

4. FRANCHISE AND OTHER FEES

A. Initial Franchise Fee. You will pay us an “Initial Franchise Fee” of Thirty Thousand Dollars (\$30,000). The Initial Franchise Fee is payable when you sign this Agreement and is not refundable.

B. Royalty Fee. You will pay us a non-refundable weekly Royalty Fee equal to five percent (5%) of your Gross Sales. The Royalty Fee is due and payable on or before the Wednesday of each week for the preceding seven (7) day period ending on Saturday of such week (Sunday to Saturday) based on the Gross Sales during such seven (7) day period. 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. If the state or local jurisdiction in which the Restaurant is located prohibits or restricts in any way your ability to pay Royalty Fees and/or the Brand Development Fees on the sale of alcoholic beverages, you will be required to pay such fees/contributions at an increased percentage to offset the amount prohibited or restricted by law. You will pay the Royalty Fee to us by electronic funds transfer where we will electronically debit your designated bank account, as described in Section 4(G).

C. Brand Development Fee. As further described in Section 5(A) below, you will pay us a non-refundable weekly fee equal to three percent (3%) of Gross Sales (the “Brand Development Fee”). We will deposit the Brand Development Fee into the Brand Development Fund as described in Section 5(A) below. The Brand Development Fee is due and payable at the same time and in the same manner as the Royalty Fee. We may adjust the amount of the Brand Development Fee upon sixty (60) days’ notice to you, provided the Brand Development Fee may not exceed three percent (3%) of Gross Sales.

D. Technology Fee. You will pay us our then-current weekly technology fee (the “Technology Fee”), currently equal to Fifty Dollars (\$50). The Technology Fee is due at the same time and in the same manner as the Royalty Fee. You will pay the Technology Fee to us by electronic funds transfer where we will electronically debit your designated bank account, as described in Section 4(G). We may adjust the amount of the Technology Fee once per calendar year upon sixty (60) days’ notice to you, but the weekly Technology Fee will not exceed One Hundred Dollars (\$100) during the initial term of this Agreement.

E. Late Fee. You agree to pay us a late fee for each required payment not made on or before its original due date (and for each payment not honored by your financial institution). This late fee will equal Two Hundred Fifty Dollars (\$250) of the original amount due but not paid on time (plus any bank charges). The late fee is not interest or a penalty but is in lieu of interest and compensates us for increased administrative and management costs due to your late payment.

F. Electronic Transfer of Funds. We will require you to sign electronic transfer of funds authorizations and other documents as we periodically designate to authorize your bank to transfer, either electronically or through some other method of payment we designate, directly to our account and to charge your account for all Royalty Fees, Brand Development Fees, Technology Fees and other amounts you owe us. Your authorization will permit us to designate the amount to be transferred from your account. You must maintain a balance in your accounts sufficient to allow us to collect the amounts owed to us when due.

You will be responsible for any penalties, fines or similar expenses associated with the transfer of funds described herein.

G. Interest on Late Payments. All Royalty Fees, Brand Development Fees, Technology Fees and other amounts which you owe to us or our affiliates will bear interest after the due date at the lesser of: (1) eighteen percent (18%) per year; or (2) the maximum contract rate of interest permitted by law in the state in which the Restaurant is located.

H. Insufficient Funds. In addition to interest charges on late fee payments, you must pay to us a service charge of up to \$250 (“Insufficient Fund Fee”) for each delinquent payment that you owe to us under this Agreement. A payment is delinquent if: (1) we do not receive the payment on or before the date due; or (2) there are insufficient funds in your bank account to collect the payment by a transfer of funds on or after the date due.

I. Application of Payments. We have discretion to apply amounts due to us or any of our affiliates any payments received from you or any amount we owe you.

J. Withholding Payments Unlawful. You agree that you will not withhold payment of any Royalty Fees, Brand Development Fees, Technology Fees or any other amount due us, and that the alleged non-performance or breach of any of our obligations under the Franchise Agreement or any related agreement does not establish a right at law or in equity to withhold payments due us for Royalty Fees, Brand Development Fees or any other amounts due.

K. Tax Indemnification. You will indemnify us and reimburse us for all income, capital, gross receipts, sales, and other taxes that the state in which the Restaurant is located imposes as a result of your operation of the Restaurant or the license of any of our intangible property in the jurisdiction in which the Restaurant is located. We will have no liability for any taxes that arise or result from your Restaurant, and you will indemnify us and our affiliates for any such taxes that may be assessed or levied against us which arise out of or result from your Restaurant. If any “franchise” or other tax which is based upon the Gross Sales, receipts, sales, business activities, or operation of Franchisee’s Restaurant is imposed upon us or our affiliates by any taxing authority, then you will reimburse us and our affiliates for all such taxes paid by us or our affiliates. If more than one Boss’ Pizza and Chicken Restaurant is located in such jurisdiction, they will share the liability in proportion to their Gross Sales from the franchised business, except in the case of sales taxes and gross receipts taxes, which will be divided in proportion to taxable sales to you. If applicable, this payment is in addition to the Royalty Fee payments described above.

5. ADVERTISING

A. Brand Development Fund. You will pay to us for deposit in a brand development and promotional fund (the “Brand Development Fund” or “Fund”) the Brand Development Fee. We will place all Brand Development Fees we receive in the Brand Development Fund and will manage such Fund. We also will contribute to the Brand Development Fund for each Boss’ Pizza and Chicken Restaurant that we or our affiliates develop or acquire, and operate, in the United States following the commencement of our franchise program (October 2021) at the same percentage rate as a majority of Boss’ Pizza and Chicken Restaurants must pay to the Brand Development Fund. Reasonable disbursements from the Brand Development Fund will be made solely to pay expenses we incur in connection with the general promotion of the Marks and the Business System, including the cost of formulating, developing and implementing advertising, marketing, direct mail, promotional and public relations campaigns; expenses related to market research and customer and franchise satisfaction surveys; the cost of product research and development and menu development; organizing and hosting franchise conferences; the development and maintenance of online ordering, website hosting and e-commerce programs; and the reasonable costs of administering the

Brand Development Fund, including the cost of employing advertising, public relations and other third party agencies to assist us and providing promotional brochures and advertising materials to Boss' Pizza and Chicken Restaurants and to regional and local advertising cooperatives, as well as accounting expenses and the actual costs of salaries and fringe benefits paid to our employees engaged in administration of the Brand Development Fund. The Brand Development Fund is not a trust or escrow account, and we have no fiduciary obligations regarding the Brand Development Fund. You understand that the Brand Development Fund is intended to maximize the public's awareness of the Boss' Pizza and Chicken Restaurants and the System, and that we undertake no obligation to ensure that any individual franchisee benefits directly or on a pro rata basis from the placement, if any, of advertising, marketing or other activities in its local market. You further acknowledge that your failure to derive any such benefit, whether directly or indirectly, will not be cause for your nonpayment or reduction of the required contributions to the Brand Development Fund. We may use a portion of the monies contained in the Fund to establish regional marketing funds and/or to establish and maintain a website for Boss' Pizza and Chicken Restaurants, which may include one or more pages dedicated to promotion of the franchise program and franchise sales. We may spend in any fiscal year an amount greater or less than the aggregate contributions of Boss' Pizza and Chicken Restaurants to the Brand Development Fund in that year. We may, through the Brand Development Fund, furnish you with approved local marketing plans and materials on the same terms and conditions as plans and materials we furnish to other Boss' Pizza and Chicken Restaurants. We will determine the methods of advertising, media employed and scope, contents, terms and conditions of advertising, marketing, promotional and public relations campaigns and programs. Upon written request, we will provide you an annual unaudited statement of the receipts and disbursements of the Brand Development Fund for the most recent calendar year.

B. Local Marketing and Restaurant Promotion. In addition to the Brand Development Fee due under Section 5(A) above, we reserve the right to require you to spend a minimum of one percent (1%) of Gross Sales during each calendar year on "approved" Restaurant marketing and promotional activities in your local geographic area. We may require that on or before February 15 of each year, you provide us with an accounting of the funds that you have spent on local marketing for the preceding calendar year. For purposes of this Section, Restaurant marketing and promotional activities are "approved" if they comply with Section 5(D) below.

C. Cooperative Advertising. In the future, we may require that you will participate in, support and contribute to the cost of regional cooperative advertising programs we designate. We reserve the right to designate regional and local advertising markets, to establish regional advertising councils and to establish the bylaws and other rules under which such councils will operate. Your contributions to regional and local advertising cooperatives will be credited toward your local marketing expenditures described in Section 5(B) above, as we periodically prescribe.

D. Approved Advertising, Media Plans and Restaurant Promotion Materials. We may develop, and make available to you, local restaurant media planning assistance. If we do so, you must use our recommended media plan in promoting the Restaurant or otherwise develop, and obtain our advance written approval to, an alternative media/promotion plan. In addition, you will use only our approved advertising and promotional materials in promoting the Restaurant. If you desire to use any advertising or promotional materials in promoting the Restaurant that we previously have not approved, you must submit all materials to us for our approval before using any such materials, which approval will not be unreasonably withheld. If we do not disapprove those advertising or promotional materials within ten (10) days after you submit those materials to us, then you may use the materials, although we reserve the right to disapprove those materials at any later time. If you use any advertising or promotional materials without submitting those materials to us or if you use materials we disapprove, in addition to any separate remedies we may have, any amounts spent on those materials will not be credited toward your local marketing expenditures described in Section 5(B) above.

E. Participation in Certain Programs and Promotions. You must use your best efforts to promote and advertise your Restaurant and must participate in all social media, text messaging and any other marketing, advertising and promotional programs we establish in the manner we direct. You understand that participation in these programs will be at your expense and may require that you reimburse us to the extent we incur expenses directly related to those programs on your behalf. To the extent you must reimburse us for expenses we directly incur on your behalf for social media, text messaging and other marketing, advertising and promotional programs, such amounts will be credited toward your local marketing expenditures described in Section 5(B) above. You must, at your expense, participate in, and honor all provisions of any gift card and/or loyalty program that we have established or may establish and as we may modify, as further described in the Operations Manual. You also must honor all coupons, discounts and gift certificates as we may reasonably specify in the Operations Manual or otherwise in writing. You must also participate in any mystery shopper program we require, and pay our then-current fee for the mystery shopper program.

6. DEVELOPMENT AND OPENING OF THE RESTAURANT

A. Lease for Restaurant Premises. If you enter into a lease for the Restaurant premises, you must provide the proposed lease to us and receive our prior written approval of the proposed lease (which will not be unreasonably withheld) before you sign it. In addition, you and the landlord of the Authorized Location (“Landlord”) must sign a “Lease Addendum” in the form attached hereto as Exhibit C.

B. Your Development of the Restaurant. Promptly after you sign a lease or acquire the premises for the Restaurant, and receive from us the prototype plans and specifications for the Restaurant, you will:

1. with the assistance of a licensed architect we designate or approve, prepare and submit to us for approval any proposed modifications to our basic plans and specifications, which you may modify only to the extent necessary to comply with applicable ordinances, building codes, permit requirements and lease or deed requirements and restrictions;
2. obtain all required building, utility, sign, health, sanitation, food handling, liquor license, and business permits and licenses, and any other required permits and licenses;
3. construct all required improvements to the Restaurant premises, purchase and install all required fixtures and equipment and decorate the premises in compliance with the plans and specifications we approve and in compliance with all applicable ordinances, building codes, permit requirements and lease or deed requirements and restrictions;
4. establish filing, accounting and inventory control systems complying with our requirements; and
5. contract with a qualified, licensed, insured and bonded general contractor to supervise the construction of the Restaurant.

C. Fixtures, Equipment, Furniture and Signs. You will use in constructing and operating the Restaurant only those types of construction and decorating materials, fixtures, equipment (including computer hardware and software), furniture, and signs that we have approved for Boss’ Pizza and Chicken Restaurants as meeting our specifications and standards for appearance, function and performance. You may purchase approved types of construction and decorating materials, fixtures, equipment, furniture and signs from any supplier we approve or designate (which may include us and/or our affiliates). If you propose to purchase any material, fixture, equipment, furniture or sign we have not then approved, or any items from any supplier we have not then approved, you must first notify us in writing and will provide to

us (upon our request) sufficient specifications, photographs, drawings and other information or samples for us to determine whether the material, fixture, equipment, furniture or sign complies with our specifications and standards, or the supplier meets our approved supplier criteria, which determination we will make and communicate in writing to you within a reasonable time. We may charge a reasonable fee to evaluate any proposed material, fixture, equipment, furniture, sign, or supplier you submit to us for our evaluation.

D. Computer System. You will use in the Restaurant the computer, point-of-sale and reporting system, including all existing or future communication or data storage systems, components thereof and associated service, which we may develop or select for the System (collectively, the “Computer System”). You also must use the proprietary software programs we may designate for use in operating your Restaurant, including any software used for the Computer System (collectively, the “Proprietary Software”). You must obtain and use the Proprietary Software from us or our designated third party supplier. The Proprietary Software will remain the confidential property of us or our third party supplier. You must enter into our or our designee’s standard form software license agreement in connection with your use of the Proprietary Software. We reserve the right to charge you a license fee related to your use of the Proprietary Software. You will pay the then-current fee for the Proprietary Software at or before the Proprietary Software is delivered to you. In addition, you must pay us the Technology Fee described in Section 4(D) for computer software support and periodic updates we or our designee provide to you respecting the Proprietary Software. We reserve the right to assign our rights, title and interest in any Proprietary Software to a third party we designate or to replace the Proprietary Software. In such event, you may be required to enter into a separate software license agreement specified by the third party supplier of the Proprietary Software and pay any separate fees imposed under that agreement. You must participate in our designated Payment Card Industry (“PCI”) compliance program and comply with all applicable data security standards. You will pay us or our designated third party supplier the then-current monthly fee and sign our or our designated third party supplier’s standard form agreement related to your participation in our designated PCI compliance program. We also may access financial information and customer data produced by or otherwise located on your Computer System (collectively the “Customer Data”). During the Term, we and you will have joint ownership of the Customer Data that is stored on the Computer System, although you will be responsible for obtaining all customer consents necessary to allow us to use the Customer Data for various purposes as we may identify. We will periodically establish policies respecting the Customer Data. You must comply with all laws and regulations relating to privacy and data protection, and must comply with any privacy policies or data protection and breach response policies we periodically may establish. You must notify us immediately of any suspected data breach at or in connection with the Restaurant. You will have at the Restaurant Internet access with a form of high-speed connection as we require. You will use an e-mail address we designate for communication with us. The computer hardware component of the Computer System must comply with specifications we develop. We reserve the right to require the Computer System to be configured as a package unit. We have the right to designate a single source from which you must purchase the Computer System, any software or hardware components thereof or associated service, and we or our affiliates may be that single source. You will be required to use and, at our discretion, pay for all future updates and modifications to the Computer System. It is your responsibility to protect yourself from disruptions, Internet access failures, Internet content failures, and attacks by hackers and other unauthorized intruders and you waive all claims you may have against us as the direct or indirect result of such disruptions, failures and attacks.

E. Restaurant Opening. You must comply with any Restaurant opening requirements we periodically describe in the Operations Manual. You will not open the Restaurant for business without our prior written approval. You agree to complete the development and open the Restaurant for business within the time period stated in Exhibit A or Exhibit B, whichever Exhibit is applicable.

F. Restaurant Opening Campaign. During the period beginning thirty (30) days before the opening of your Restaurant and ending thirty (30) days following such opening, you must spend a minimum of Ten Thousand Dollars (\$10,000) on a Restaurant opening campaign that we have approved in advance.

You will use our designated media vendor (if any) and must implement our recommended media plan (if any) in conducting the Restaurant opening campaign. We reserve the right to collect all or a portion of the Ten Thousand Dollars (\$10,000) directly from you and spend it on your behalf in connection with the Restaurant opening campaign. You must provide us with an accurate accounting of Restaurant opening campaign (advertising and marketing) expenses upon request.

G. Relocation of Restaurant. You will not relocate the Restaurant from the Authorized Location without our prior written consent. If you relocate the Restaurant under this Section 6(G), the “new” franchised location of the Restaurant to which we consent (the “new” Authorized Location), including the real estate and building, must comply with all applicable provisions of this Agreement and with our then-current specifications and standards for Boss’ Pizza and Chicken Restaurants. We will not unreasonably withhold our consent to the proposed relocation, provided we have received at least ninety (90) days’ written notice prior to the closing of the Restaurant at the existing Authorized Location, you have obtained a site to which we have consented, and you agree to open the new Authorized Location for the Restaurant within five (5) days after you close the Restaurant at the prior Authorized Location and comply with any other conditions that we may require. If you must relocate the Restaurant because the Restaurant was destroyed, condemned or otherwise became untenable by fire, flood or other casualty, you must reopen the Restaurant at the new Authorized Location in the Protected Territory within twelve (12) months after you discontinue operation at the existing Authorized Location.

In addition, we will require you to pay us a non-refundable relocation fee equal to fifty percent (50%) of our then-current standard initial franchise fee applicable to new Boss’ Pizza and Chicken Restaurants (the “Relocation Fee”) for services we will provide in connection with any relocation of the Restaurant. You must pay the Relocation Fee to us upon our acceptance of your proposed new location for the Restaurant.

There is no guarantee that an acceptable location will be available for relocation, and if you cannot relocate your Restaurant within the Protected Territory and reopen your Restaurant within the time periods described in this Section 6(G), this Agreement will terminate.

H. Minimum Restaurant Capital Requirements. We reserve the right, as periodically described in the Operations Manual, to require you to directly invest (i.e., assets belonging to you or the Principal Owner(s) of a corporate entity) a minimum amount of capital in operating the Restaurant.

7. TRAINING AND OPERATING ASSISTANCE

A. Site Selection and Development of Restaurant. We will provide you with prototype drawings and specifications for a Restaurant, reflecting our requirements for dimensions, interior design and layout, image, building materials, fixtures, equipment, furniture, signs and decor. We will provide you with reasonable consulting services in connection with the selection and evaluation of the proposed Restaurant site and development of the Restaurant, although you are solely responsible for identifying proposed sites that satisfy our minimum site selection criteria. In addition, we will offer to you optional site selection and lease negotiation assistance for a fee under the terms of a Site Selection and Lease Negotiation Assistance Addendum attached hereto as Exhibit F. You acknowledge that our assistance in site location and consent to the premises does not represent a representation or guaranty by us that the location will be a successful location for your Restaurant.

B. Training. Before the opening of the Restaurant, we will provide to the Operating Principal and up to two (2) additional key management personnel an initial training program on the operation of a Restaurant, provided at a place and time we designate. The Operating Principal and each of the key personnel that attends the initial training program must attend and successfully complete the entire initial

training program. To the extent we permit an individual other than the controlling Principal Owner to serve as the Operating Principal, the controlling Principal Owner separately must attend and successfully complete the initial training program and all supplemental and refresher training programs referenced below.

The initial training program for the Operating Principal and management personnel will take place over seven (7) business days. The initial training program includes classroom instruction and on-site training relating to Restaurant operations, understanding the equipment usage and maintenance, customer service, marketing and sales programs and methods of controlling operating costs. If, during the initial training program, we determine that the Operating Principal or any of the management personnel is not qualified to manage the Restaurant, we will notify you and you must select and enroll a substitute Operating Principal or management personnel in the initial training program.

In addition, all new Operating Principals and key management personnel must complete our designated initial training program. We may charge you our then-current fee for those new or additional individuals who attend the initial training program.

We may require that the Operating Principal and any key management personnel attend all supplemental and refresher training programs that we designate for up to three (3) days each calendar year, in addition to any Annual Conferences we designate (as described below). We may charge you a reasonable fee for these supplemental and refresher training programs.

You are solely responsible for the compensation, travel, lodging and living expenses you and your employees incur in attending the initial training program, and the manager certification program, as well as any supplemental or refresher training programs. You also are solely responsible for paying your employees and providing all necessary insurance, including worker's compensation insurance, for you and your employees, while you and your employees attend training.

C. Opening Assistance. We will provide you with the services of two (2) of our representatives for a combined total of four (4) days to assist you in the opening and initial operations of the Restaurant. We will determine the days and time at which our representatives are available to you.

D. Operating Assistance. We will advise you on operational issues and provide assistance in operating the Restaurant as we deem appropriate. Operating assistance may include advice regarding the following:

1. additional Products and services authorized for sale at Boss' Pizza and Chicken Restaurants;
2. selecting, purchasing and marketing Products, and other approved materials and supplies;
3. marketing assistance and sales promotion programs;
4. establishing and operating administrative, bookkeeping, accounting, inventory control, sales and general operating procedures for the proper operation of a Boss' Pizza and Chicken Restaurant.

We will provide such guidance, in our discretion, through our Operations Manual, bulletins or other written materials, telephone conversations and/or meetings at our office or at the Restaurant in conjunction with an inspection of the Restaurant. We will provide additional assistance for a fee.

E. Operations Manual. We will provide on loan to you, during the term of this Agreement, a hard copy of or electronic (Internet) access to an Operations Manual, which may include other handbooks, manuals and written materials (collectively, the “Operations Manual”) for Boss’ Pizza and Chicken Restaurants. The Operations Manual will contain mandatory and suggested specifications, standards and operating procedures that we develop for Boss’ Pizza and Chicken Restaurants and information relating to your other obligations. Any required specifications, standards and operating procedures exist to protect our interests in the System and the Marks and to create a uniform customer experience, and not to establish any control or duty to take control over those matters that are reserved to you. We may add to, and otherwise modify, the Operations Manual to reflect changes in authorized Products and services, and specifications, standards and operating procedures of a Boss’ Pizza and Chicken Restaurant. The master copy of the Operations Manual that we maintain at our principal office or on our website, and make available to you by hard copy or electronic access, will control if there is a dispute involving the contents of the Operations Manual.

F. Annual Conference. Your Operating Principal and up to two (2) additional key management personnel must attend any annual franchise conference that we sponsor or designate (“Annual Conference”). You must pay to us our then-current conference fee (“Conference Fee”) and you are responsible for all travel and living expenses. If you fail to attend the Annual Conference without our prior written consent, you must pay our then-current fee for two people for failing to attend the franchise conference.

8. MARKS

A. Ownership and Goodwill of Marks. You acknowledge that you have no interest in or to the Marks and that your right to use the Marks is derived solely from this Agreement and is limited to the conduct of business in compliance with this Agreement and all applicable specifications, standards and operating procedures that we require during the term of the Franchise. You agree that the use of the Marks and any goodwill established exclusively benefits us and our affiliates, and that you receive no interest in any goodwill related to your use of the Marks or the System. You must not, at any time during the term of this Agreement or after your termination or expiration, contest or assist any other person in contesting the validity or ownership of any of the Marks.

B. Limitations on Your Use of Marks. You agree to use the Marks as the sole identification of the Restaurant, but you must identify yourself as the independent owner in the manner we direct. You must not use any Mark as part of any corporate or trade name or in any modified form, nor may you use any Mark in selling any unauthorized product or service or in any other manner we do not expressly authorize in writing. You agree to display the Marks prominently and in the manner we direct on all signs and forms. Subject to our rights described in this Agreement, you agree to obtain fictitious or assumed name registrations as may be required under applicable law.

C. Restrictions on Internet and Website Use. We retain the sole right to advertise the System on the Internet and to create, operate, maintain and modify, or discontinue the use of, a website using the Marks. You have the right to access and participate in our website as further described in Section 9(M) below. Except as we may authorize in writing, however, you will not: (1) link or frame our website; (2) conduct any business or offer to sell or advertise any Products or similar products or services on the Internet (or any other existing or future form of electronic communication) including e-mail marketing or other digital marketing; (3) create or register any Internet domain name in any connection with the Restaurant; (4) use any e-mail address which we have not authorized for use in operating the Restaurant; and (5) conduct any activity on any social media websites or applications (including Twitter, Facebook, Instagram, LinkedIn, TikTok and YouTube) other than as we have expressly authorized in writing. You will not register, as Internet domain names or social media accounts or pages, any of the Marks that we or

our affiliates now or hereafter may own or any abbreviation, acronym or variation of the Marks, or any other name that could be deemed confusingly similar.

D. Notification of Infringements and Claims. You must notify us immediately in writing of any apparent infringement of or challenge to your use of any Mark, or any claim by any person of any rights in any Mark or any similar trade name, trademark or service mark of which you become aware. You must not communicate with any person other than us, our affiliates and our respective legal counsel regarding any infringement, challenge or claim. We or our affiliates may take any action we or our affiliates deem appropriate and have the right to exclusively control any litigation or other proceeding arising out of any infringement, challenge or claim relating to any Mark. You will sign all documents, provide assistance and take all action as we or our affiliates may reasonably request to protect and maintain our and our affiliates' interests in any litigation or other proceeding or to otherwise protect and maintain our and our affiliates' interests in the Marks.

E. Litigation. You will have no obligation to and will not, without our prior written consent, defend or enforce any of the Marks in any court or other proceedings for or against imitation, infringement, any claim of prior use, or for any other allegation. You will immediately notify us of any claims or complaints made against you respecting the Marks and you will, at your sole expense, cooperate in all respects with us and our affiliates in any court or other proceedings involving the Marks. Subject to our right of indemnification (as described in Section 17 below), we will pay the cost and expense of all litigation we incur, including attorneys' fees, specifically relating to the Marks. We and our affiliates and our respective legal counsel will have the right to control and conduct any litigation relating to the Marks.

F. Changes. You cannot make any changes or substitutions to the Marks unless we so direct in writing. We reserve the right, in our discretion, to modify or discontinue use of any Mark, or to use one or more additional or substitute trademarks or service marks. In such event, you will, at your expense, comply with such modification or substitution within a reasonable time after notice by us.

9. RESTAURANT IMAGE AND OPERATING STANDARDS

A. Condition and Appearance of Restaurant/Remodeling of Restaurant. You agree to maintain the condition and appearance of the Restaurant (including adjacent parking areas and grounds), and refurbish and modify its layout, decor and general theme, as we may require to maintain the condition, appearance, efficient operation, ambience and overall image of Boss' Pizza and Chicken Restaurants, as we may modify. You will replace worn out or obsolete fixtures, equipment, furniture, or signs, repair the interior and exterior of the Restaurant, adjacent parking areas and grounds, and periodically clean and redecorate the Restaurant. If at any time in our reasonable judgment, the general state of repair, appearance or cleanliness of the Restaurant premises (including parking areas and grounds) or its fixtures, equipment, furniture or signs do not meet our then-current standards, we will so notify you, specifying the action you must take to correct the deficiency. If you fail, within ten (10) days after receipt of notice, to commence action and continue in good faith and with due diligence, to undertake and complete any required maintenance or refurbishing, we may (in addition to our rights under Section 15 below) enter the Restaurant premises and correct the deficiencies on your behalf, and at your expense.

In addition to your obligations above, you will, at your expense, make such reasonable capital expenditures necessary to remodel, modernize and redecorate the Restaurant premises so that the Restaurant reflects the then-current physical appearance of new Boss' Pizza and Chicken Restaurants. We may require you to take such action: (1) five (5) years after the date of this Agreement; (2) as a condition to the transfer of any interest as further described in Section 14(C); (3) as a condition of renewal; and (4) otherwise during the term of the Agreement as further described in the Operations Manual. You acknowledge and agree that the requirements of this Section 9(A) are both reasonable and necessary to ensure continued public

acceptance and patronage of Boss' Pizza and Chicken Restaurants and to avoid deterioration or obsolescence in connection with the operation of the Restaurant.

If the Restaurant is damaged or destroyed by fire or any other casualty, you will, within thirty (30) days, initiate repairs or reconstruction, and thereafter in good faith and with due diligence continue (until completion) repairs or reconstruction, to restore the Restaurant premises to its original condition before the casualty. If, in our reasonable judgment, the damage or destruction is of a nature or to an extent that you can repair or reconstruct the premises of the Restaurant consistent with the then-current decor and specifications of a new Boss' Pizza and Chicken Restaurant without incurring substantial additional costs, we may require, by giving written notice, that you repair or reconstruct the Restaurant premises in compliance with the then-current decor and specifications.

B. Restaurant Alterations. You cannot alter the premises or appearance of the Restaurant, or make any unapproved replacements of or alterations to the fixtures, equipment, furniture or signs of the Restaurant without our prior written approval. We may, in our discretion and at your sole expense, correct any alterations to the Restaurant that we have not previously approved.

C. Restriction on Use of Premises. You agree that you will not, without our prior written approval, offer at the Restaurant any products or services we have not then authorized for use or sale for Boss' Pizza and Chicken Restaurants, nor will the Restaurant or the premises which it occupies be used for any purpose other than the operation of a Boss' Pizza and Chicken Restaurant in compliance with this Agreement.

D. Your Hiring and Training of Employees. You will hire all employees of the Restaurant, and be exclusively responsible for the terms of their employment, scheduling, benefits, disciplining, compensation, and all other personnel decisions. You will implement a training program for Restaurant employees in compliance with our requirements. You will maintain at all times a staff of trained employees sufficient to operate the Restaurant in compliance with our standards. You must ensure that all Restaurant employees comply with all required licenses and certifications respecting the Restaurant. At all times, the Restaurant must be under the direct, on-site supervision of the Operating Principal or a certified manager who has completed our initial training program.

E. Authorized Ingredients, Supplies and Equipment. You agree to offer and sell at the Restaurant all and only the Products and services, including television, music and other media platforms and gift cards, which we have approved as being suitable for sale and meeting the standards of quality and uniformity for the System. In addition, you agree to use in the operation of the Business only such beverages, ingredients, recipes, formulas, supplies and equipment that we have approved as being suitable for use and meeting the standards of quality and uniformity for the System and are purchased from suppliers we have approved (which may include us and/or our affiliates). We periodically may modify the lists of approved Products, services, brands and suppliers. If you propose to offer for sale or use in operating the Restaurant any products, ingredients, supplies and equipment which we have not approved, you must first notify us in writing, pay our then-current vendor review fee and related costs we incur, and provide sufficient information, specifications and samples concerning the brand and/or supplier to permit us to determine whether the brand complies with our specifications and standards and/or the supplier meets our approved supplier criteria. We will notify you within a reasonable time whether the proposed brand and/or supplier is approved. We may develop procedures for the submission of a request for approved brands or suppliers and obligations that approved suppliers must assume (which may be incorporated in a written agreement to be signed by the approved supplier). We may impose limits on the number of suppliers and/or brands for any products, ingredients, supplies or equipment sold or used in the Restaurant or otherwise related to the Franchise, and we may require that you use only one supplier for any Products, ingredients, supplies or equipment. If we subsequently elect to use the proposed products, ingredients, supplies,

equipment, or supplier systemwide, then we may refund the vendor review fee to you. You agree that certain Products, materials, and other items and supplies may only be available from one source, and we or our affiliates may be that source. WE AND OUR AFFILIATES MAKE NO WARRANTY AND EXPRESSLY DISCLAIM ALL WARRANTIES, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR ANY PARTICULAR PURPOSE, RESPECTING PRODUCTS, EQUIPMENT (INCLUDING ANY REQUIRED POINT-OF-SALE SYSTEMS), SUPPLIES, FIXTURES, FURNISHINGS OR OTHER ITEMS THAT ARE MANUFACTURED OR DISTRIBUTED BY THIRD PARTIES AND THAT WE APPROVE FOR USE IN THE SYSTEM.

F. Health and Sanitation. You must comply with all applicable governmental health and sanitary standards in operating and maintaining your Restaurant. You also must comply with any higher standards that we prescribe. In addition to complying with such standards, if the Restaurant will be subject to any governmental sanitary or health inspection under which it may be rated in one or more than one classification, the Restaurant will be maintained and operated so as to be rated in the highest available health and sanitary classification respecting each such inspection. If you fail to be rated in the highest classification or receive any notice that you are not in compliance with all applicable health and sanitary standards, you will immediately notify us of such failure or noncompliance.

G. Restaurant Operation. We will approve the hours of operation for the Restaurant and you may not modify those hours of operation without our prior written consent.

H. Standards of Service. You must at all times give prompt, courteous and efficient service to your customers. You must, in all dealings with your customers and suppliers and the public, adhere to the highest standards of honesty, integrity and fair dealing.

I. Specifications, Standards and Procedures. You acknowledge that each detail of the appearance and operation of the Restaurant is important to us and other Boss' Pizza and Chicken Restaurants. You agree to maintain the highest standards of quality and service in the Restaurant and agree to comply with all mandatory specifications, standards and operating procedures (whether contained in the Operations Manual or any other written or oral communication to you) relating to the appearance or operation of a Boss' Pizza and Chicken Restaurant, including:

1. type and quality of Products and Product procurement;
2. methods and procedures relating to marketing and customer service;
3. the safety, maintenance, cleanliness, function and appearance of the Restaurant premises and its fixtures, equipment, furniture, décor and signs;
4. qualifications, dress, general appearance and demeanor of Restaurant employees. Each of your employees will wear only those uniforms which we have approved in writing;
5. the style, make and/or type of equipment (including computer equipment) used in operating the Restaurant;

6. use and illumination of exterior and interior signs, posters, displays, standard formats and similar items;

7. quality of and customer satisfaction respecting catering and delivery services performed; and

8. Restaurant advertising and promotion.

J. Compliance with Laws and Good Business Practices. You must secure and maintain in force all required licenses, permits and certificates relating to the operation of the Restaurant, and must operate the Restaurant in full compliance with all applicable laws, ordinances and regulations, including all labor and employment laws. In addition, if we permit you to serve alcoholic beverages at the Restaurant, you also must secure and maintain a liquor license and must operate the Restaurant in compliance with all liquor laws such as dram shop laws. You will comply with all tax laws (including those relating to individual and corporate income taxes, sales and use taxes, franchise taxes, gross receipts taxes, employee withholding taxes, F.I.C.A. taxes, inventory taxes, liquor taxes, personal property taxes and real estate taxes, and federal, state and local income tax laws). You must comply with all laws and regulations relating to privacy and data protection and must comply with any privacy policies or data protection and breach response policies we periodically may establish. You must notify us in writing within five (5) days of the commencement of any action, suit, proceeding or investigation, and of the issuance of any order, injunction, award of decree, by any court, agency, or other governmental instrumentality that may adversely affect the operation or financial condition of you or the Restaurant. You must notify us immediately of any suspected data breach at or in connection with the Restaurant. You will not conduct any business or advertising practice which may or does injure us, our business, the System, the Marks, or the goodwill associated with the Marks and other Boss' Pizza and Chicken Restaurants.

K. Management of the Restaurant/Conflicting Interests. The Restaurant must at all times be under the Operating Principal's direct supervision and the Operating Principal or a certified manager who has successfully completed our initial training program must be the on-site manager at the Restaurant at all times. You and the Operating Principal must at all times faithfully, honestly and diligently perform the obligations under this Agreement, and you and the Operating Principal must continuously use its best efforts to promote and enhance the business of the Restaurant. The Operating Principal must assume responsibilities on a full-time basis and must not engage in any other business or other activity, directly or indirectly, that requires any significant management responsibility, time commitments, or otherwise may conflict with your obligations.

If at any time the Operating Principal is not managing the Restaurant, we immediately may appoint a manager to maintain Restaurant operations on your behalf. Our appointment of a manager of the Restaurant does not relieve you of your obligations or constitute a waiver of our right to terminate the Franchise under Section 15 below. We are not liable for any debts, losses, costs or expenses you incur in operating the Restaurant or to any of your creditors for any Products, materials, supplies or services purchased by the Restaurant while it is managed by our appointed manager. We may charge a reasonable fee for management services and cease to provide management services at any time.

L. Insurance. You agree to purchase and maintain in force, at your expense, insurance at a minimum in the types of coverage and amounts we specify in the Operations Manual or otherwise in writing. All insurance policies will: (1) be issued by an insurance carrier(s) acceptable to us and that have an A.M. Best rating of A or higher; (2) will name us and our affiliates, and their respective officers, directors and employees, as an additional insured; (3) contain a waiver of the insurance company's right of subrogation against us; (4) contain the above-mentioned insurance coverage for each Boss' Pizza and Chicken Restaurant that you operate; and (5) provide that we will receive thirty (30) days' prior written

notice of a material change in or termination, expiration or cancellation of any policy (or such shorter period as the insurance carrier may require and approved by us). We periodically may, with prior written notice to you, increase the minimum liability protection requirements, and require different or additional kinds of insurance to reflect inflation or changes in standards of liability. If at any time you fail to maintain in effect any insurance coverage we require, or to furnish satisfactory evidence thereof, we, at our option, may obtain insurance coverage for you. You agree to promptly sign any applications or other forms or instruments required to obtain any insurance and pay to us, on demand, any costs and premiums we incur, together with an administrative fee equal to five percent (5%) of the insurance premium. You will provide us with copies of the certificate of insurance, insurance policy endorsements and other evidence of compliance with these requirements as we periodically require at least two (2) weeks before you take possession and commence development of the Restaurant premises and at such other times as we may require. In addition, you will provide to us a copy of the evidence of the renewal or extension of each insurance policy in a form we require. Your obligation to obtain and maintain these insurance policies in the amounts specified will not be limited in any way due to any insurance that we may maintain, nor does your procurement of required insurance relieve you of liability under the indemnity obligations described in Section 17. Your insurance procurement obligations under this Section are separate and independent of your indemnity obligations. We do not represent or warrant that any insurance that you are required to purchase will provide you with adequate coverage. The insurance requirements specified in this Agreement are for our protection. You should consult with your own insurance agents, attorneys and other insurance advisors to determine the level of insurance protection you need and desire, in addition to the coverage and limits we require.

M. Participation in Our Website. You will participate in our website listed on the Internet or other online communications (the “Website”) and participate in any intranet system we control. We will, at our discretion, determine the content and use of the Website and intranet system and will establish rules under which you may or will participate. We will retain all rights relating to the Website and intranet system and may alter or terminate the Website or intranet system upon thirty (30) days’ notice to you. Your general conduct on the Internet and our intranet system, and specifically your use of the Marks or any advertising on the Internet (including the domain name and any other Marks we may develop as a result of participation in the Internet), will be subject to the provisions of this Agreement. You acknowledge that certain information obtained through your online participation in the website or intranet system is considered Confidential Information, including access codes and identification codes. Your right to participate in the Website or intranet system or otherwise use the Marks or the Business System on the Internet will terminate when this Agreement expires or terminates.

10. RECORDS AND REPORTS

Accounting and Records. During the term of this Agreement, you will, at your expense, maintain at the Restaurant premises and retain for a minimum of five (5) years from the date of their preparation, complete and accurate books, records and accounts (using such methods and systems of bookkeeping and accounting as we may require) relating to the Restaurant (the “Records”), in the form and manner we direct in the Operations Manual or otherwise in writing. The Records will include the following: (1) monthly and annual chart of accounts; (2) monthly and annual income statement; (3) monthly and annual balance sheet; (4) monthly bank statements; (5) all annual tax returns relating to the Restaurant and each of its Principal Owners; and (6) such other records and information as we periodically may request. You will be permitted to preserve the Records and submit reports electronically, consistent with our requirements. For all Records that are due to us on a monthly basis, you must provide those Records to us on or before the tenth (10th) day of the following calendar month; and for all Records that are due to us on an annual basis, you must provide those Records to us on or before thirty (30) days following the end of the calendar year. The Records must be created and maintain in a format we require or as we approve. If you fail to create or maintain the Records in the format we require or approve, we reserve the right to require you to use, at your expense, a third party accounting service or firm that we designate or approve to prepare the Records.

11. INSPECTION AND AUDITS

A. Our Right to Inspect the Restaurant. To determine whether you are complying with this Agreement, we or our designees may, at any time during business hours and without prior notice to you, inspect the Restaurant and test, sample, inspect and evaluate your supplies, ingredients and Products as well as the storage and preparation of those items. You will fully cooperate with our representatives or designees making any inspection and will permit our representatives or designees to take photographs or videotapes of the Restaurant and to interview employees and customers of the Restaurant. If we use the services of a third-party to conduct the inspection as our designee, then we may charge you a fee of up to \$250 per inspection conducted by our designee. If we establish a mystery shopper program, we may require you to pay for the reasonable expense of mystery shopper visits at your Restaurant.

B. Our Right to Examine Books and Records. We may, at all reasonable times and without prior notice to you, examine, audit, or request copies of the Records, including the books, records and state and/or federal income tax records and returns of any Principal Owner. You must maintain all Records and supporting documents at all times at the Restaurant premises. You will make financial and other information available at a location we reasonably request, and will allow us (and our agents) full and free access to any such information at the Restaurant. You otherwise will fully cooperate with our representative and independent accountants hired to conduct any examination or audit.

C. Result of Audit; Unreported Gross Sales. If any examination or audit discloses an understatement of Gross Sales, you will pay to us, within fifteen (15) days after receipt of the examination or audit report, the Royalty Fees and any Brand Development Fees due on the amount of the understatement, plus interest (at the rate provided in Section 4(G) above) from the date originally due until the date of payment. You must reimburse us for the cost of the audit or examination, including the charges of any independent accountants and the travel expenses, room and board and compensation of our employees, if: (1) an examination or audit is necessary because you failed to timely provide required information; or (2) any examination or audit results in a determination that Gross Sales for any month are understated by two percent (2%) or greater. The foregoing remedies are in addition to all of our other remedies and rights under applicable law.

12. CONFIDENTIAL INFORMATION/IMPROVEMENTS

A. Confidential Information. You acknowledge and agree that you do not acquire any interest in the Confidential Information, other than the right to use it in developing and operating the Restaurant pursuant to this Agreement, and that the use or duplication of the Confidential Information in any other business constitutes an unfair method of competition. You acknowledge and agree that the Confidential Information is proprietary and is our trade secret and is disclosed to you solely on the condition that you: (1) will not use the Confidential Information in any other business or capacity; (2) will maintain the absolute confidentiality of the Confidential Information during and after the term of this Agreement; (3) will not make unauthorized copies of any Confidential Information disclosed in written form; (4) will adopt and implement all reasonable procedures we direct to prevent unauthorized use or disclosure of the Confidential Information, including restrictions on disclosure to Restaurant employees; and (5) will sign a Confidentiality Agreement and will require Restaurant managers, employees and agents with access to Confidential Information to sign such an agreement in a form attached here as Exhibit E.

The restrictions on your disclosure and use of the Confidential Information will not apply to disclosure of Confidential Information in judicial or administrative proceedings to the extent you are legally compelled to disclose this information, if you use your best efforts to maintain the confidential treatment of the Confidential Information, and provide us the opportunity to obtain an appropriate protective order or other assurance satisfactory to us of confidential treatment for the information required to be so disclosed.

B. Improvements. You must fully and promptly disclose to us all ideas, concepts, products, recipes, process methods, techniques, improvements, additions and Customer Data relating to the development and/or operation of a Boss' Pizza and Chicken Restaurant or the System, or any new trade names, service marks or other commercial symbols, or associated logos relating to the operation of the Restaurant, or any advertising or promotion ideas related to the Restaurant (collectively, the "Improvements") that you, the Principal Owners or your employees or agents conceive or develop during the term of this Agreement. You and your Principal Owners, agents and employees acknowledge and agree that any Improvement is our property, and you and your Principal Owners, agents or employees must sign all documents necessary to evidence the assignment of the Improvement to us without any additional compensation. We may use the Improvement and disclose and/or license the Improvement for use by others. You must not introduce any Improvement or any additions or modifications of or to the System into the Restaurant without our prior written consent.

13. COVENANTS

A. Organization. You and each Principal Owner represents and warrants to us, and agrees to the following:

1. You are organized and validly exist under the laws of the state where you were formed and are qualified and authorized to do business in the jurisdiction where the Protected Territory and Restaurant is located;

2. Your articles of incorporation, bylaws, operating agreement or other organizational documents ("Authorizing Documents") at all times will provide that your business activities will be limited exclusively to the ownership and operation of the Restaurant, unless you otherwise obtain our written consent;

3. You have the power under the Authorizing Documents to sign this Agreement and comply with the provisions of this Agreement;

4. You must provide us copies of all Authorizing Documents and any other documents, agreements or resolutions we request in writing;

5. The names of all Principal Owners are accurately stated on the Guaranty attached hereto as Exhibit D; and

6. You will maintain a current schedule of the Principal Owners and their ownership interests (including the Principal Owners' names, address and telephone numbers) at all times and will immediately provide us with an updated ownership schedule if there is any change in ownership.

B. Non-Solicitation of Customers. You covenant that, during the term of this Agreement, and for a period of two (2) years thereafter, you will not, directly or indirectly divert or attempt to divert any business, account or customer of the Restaurant or any other Boss' Pizza and Chicken Restaurants or the System to any Competing Business (as defined below).

C. Covenant Not to Compete During Term. You (and the Operating Principal and each other Principal Owner) will not, during the term of this Agreement, directly or as an employee, agent, consultant, partner, officer, director or shareholder of any other person, firm, entity, partnership or directly competing business: (i) divert or attempt to divert any business or customers of the Restaurant to any Competing Business or perform any act that would damage the goodwill associated with the Marks or the System; or

(ii) own, operate, lease, franchise, conduct, engage in, be connected with, have any interest in, or assist any person or entity engaged in any Competing Business (including any e-commerce or Internet-based business), except: (1) with our prior written consent; (2) the ownership of securities listed on a stock exchange or traded on the over-the-counter market that represent one percent (1%) or less of that class of securities; or (3) under a separate agreement between you and us.

D. Post-Term Covenant Not to Compete. You (and the Operating Principal and each other Principal Owner) will not, for a period of two (2) years after this Agreement expires or is terminated or the date on which you cease to operate the Restaurant, whichever is later, directly or as an employee, agent, consultant, partner, officer, director or shareholder of any other person, firm, entity, partnership or corporation: (1) divert or attempt to divert any business or customers of the Restaurant to any Competing Business or perform any act that would damage the goodwill associated with the Marks or the System; (2) own, operate, lease, franchise, conduct, engage in, be connected with, having any interest in, or assist any person or entity engaged in any restaurant business which is located at the Restaurant site and offers menu items similar to those offered at the Restaurant; or (3) own, operate, lease, franchise, conduct, engage in, be connected with, having any interest in, or assist any person or entity engaged in any Competing Business that is located within a ten (10) mile radius of the former site of the Restaurant or any other then-existing Boss' Pizza and Chicken Restaurant; provided, however, that this Section 13(D) will not apply to: (i) other Boss' Pizza and Chicken Restaurants that you operate under separate Boss' Pizza and Chicken franchise agreements; or (ii) the ownership of securities listed on a stock exchange or traded on the over-the-counter market that represent one percent (1%) or less of that class of securities.

E. Competing Business. "Competing Business" means any business similar to a Boss' Pizza and Chicken Restaurant, including any restaurant, kitchen or tavern that offers broasted chicken and/or specialty pizzas, as well as other pub-style food, or other items similar to the Products, or any other business that may be confusingly similar to a Boss' Pizza and Chicken Restaurant.

F. Injunctive Relief. You agree that damages alone cannot adequately compensate us if there is a violation of any covenant in this Section in that injunctive relief is essential for our protection. You therefore agree that we may seek injunctive relief without posting any bond or security, in addition to the remedies that may be available to us at equity or law, if you or anyone acting on your behalf violates any covenant in this Section. The covenants stated in this Section will survive the termination or expiration of this Agreement.

14. ASSIGNMENT

A. By Us. This Agreement is fully assignable by us and benefits our successors and assigns. Any such assignment will require the assignee to fulfill our obligations under this Agreement. You acknowledge and agree that, following the effective date of any such assignment, you will look solely to the transferee or assignee, and not to us, for the performance of all obligations under this Agreement. Separately, we may assign or delegate to an affiliate or other third party certain of our obligations under this Agreement without assigning our interest in this Agreement. In such instance, we will remain the party ultimately responsible for the performance of such obligation(s).

B. Assignment to Entity; Assignment Involving Minority Interest. You (as an individual) may assign this Agreement to a corporation or a limited liability company that conducts no business other than the Restaurant (or other Boss' Pizza and Chicken Restaurants under franchise agreements with us), provided: (1) the Restaurant is actively managed by you or an operating manager approved by us; (2) you own at least seventy percent (70%) of the ownership interest in the corporation or limited liability company; (3) you and all Principal Owners of the assignee entity sign the Guaranty attached hereto as Exhibit D; (4) you provide us 15 days' written notice before the proposed date of assignment of this Agreement to the

corporation or limited liability company; and (5) you provide us a certified copy of the articles of incorporation, operation agreement, organizational documents, a list of all shareholders or members having beneficial ownership, reflecting their respective interest in the assignee entity. In addition, subject to Section 14(C) below (respecting related transactions), Principal Owners and other owners may transfer less than a “controlling interest” in you, provided you and all Principal Owners comply with: (i) subsections (3) and (4) of this Section 14(B), and (ii) subsections (1), (2), (8) and (9) of section 14(C) below. You will pay us a reduced, non-refundable transfer fee of One Thousand Five Hundred Dollars (\$1,500) for an assignment under this Section 14(B), payable to us upon request to transfer the non-controlling interest.

C. Your Assignment or Sale of Substantially all of Your Assets. You understand that we have granted the Franchise under this Agreement in reliance upon the individual or collective character, aptitude, attitude, business ability and financial capacity of your Principal Owners. You (and your Principal Owners) will not transfer (whether voluntary or involuntary), assign or otherwise dispose of, in one or more transactions, your business, the Restaurant, substantially all or all of the assets of the Restaurant, this Agreement or any controlling interest in you (“controlling interest” to include a proposed transfer of fifty percent (50%) or more of the common (voting) stock in a corporation or of the ownership interest in a limited liability company or partnership) unless you obtain our prior written consent. We will not unreasonably withhold our consent to an assignment of this Agreement, provided you comply with all of the following conditions:

1. All of your accrued monetary obligations to us and our affiliates have been satisfied, and you otherwise are in good standing under this Agreement and any other agreement between you and us;
2. The transferee (or the Operating Principal of the transferee, if applicable) is approved by us and demonstrates to our satisfaction that they meet our managerial, financial and business standards for new Boss’ Pizza and Chicken Restaurants, possess a good business reputation and credit rating, and have the aptitude and ability to conduct the franchised business. You understand that we may communicate directly with the transferee during the transfer process to respond to inquiries, as well as to ensure that the transferee meets our qualifications;
3. The transferee enters into a written agreement, in form satisfactory to us, assuming and agreeing to discharge all of your obligations and covenants under this Agreement for the remainder of the term under this Agreement, or, at our option, signs our then-current standard form of franchise agreement;
4. The transferee, the new Operating Principal, and up to two (2) other key management personnel successfully complete the initial training program required of new Boss’ Pizza and Chicken franchisees;
5. If required, the lessor of the Restaurant premises consents to your assignment or sublease of the premises to the transferee;
6. You pay us a transfer fee equal to: (i) seventy-five percent (75%) of our then-current standard initial franchise fee applicable to new Boss’ Pizza and Chicken Restaurants if you are assigning to a new Boss’ Pizza and Chicken franchisee, or (ii) fifty percent (50%) of our then-current standard initial franchise fee applicable to new Boss’ Pizza and Chicken Restaurants if you are assigning the Franchise to a then-existing Boss’ Pizza and Chicken franchisee (each, the “Transfer Fee”). You must pay us the Transfer Fee when you notify us of your request to transfer;

7. You (and each Principal Owner, if applicable) sign a general release, in a form and substance satisfactory to us, of any and all claims against us and our affiliates, officers, directors, employees and agents, except to the extent limited or prohibited by applicable law;

8. We approve the material provisions of the assignment or sale of assets which assignment or sale cannot permit you to retain a security interest in this Agreement or any other intangible asset; and

9. You (and each Principal Owners, if applicable) sign an agreement, in form satisfactory to us, in which you and each Principal Owner covenant to observe the post-termination covenant not to compete and all other applicable post-termination obligations.

We may expand upon, and provide more details related to, the conditions for transfer and our consent as described in this Section 14(C), and may do so in the Operations Manual or otherwise in writing.

D. Death or Disability. If the Operating Principal dies or is permanently disabled, the remaining Principal Owners must appoint (if necessary) a competent Operating Principal acceptable to us within a reasonable time, not to exceed thirty (30) days, from the date of death or permanent disability. The appointed Operating Principal must satisfactorily complete our designated training program. If an approved Operating Principal is not appointed within thirty (30) days after the Operating Principal's death or permanent disability, we may, but are not required to, immediately appoint an Operating Principal to maintain Restaurant operations on your behalf until an approved assignee can assume the management and operation of the Restaurant. Our appointment of an Operating Principal does not relieve you of your obligations, and we will not be liable for any debts, losses, costs or expenses you incur in operating the Restaurant or to any creditor of yours for any Products, materials, supplies or services purchased by the Restaurant while it is managed by our appointed manager. You must pay us a fee equal to ten percent (10%) of Gross Revenue, paid weekly with the Royalty Fees, for our management services. We may cease to provide management services at any time.

If the Operating Principal dies or is permanently disabled, his/her executor, administrator, or other personal representative must transfer his/her interest within a reasonable time, not to exceed twelve (12) months from the date of death or permanent disability, to a person we approve. Such transfers, including transfers by devise or inheritance, will be subject to conditions contained in Section 14(C) above.

E. Public or Private Offerings. Subject to Section 14(B) and 14(C) above, if you (or any of your Principal Owners) desire to raise or secure funds by the sale of securities (including common or preferred stock, bonds, debentures or general or limited partnership interests) in you or any affiliate of you, you agree to submit any written information to us before your inclusion of that information in any registration statement, prospectus or similar offering circular or memorandum and must obtain our written consent to the method of financing before any offering or sale of securities. Our written consent will not imply or represent our approval respecting the method of financing, the offering literature submitted to us or any other aspect of the offering. No information respecting us or any of our affiliates will be included in any securities disclosure document, unless we furnish the information in writing in response to your written request, which request will state the specific purpose for which the information is to be used. Should we, in our discretion, object to any reference to us or any of our affiliates in the offering literature or prospectus, the literature or prospectus will not be used unless and until our objections are withdrawn. We assume no responsibility for the offering.

The prospectus or other literature used in any offering must contain the following language in boldface type on the first textual page:

“NEITHER BOSS’ PIZZA FRANCHISE LLC NOR ANY OF ITS AFFILIATES: (A) IS DIRECTLY OR INDIRECTLY THE ISSUER OF THE SECURITIES OFFERED, (B) ASSUMES ANY RESPONSIBILITY RESPECTING THIS OFFERING AND/OR THE ADEQUACY OR ACCURACY OF THE INFORMATION CONTAINED HEREIN, OR (C) ENDORSES OR MAKES ANY RECOMMENDATION RESPECTING THE INVESTMENT CONTEMPLATED BY THIS OFFERING.”

F. Our Right of First Refusal. If you or your Principal Owners at any time desire to sell or assign for consideration the Franchise, the Restaurant, an ownership interest of fifty percent (50%) or more ownership interest in you, or all or substantially all of your assets, you or your Principal Owners must obtain a bona fide, executed written offer from a responsible and fully disclosed purchaser and must deliver a copy of the offer to us. We have the right, exercisable by written notice delivered to you or your Principal Owners within thirty (30) days following receipt of the proposed offer, to purchase the interest in the Restaurant or ownership interest in you for the price and on terms contained in the offer. We may substitute cash for any non-cash form of payment proposed in the offer and will have a minimum of sixty (60) days to prepare for closing. If we do not exercise our right of first refusal, you or your Principal Owners may complete the sale to the proposed purchaser under the terms of the offer, provided you and the Principal Owners otherwise comply with this Section 14. If the sale to the proposed purchaser is not completed within one hundred twenty (120) days after delivery of the offer to us, or if there is a material change in the terms of the sale, we again will have the right of first refusal.

G. Guaranty. All of your Principal Owners will sign the Guaranty and Assumption Agreement in the form attached to this Agreement as Exhibit D (the “Guaranty Agreement”). We may also require the spouse of any Principal Owner to sign the Guaranty Agreement. Any person or entity that at any time after the date of this Agreement becomes a Principal Owner of yours under the provisions of this Section 14 or otherwise will, as a condition of becoming a Principal Owner, sign the Guaranty Agreement.

15. TERMINATION RIGHTS

A. Your Termination of Franchise Agreement. You may terminate this Agreement if we violate any material obligation of ours to you and fail to cure such violation within sixty (60) days after our receipt of written notice from you; provided, however, that you are in substantial compliance with the Agreement at the time of giving such notice of termination. Your written notice will identify the violation and demand that it be cured.

B. Our Termination of Franchise Agreement. You will be in default, and we may at our option terminate, this Agreement as provided herein, if:

1. the Operating Principal fails to satisfactorily complete the initial training program or you fail to open and commence full operations of the Restaurant at such time as provided in this Agreement;
2. you violate any material provision or obligation of this Agreement;
3. you or any of your managers, directors, officers or any Principal Owner makes a material misrepresentation or omission in the application for the Franchise;
4. any of your managers (including the Operating Principal), directors, officers or any Principal Owner is convicted of, or pleads guilty to or no contest to a felony, a crime involving moral turpitude, or any other crime or offense that we reasonably believe will injure the System, the Marks

or the goodwill associated therewith, or if we have proof that such person has committed such a felony, crime or offense;

5. you fail to conform to the material requirements of the System or the material standards of uniformity and quality for the Products and services as described in the Operations Manual or as we have established under the System;

6. you fail to timely pay Royalty Fees or Brand Development Fees or any other obligations or liabilities due and owing to us or our affiliates, other Boss' Pizza and Chicken Restaurants or suppliers we approve as a source for required items, or fail to timely pay any advertising cooperative obligations;

7. you are insolvent within the meaning of any applicable state or federal law;

8. you make an assignment for the benefit of creditors or enter into any similar arrangement for the disposition of your assets for the benefit of creditors;

9. you voluntarily or otherwise "abandon" (as defined below) the Restaurant;

10. you are involved in any act or conduct which materially impairs or otherwise is prejudicial to the goodwill associated with the name "Boss' Pizza and Chicken" or any of the Marks or the System;

11. you or a Principal Owner makes an unauthorized assignment or transfer of this Agreement, the Restaurant or an ownership interest in you;

12. the operation, maintenance or construction of the Restaurant results in a threat or danger to the public health or safety;

13. you violate any federal, state or local government health code in connection with the operation of the Restaurant;

14. your lease for the Restaurant premises expires or is terminated for any reason (unless, through no fault of you, the lessor of the premises in which the Restaurant is located refuses to renew your lease and you relocate within the Protected Territory to a site we consent to within ninety (90) days thereafter);

15. the result of an audit discloses an understatement of Gross Sales of two percent (2%) or more;

16. your liquor license for the Restaurant is revoked or suspended; or

17. you willfully and materially falsify any report, statement, or other written data furnished to us either during the franchise application process or after you are awarded a franchise.

Any report submitted to us will be conclusively deemed to be materially false if it understates Gross Sales by more than five percent (5%). The term "abandon" means your failure to operate the Restaurant during regular business hours for a period of three (3) consecutive days or ten (10) or more days in a twelve-month period without our prior written consent unless such failure is due to an event of "*force majeure*" as further described in Section 19(I) below.

C. Procedure. We may terminate this Agreement immediately upon delivery of written notice to you, with no opportunity to cure, if the termination results from any of the following: (1) you fail to comply with one or more material requirements of this Agreement on three (3) separate occasions within any twelve (12) month period; (2) the nature of your breach makes it not curable; (3) you willfully and repeatedly deceive customers relative to the source, nature or quality of goods sold; or (4) any default under items (3), (4), (7), (8), (9), (10), (11), (12), (14), or (17) in Section 15(B) above.

You will have seventy-two (72) hours, or such longer period as applicable law may require, after you receive from us a written Notice of Termination to remedy any default under item (13) in Section 15(B) above and to provide evidence thereof to us. If you fail to correct the alleged default within that time, this Agreement will terminate without further notice to you, effective immediately when the seventy-two (72) hour period expires, or such longer period as applicable law may require.

You will have ten (10) days after your receipt from us of a written Notice of Termination, or such longer period as applicable law may require, to remedy any default under items (6) and (16) in Section 15(B) above and to provide evidence thereof to us. If you fail to correct the alleged default within that time, this Agreement will terminate without further notice to you, effective immediately when the five (5) day period expires, or such longer period as applicable law may require.

Except as described above, you will have thirty (30) days, or such longer period as applicable law may require, after your receipt from us of a written Notice of Termination within which to remedy any default hereunder, and to provide evidence thereof to us. If you fail to correct the alleged default within that time, this Agreement will terminate without further notice to you effective immediately when the thirty (30) day period, or such longer period as applicable law may require, expires.

D. Management of Restaurant While You are in Default. In addition to our termination rights described in Sections 15(B) and 15(C) above, while you are in default of this Agreement, we may, but are not required to, manage, or designate a third party to manage, the Restaurant on your behalf. Our, or our designee's, management of the Restaurant does not relieve you of your obligations and neither we nor our designee will be liable for any debts, losses, costs or expenses incurred in operating the Restaurant or to any of your creditors for any materials supplies or services purchased by the Restaurant while we, or our designee, manage it. We, or our designee, may charge you a fee for management services and may cease providing management services at any time.

E. Applicable Law. If the provisions of this Section 15 are inconsistent with applicable law, the applicable law will apply.

16. YOUR OBLIGATIONS UPON TERMINATION OR EXPIRATION

A. Post-Term Duties. If this Agreement expires or is terminated for any reason, you will:

1. immediately cease operation of the Restaurant and using the Marks as well as any confusingly similar trademarks or service marks;

2. within ten (10) days after termination, pay all amounts due and owing to us or our affiliates, including all Royalty Fees, Brand Development Fees and accrued interest due under this Agreement;

3. discontinue using, and return to us by priority United States mail with a tracking number, any hard copies of, the Operations Manual and any other manuals, advertising materials, and all other printed materials relating to the operation of the Franchise;

4. assign to us or, at our discretion, disconnect the telephone number for the Restaurant. You acknowledge that we have the sole right to and interest in all telephone numbers and directory listings associated with the Marks, and you authorize us, and appoint us as your attorney-in-fact, to direct the telephone company and all listing agencies to transfer such numbers and listings to us;
5. remove from the Restaurant premises all signs, posters, fixtures, decals, wall coverings and other materials that are distinctive of a Boss' Pizza and Chicken Restaurant or bear the name "Boss' Pizza and Chicken" or other Marks;
6. comply with all post-termination obligations under any software license agreement, including the return of all materials relating to the Proprietary Software;
7. take all necessary action to cancel all fictitious or assumed name or equivalent registrations relating to your use of any of the Marks;
8. immediately cease using Confidential Information (including all Customer Data) and return to us all documents in your possession that contain Confidential Information;
9. at our option, we will purchase your inventory of Products in good and saleable condition at your actual cost less a 30% stocking fee and you will return to us any other remaining Products at no cost to us; and
10. comply with all other applicable provisions of this Agreement, including the non-compete provisions.

Upon termination or expiration of this Franchise Agreement for any reason, your right to use the name "Boss' Pizza and Chicken" and the other Marks and the System will immediately terminate, and you (and the Principal Owners) will not in any way associate yourself/themselves as being associated with us. If you fail to immediately remove all signs and other materials bearing the Marks, we may do so at your expense.

B. Redecoration. If this Agreement expires or is terminated for any reason, and you either remain in possession of the premises of the former Restaurant to operate a separate business not in violation of Section 13 above or enter into an agreement with a third party to allow such third party to directly operate a business at the premises of the former Restaurant, you will, at your expense, modify both the exterior and interior appearance of the business premises so that they will be easily distinguished from the standard appearance of Boss' Pizza and Chicken Restaurants. At a minimum, such changes and modifications to the premises will include: (1) repainting the premises with totally different colors; (2) removing all signs and other materials bearing the name "Boss' Pizza and Chicken" and other Marks; (3) removing from the premises all fixtures which are indicative of Boss' Pizza and Chicken Restaurants; (4) discontinuing use of the approved employee uniforms and refraining from using any uniforms which are confusingly similar; (5) discontinuing use of all packaging and Confidential Information regarding the operation of the Restaurant; and (6) taking such other action, at your expense, as we may reasonably require. If you fail to immediately initiate modifications to the premises of the former Restaurant or complete such modifications with any period of time we deem appropriate, you agree that we or our designated agents may enter the premises of the former Restaurant to make such modifications, at your risk and expense, without responsibility for any actual or consequential damages to your property or others, and without liability for trespass or other tort or criminal act.

C. Our Option to Purchase Restaurant. If this Agreement expires or is terminated for any reason (other than our fault), we have the option, upon thirty (30) days' written notice from the date of expiration or termination, to purchase from you all the tangible and intangible assets relating to the

Restaurant, including the Restaurant premises if you own the Restaurant premises (excluding any unsalable inventory, cash, short-term investments and accounts receivable) (collectively, the “Purchased Assets”) and to an assignment of your lease for (1) the Restaurant premises (or, if an assignment is prohibited, a sublease for the full remaining term under the same provisions as your lease) and (2) any other tangible leased assets used in operating the Restaurant. If the Landlord is an affiliate of you (controlling, controlled by or under common control with you) we will have the right to assume the lease on terms generally consistent with then-current market rates for space in the immediate area surrounding the Restaurant location. We may assign to a third party this option to purchase and assignment of leases separate and apart from the remainder of this Agreement.

The purchase price for the Restaurant will be the fair market value of the Purchased Assets; provided that: (1) we may exclude from the Purchased Assets any products or other items that were not acquired in compliance with this Agreement; and (2) we may exclude from fair market value any provision for goodwill or similar value attributable to intangible property (such as the Marks, the Proprietary Software and Confidential Information). If the parties cannot agree on fair market value within a reasonable time, we will designate an independent appraiser to determine the fair market value of the Purchased Assets. The determination of such appraiser will be binding on the parties hereto, and the costs of such appraisal will be divided equally between you and us. The purchase price, as determined above, will be paid in cash at the closing of the purchase, which will occur within a reasonable time, not to exceed sixty (60) days, after the fair market value is determined. At the closing, you will deliver documents transferring good and merchantable title to the assets purchased, free and clear of all liens, encumbrances and liabilities to us or our designee and such other documents we may reasonably request to permit us to operate the Restaurant without interruption. We may set off against and reduce the purchase price by all amounts you owe to us or any of our affiliates. If we exercise our option to purchase the Restaurant, we may, pending the closing, appoint a manager to maintain Restaurant operations.

If we assume the lease for the Restaurant under this Section, you will pay, remove or satisfy any liens or other encumbrances on your leasehold interest and will pay in full all amounts due the lessor under the lease existing at or prior to assumption. We are not liable for any obligation you incur before the date we assume the lease.

D. Continuing Obligations. All obligations of us and you which expressly or by their nature survive the expiration or termination of this Agreement will continue in full force and effect following its expiration or termination and until they are satisfied or expire.

17. RELATIONSHIP OF THE PARTIES/INDEMNIFICATION

A. Relationship of the Parties. We and you are independent contractors. Neither party is the agent, legal representative, partner, subsidiary, joint venture or employee of the other. Neither party will independently obligate the other to any third parties or represent any right to do so. This Agreement does not reflect or create a fiduciary relationship or a relationship of special trust or confidence. You must conspicuously identify yourself at the premises of the Restaurant and in all dealings with customers, lessors, contractors, suppliers, public officials and others as the owner of the Restaurant under a franchise agreement from us, and must place other notices of independent ownership on signs, forms, stationery, advertising and other materials as we require.

B. Your Indemnification Obligations. You agree to indemnify and hold us and our subsidiaries, affiliates, stockholders, members, directors, officers, employees and agents harmless against, and to reimburse us or them for, any loss, liability or damages arising out of or relating to your ownership or operation of the Restaurant, the relationship between the parties or your breach of this Agreement, and all reasonable costs of defending any claim brought against us or any of them or any action in which us or

any of them is named as a party (including claims raised by you), including reasonable 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, unless the loss, liability, damage or cost is solely due to our breach of this Agreement, gross negligence or willful misconduct. You must pay all losses, liability or damages we incur pursuant to your obligations of indemnity under this Section 17(B) regardless of any settlement, actions or defense we undertake or the subsequent success or failure of any settlement, actions or defense. Further, you agree to give us immediate notice of any such action, proceeding, demand or investigation brought against you or the Restaurant. We may, at our option, designate counsel, at your expense, to defend or settle such action, proceeding, demand or investigation brought against you or the Restaurant. This obligation does not diminish your indemnification obligations under this Section 17(B).

C. Our Indemnification Obligations. We agree to indemnify and hold you and your officers, directors and agents harmless against, and to reimburse you and them for, any loss, liability or damage solely arising from or relating to our breach of this Agreement, gross negligence or willful misconduct, and all reasonable costs of defending any claim brought against you or them or any action in which you or they are named as a party (including reasonable attorneys' fees).

D. Survival. The indemnities and assumptions of liabilities and obligations continue in full force and effect after the expiration or termination of this Agreement.

18. DISPUTE RESOLUTION

A. Mediation. Except as otherwise stated in this Section 18, the parties agree to submit any claim, controversy or dispute arising out of or relating to this Agreement (and attachments) or the relationship created by this Agreement to non-binding mediation before bringing such claim, controversy or dispute to arbitration or to a court. The mediation will be conducted either through an individual mediator or a mediator appointed by a mediation services organization, experienced in the mediation of disputes between you and us, agreed upon by the parties. If the parties do not agree upon a mediator or mediation services organization within fifteen (15) days after either party has notified the other of its desire to seek mediation, the dispute will be mediated by the American Arbitration Association pursuant to its rules governing mediation, in Sioux Falls, South Dakota. The costs and expenses of mediation, including compensation of the mediator, will be borne equally by the parties. If the parties cannot resolve the claim, controversy or dispute within sixty (60) days after conferring with the mediator, either party may submit such claim, controversy or dispute to the appropriate court as described in Section 18(B) below. We may bring an action under the applicable provisions of this Section 18 without first submitting the action to mediation under this Section 18(A): (1) for injunctive relief, (2) involving the possession or disposition of, or other relief relating to, real property; or (3) for monies you owe us.

B. Arbitration. Except to the extent we elect to enforce the provisions of this Agreement by injunction as provided in Section 18(C) below, all disputes, claims and controversies between the parties arising under or in connection with this Agreement or the making, performance or interpretation thereof (including claims of fraud in the inducement and other claims of fraud in the arbitrability of any matter) that have not been settled by or are not otherwise subject to mediation as described in Section 18(A) above will be resolved by arbitration on an individual basis under the authority of the Federal Arbitration Act in Sioux Falls, South Dakota. The arbitrator(s) will have a minimum of five (5) years' experience in franchising or distribution law and will have the right to award specific performance of this Agreement. The proceedings will be conducted under the Commercial Arbitration Rules of the American Arbitration Association, or the rules of such other arbitration services organization as the parties otherwise may agree upon in writing, to the extent such rules are not inconsistent with the provisions of this arbitration provision or the Federal Arbitration Act. The decision of the arbitrator(s) will be final and binding on all parties;

provided, however, the arbitrator(s) may not under any circumstances: (1) stay the effectiveness of any pending termination of this Agreement; (2) assess punitive or exemplary damages; or (3) make any award which extends, modifies or suspends any lawful term of this Agreement or any reasonable standard of business performance we establish. Any arbitration proceeding will be limited to controversies between you and us, and will not be expanded to include any other Boss' Pizza and Chicken franchisee or include any class action claims. This Section 18 will survive termination or nonrenewal of this Agreement under any circumstances. Judgment upon the award of arbitrator(s) may be entered in any court having jurisdiction thereof. During any arbitration proceeding, we and you will fully perform our respective obligations under this Agreement.

C. Injunctive Relief. Notwithstanding Sections 18(A) and (B) above, you recognize that a single franchisee's failure to comply with the terms of its franchise agreement could cause irreparable damage to us and/or to some or all other Boss' Pizza and Chicken franchisees. Therefore, if you breach or threaten to breach any of the terms of this Agreement, we will be entitled to an injunction restraining such breach and/or a decree of specific performance, without showing or proving any actual damage, together with recovery of reasonable attorneys' fees and other costs incurred in obtaining such equitable relief until such time as a final and binding determination is made by the arbitrators.

D. Governing Law. Subject to our rights under federal trademark laws and the parties' rights under the Federal Arbitration Act, this Agreement will be governed by and construed under the procedural and substantive laws of the state of South Dakota, without regard to any conflict of laws principles of such state. You waive, to the fullest extent permitted by law, the rights and protections that might be provided through any state franchise or business opportunity laws, other than those of the state in which the Franchised Business is located.

E. Attorneys' Fees. The non-prevailing party will pay all costs and expenses, including reasonable attorneys' fees, the prevailing party incurs in any action brought to enforce any provision of this Agreement or to enjoin any violation of this Agreement.

F. Claims. No party may not assert any claim or cause of action against the other party or parties relating to this Agreement, the Restaurant, or your Franchised Business after the shorter period of the applicable statute of limitations or one year following the effective date of termination of this Agreement.

G. Venue. Any claims, controversies or disputes arising out of or related to this Agreement that are not subject to arbitration as provided above, will be brought exclusively in the Federal District Court for the District of South Dakota or in the South Dakota Second Judicial Circuit Court in Sioux Falls, South Dakota. We also have the right to file any such suit against you in the federal or state court where the Restaurant is located. Each of us and you irrevocably consents to the jurisdiction of such courts and waive all rights to challenge personal jurisdiction and venue. The provisions of this Section 18(G) will survive the termination of this Agreement.

19. ENFORCEMENT

A. Severability. All provisions of this Agreement are severable and this Agreement will be interpreted and enforced as if all completely invalid or unenforceable provisions were not contained herein and partially valid and enforceable provisions will be enforced to the extent valid and enforceable. If any applicable and binding law or rule of any jurisdiction requires a greater prior notice of the termination of or non-renewal of this Agreement than is required, or the taking of some other action not required, or if under any applicable and binding law or rule of any jurisdiction, any provision of this Agreement or any

specification, standard or operating procedure prescribed by us are invalid or unenforceable, the prior notice and/or other action required by law or rule will be substituted for the comparable provisions.

B. Waiver of Obligations. Our waiver of any breach by you, or our delay or failure to enforce any provision of this Agreement, will not be deemed to be a waiver of any other or subsequent breach or be deemed an estoppel to enforce our rights respecting that or any other breach.

C. Rights of Parties are Cumulative. The rights of you and us are cumulative and no exercise or enforcement by either party of any right or remedy precludes the exercise or enforcement by such party of any other right or remedy to which such party is entitled by law or equity to enforce.

D. Binding Effect. This Agreement is binding upon the parties and their respective executors, administrators, heirs, assigns, and successors in interest, and will not be modified except by written agreement signed by both you and us. Except as provided above, this Agreement is not intended, and will not be deemed, to confer any rights or remedies upon any person or legal entity not a party to this Agreement.

E. References. If you consist of two or more individuals, such individuals will be jointly and severally liable, and references to you in this Agreement will include all such individuals.

F. Interpretation of Rights and Obligations. The following provisions will apply to and govern the interpretation of this Agreement, the parties' rights under this Agreement and the relationship between the parties:

1. Our Rights. Whenever this Agreement provides that we have or reserve (retain) a certain right, that right is absolute and the parties intend that our exercise of that right will not be subject to any limitation or review. We have the right to operate, administrate, develop and change the System in any manner that is not specifically precluded by the provisions of this Agreement.

2. Our Reasonable Business Judgment. Whenever we reserve discretion in a particular area or where we agree or are required to exercise our rights reasonably or in good faith, we will satisfy our obligations whenever we exercise "reasonable business judgment" in making our decision or exercising our rights. A decision or action by us will be deemed to be the result of "reasonable business judgment," even if other reasonable or even arguably preferable alternatives are available, if our decision or action is intended to promote or benefit the System generally even if the decision or action also promotes a financial or other individual interest of ours. Examples of items that will promote or benefit the System include enhancing the value of the Marks, improving customer service and satisfaction, improving product quality, improving uniformity, enhancing or encouraging modernization, and improving the competitive position of the System. Neither you nor any third party (including a trier of fact) will substitute their judgment for our reasonable business judgment.

G. **WAIVER OF PUNITIVE DAMAGES. YOU AND WE AND OUR AFFILIATES AGREE TO WAIVE, TO THE FULLEST EXTENT PERMITTED BY LAW, THE RIGHT TO OR A CLAIM FOR ANY PUNITIVE OR EXEMPLARY DAMAGES AGAINST THE OTHER AND AGREE THAT IN THE EVENT OF ANY DISPUTE BETWEEN US, EACH WILL BE LIMITED TO THE RECOVERY OF ACTUAL DAMAGES SUSTAINED BY US.**

H. **WAIVER OF JURY TRIAL. YOU AND WE IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM, WHETHER AT LAW OR IN**

EQUITY, BROUGHT BY EITHER OF THEM AGAINST THE OTHER, WHETHER OR NOT THERE ARE OTHER PARTIES IN SUCH ACTION OR PROCEEDING.

I. Force Majeure. If any party fails to perform any obligation under this Agreement due to a cause beyond the control of and without the negligence of such party, such failure will not be deemed a breach of this Agreement, provided such party uses reasonable best efforts to perform such obligations as soon as possible under the circumstances. Such causes include strikes, wars, riots, civil commotion, and acts of government, except as may be specifically provided for elsewhere in this Agreement.

J. Notice of Potential Profit. We advise you that we and/or our affiliates periodically may make available to you goods, Products and/or services for use in the Restaurant on the sale of which we and/or our affiliates may make a profit. We further advise you that we and our affiliates periodically may receive consideration from suppliers and manufacturers respecting sales of goods, Products or services to you or in consideration for services provided or rights license to such persons. You agree that we and our affiliates will be entitled to such profits and consideration.

K. Entire Agreement. The “Introduction” section, the exhibit(s) to this Agreement, and that certain Disclosure Acknowledgment Agreement signed contemporaneously by you are a part of this Agreement, which represents the entire agreement of the parties, and there are no other oral or written understandings or agreements between us and you relating to the subject matter of this Agreement. Nothing in the Agreement is intended to disclaim the representations we made in the franchise disclosure document that we furnished to you.

20. NOTICES

All written notices and reports permitted or required to be delivered by the provisions of this Agreement are deemed so delivered at the time delivered by hand, one (1) business day after sent by a recognized overnight delivery service which requires a written receipt, or three (3) business days after placed in the U.S. Mail by registered or certified mail, return receipt requested, postage prepaid and addressed to the party to be notified at the address stated herein or at such other address as may have been designated in writing to the other party.

21. ACKNOWLEDGEMENTS

A. Success of Franchised Business. The success of the business venture you intend to undertake under this Agreement is speculative and depends, to a large extent, upon your (or the Principal Owner’s) ability as an independent businessman, and your active participation in the daily affairs of the Restaurant as well as other factors. We do not make any representation or warranty, express or implied, as to the potential success of the business venture.

B. Independent Investigation. You acknowledge that you have entered into this Agreement after making an independent investigation of our operations and not upon any representation as to gross revenues, volume, potential earnings or profits which you might be expected to realize, nor has anyone made any other representation, which is not expressly stated herein, to induce you to accept this Franchise and sign this Agreement.

C. Receipt of Documents. Except for filling in the blank provisions and changes made as a result of negotiations that you initiated, you acknowledge that you received a copy of the complete Franchise Agreement, and exhibits attached hereto, at least seven (7) calendar days before the date on which this Agreement was executed. You further acknowledge that you received the disclosure document required by the trade regulation rule of the Federal Trade Commission entitled “Franchise Disclosure Document” at least fourteen (14) calendar days prior to the date on which this Agreement was executed. You represent

that you have read this Agreement in its entirety and that you have been given the opportunity to clarify any provisions that you did not understand and to consult with any attorney or other professional advisor. You further represent that you understand the provisions of this Agreement and agree to be bound.

D. Other Franchises. You acknowledge that other Boss' Pizza and Chicken Restaurants have or will be granted franchises at different times and in different situations, and further acknowledge that the provisions of such franchises may vary substantially from those contained in this Agreement.

The parties have signed this Agreement on the date stated in the first paragraph.

WE:

YOU:

BOSS' PIZZA FRANCHISE LLC

Name of corporation or limited liability company

By _____
Its _____

By _____
Its _____

**EXHIBIT A
TO FRANCHISE AGREEMENT**

RESTAURANT LOCATION AND PROTECTED TERRITORY

This Exhibit is attached to and is an integral part of the Boss' Pizza and Chicken Franchise Agreement dated _____, 20____ (the "Franchise Agreement"), between you and us.

1. Restaurant's Authorized Location. We and you agree that the Restaurant will be located at the following premises: _____.
You acknowledge that our consent to a proposed location is not a representation or warranty of any kind by us or our affiliates as to the suitability of the proposed location for a Boss' Pizza and Chicken Restaurant.

2. Protected Territory. The Protected Territory will be the following: _____
_____.

3. Restaurant Opening. You agree to complete the development and open the Restaurant for business within nine (9) months after the date first stated above.

4. Defined Terms. All capitalized terms contained in this Exhibit not defined herein will have the same meaning as provided in the Franchise Agreement.

WE:

BOSS' PIZZA FRANCHISE LLC

By _____
Its _____

YOU:

Name of corporation or limited liability company

By _____
Its _____

**EXHIBIT B
TO FRANCHISE AGREEMENT**

RESTAURANT LOCATION GENERAL AREA

This Exhibit is attached to and is an integral part of the Boss' Pizza and Chicken Franchise Agreement dated _____, 20____ (the "Franchise Agreement"), between you and us.

1. Site Selection Area for Restaurant Location. Within three (3) months after the date of the Franchise Agreement, you will select and obtain our consent to a location with the provisions of this Exhibit within the following described geographical area (the "Site Selection Area"): _____

2. Consent to Location and Restaurant Opening. To obtain our consent to the proposed Restaurant premises, you must deliver to us a complete site report (containing information we require) for the location at which you propose to establish and operate the Restaurant and which you reasonably believe will satisfy the standardized site selection criteria we have established. The proposed location is subject to our prior written consent, which will not be unreasonably withheld. In evaluating the proposed location, we will consider matters we deem material, including demographic characteristics of the proposed location, traffic patterns, parking, the predominant character of the neighborhood, the proximity to other businesses, including other Boss' Pizza and Chicken Restaurants, and other commercial characteristics, the purchase price or rental obligations and other lease terms for the proposed location, and the size of premises, appearance and other physical characteristics. Within thirty (30) days following our receipt of the complete site report and other materials we request, we will consent to or reject (in writing) the location you propose for the Restaurant.

YOU ACKNOWLEDGE AND AGREE THAT OUR CONSENT TO A PROPOSED LOCATION DOES NOT REPRESENT A WARRANTY OR REPRESENTATION OF ANY KIND, EXPRESSED OR IMPLIED, AS TO THE SUITABILITY OF THE PROPOSED LOCATION FOR A BOSS' PIZZA AND CHICKEN RESTAURANT.

You agree to complete the development and open the Restaurant for business no later than nine (9) months following the date we consent to the location for your Restaurant.

3. Termination of Franchise Agreement. We have the right to terminate the Franchise Agreement, effective upon delivery of notice of termination to you, if you fail to obtain our consent to a location for the Restaurant and open the Restaurant within nine (9) months after the date of the Franchise Agreement.

4. Defined Terms. All capitalized terms contained in this Exhibit and not defined in this Exhibit will have the same meaning as provided in the Franchise Agreement.

WE:

BOSS' PIZZA FRANCHISE LLC

By _____
Its _____

YOU:

Name of corporation or limited liability company

By _____
Its _____

EXHIBIT C
TO FRANCHISE AGREEMENT
RESTAURANT LEASE ADDENDUM

LEASE ADDENDUM

This Lease Addendum is entered into as of the date of the Lease Agreement by and between _____ (“Landlord”) and _____ (“Tenant”).

Landlord and Tenant are parties to that certain Lease of even date (the “Lease”) covering the premises located at _____ (the “Leased Premises”), which Tenant will use to operate a Boss’ Pizza and Chicken Restaurant under a Franchise Agreement (the “Franchise Agreement”) between Tenant and BOSS’ PIZZA FRANCHISE LLC (“Franchisor”). Landlord and Tenant desire to amend the Lease to protect the various interests of Franchisor.

In consideration of the foregoing and the promises contained in the Lease, the parties agree as follows:

1. Permitted Use. Landlord and Tenant agree that so long as the Franchise Agreement remains in effect, Tenant may use the Leased Premises only for a Boss’ Pizza and Chicken Restaurant and Tenant may offer for sale and sell at the Leased Premises only those products and services which Franchisor approves. Landlord further agrees that so long as the Lease is in effect, it will not permit any tenant within the same multi-tenant mall or building to operate any business similar to the Boss’ Pizza and Chicken Restaurant, including an upscale tavern and/or upscale sports bar that distributes, sells or otherwise deals in, at wholesale or retail, upscale tavern food or other items similar to the products offered by Tenant, or any other business that may be confusingly similar to a Boss’ Pizza and Chicken Restaurant, other than businesses in existence in the mall or building as of the effective date of the Lease or upon the written consent of Franchisor and Tenant.

2. Notice of Default. Landlord will provide Franchisor, by certified US mail or a recognized overnight delivery service at the address provided in Section 8 below, a minimum thirty (30) day notice of any default under the Lease before Landlord initiates any action to terminate the Lease or exercise any remedy for such default.

3. Cure. Either Tenant or Franchisor may cure defaults under the Lease and Landlord will accept performance of obligations due under the Lease, as specified in the Lease, by either Franchisor or Tenant. Franchisor will not, however, be under any obligation to cure any default and nothing herein will require Franchisor at any time to comply with or take any action under the provisions of the Lease.

4. Rights of Franchisor After Cure. If Franchisor commences cure of any default under the Lease within the thirty (30) day notice period described in Section 2 above, and if Franchisor thereafter diligently completes cure, Franchisor may, but will not be obligated to, give notice to Landlord and become Tenant under the Lease, in which event Landlord will not be entitled to terminate the Lease.

5. Assignment and Renewal. Landlord consents to an assignment or transfer of Tenant’s rights under the Lease to Franchisor at any time during the term of the Lease; provided that such assignment or transfer is subject to Franchisor’s written agreement to accept such assignment or transfer. Landlord will give Franchisor notice of expiration of the term of the Lease at least three (3) months in advance thereof and grant Franchisor the right, but not the obligation, to exercise any then-existing renewal rights under the Lease.

6. Right of Entry and Subordination. Landlord will give Franchisor access to the Leased Premises at reasonable times on not less than twenty-four (24) hours' notice (or such shorter notice as may be reasonable when circumstances dictate) either to inspect the Leased Premises for compliance with Franchisor's requirements, to remove from the Leased Premises any items bearing Franchisor's marks or logos or to take other action permissible under the Agreements between Tenant and Franchisor. Landlord specifically subordinates any lien it may have in such items to Franchisor's rights as licensor of the marks or logos displayed on items.

7. Vacating Premises. Upon vacating the Leased Premises, or termination of the Franchise Agreement or Lease (whichever occurs first), Tenant must remove all signs and materials bearing any of Franchisor's marks or logos.

8. Notices. Any notices to Franchisor hereunder will be sent to:

BOSS' PIZZA FRANCHISE LLC
4804 S. Minnesota Avenue
Sioux Falls, SD 57108

9. Benefit. Landlord and Tenant acknowledge that they enter into this Agreement for the express benefit of Franchisor and that Franchisor is an intended beneficiary hereof.

10. Supremacy. This Addendum shall control and supersede any inconsistent provision of the Lease.

The parties have signed this Agreement the day and year first above written.

LANDLORD:

TENANT:

By: _____
Title: _____

By: _____
Title: _____

**EXHIBIT D
TO FRANCHISE AGREEMENT**

GUARANTY AND ASSUMPTION OF OBLIGATIONS

In consideration of the execution of that certain Franchise Agreement of even date (the "Agreement") by Boss' Pizza Franchise LLC ("we" or "us"), each of the undersigned (a "Guarantor") personally and unconditionally guarantees to us, and our successors and assigns, for the term of the Agreement and thereafter as provided in the Agreement that _____ ("you") will timely pay and perform each and every undertaking, agreement and covenant stated in the Agreement; and agrees to be personally bound by, and personally liable for the breach of, each and every provision in the Agreement.

Each of the undersigned waives: (1) acceptance and notice of acceptance by us of the foregoing undertaking; (2) notice of demand for payment of any indebtedness; (3) protest and notice of default to any party respecting the indebtedness; (4) any right he may have to require that an action be brought against you or any other person as a condition of liability.

Each Guarantor consents and agrees that:

(1) Guarantor's liability under this undertaking will be direct and independent of the liability of, and will be joint and several with, you and the other Guarantors of you;

(2) Guarantor will make any payment or perform any obligation required under the Franchise Agreement upon demand if you fail to do so;

(3) Guarantor's liability hereunder will not be diminished or relieved by bankruptcy, insolvency or reorganization of you or any assignee or successor;

(4) Guarantor's liability will not be diminished, relieved or otherwise affected by any extension of time or credit which we may grant to you, including the acceptance of any partial payment or performance, or the compromise or release of any claims;

(5) We may proceed against Guarantor and you jointly and severally, or we may, at our option, proceed against Guarantor, without having commenced any action, or having obtained any judgment against you or any other Guarantor; and

(6) Guarantor will pay all reasonable attorneys' fees and all costs and other expenses we incur in enforcing this Guaranty against Guarantor or any negotiations relative to the obligations hereby guaranteed.

Each of the undersigned has signed this Guaranty as of the same day and year as the Agreement was executed.

GUARANTOR(S)

PERCENTAGE OWNERSHIP IN YOU

**EXHIBIT E
TO THE FRANCHISE AGREEMENT**

**FORM CONFIDENTIALITY AGREEMENT
(Managers and Certain Employees)**

In consideration of my being a _____ [Title] _____ of _____ [Franchisee] _____ (“**Franchisee**”), and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, I hereby acknowledge and agree that:

1. Pursuant to a Franchise Agreement dated _____, 20__ (the “**Franchise Agreement**”), Franchisee has acquired the right and franchise from Boss’ Pizza Franchise LLC (the “**Company**”) to establish and operate a Boss’ Pizza and Chicken franchised business (the “**Franchised Business**”) and the right to use in the operation of the Franchised Business the Company’s trade names, service marks, trademarks, logos, emblems, and indicia of origin (the “**Marks**”), as they may be changed, improved, and further developed from time to time in the Company’s sole discretion, only at the authorized and accepted location(s) set forth in the Franchise Agreement.

2. The Company, as the result of the expenditure of time, skill, effort, and resources, has developed and owns a distinctive format and system (the “**System**”) relating to the establishment and operation of the Franchised Business that offers products and services authorized to be offered, sold, or provided under the Marks and the System pursuant to the Franchise Agreement. The Company possesses certain proprietary and confidential information relating to the operation of the System, which includes certain proprietary trade secrets, methods, techniques, formats, specifications, systems, software, procedures, methods of business practices and management, sales and promotional techniques, and knowledge of, and experience in, the operation of the Franchised Business (the “**Confidential Information**”).

3. Any and all information, knowledge, know-how, and techniques which the Company or Franchisee specifically designates as confidential shall also be deemed to be Confidential Information for purposes of this Agreement.

4. As _____ [Title] _____ of the Franchisee, the Company and Franchisee will disclose the Confidential Information to me in furnishing to me training programs, the Company’s confidential manual, and other general assistance during the term of the Franchise Agreement.

5. I will not acquire any interest in the Confidential Information, other than the right to utilize it in the operation of the Franchised Business during the term of the Franchise Agreement, and the use or duplication of the Confidential Information for any use outside the System would constitute an unfair method of competition.

6. The Confidential Information is proprietary, involves trade secrets of the Company, and is disclosed to me solely on the condition that I agree, and I do hereby agree, that I will hold in strict confidence all Confidential Information and all other information designated by the Company as confidential. Unless the Company otherwise agrees in writing, I will disclose and/or use the Confidential Information only in connection with my duties as _____ [Title] _____ of the Franchisee. I will not to directly or indirectly use or disclose any Confidential Information for the benefit of anyone other than the Franchisee or Company either during my course of employment with the Franchisee or after my employment with the Franchisee ends, regardless of the reason for the separation of employment. I recognize and agree that the Confidential Information constitutes a valuable asset of the Company, and I will act in such a manner as to prevent its disclosure and use by any person unless such use is for the benefit of the Franchisee. I understand that my obligations under this paragraph are unconditional and will not be excused by any conduct on the

part of the Franchisee or Company, except prior voluntary public disclosure by the Company of the information.

7. The Company is a third-party beneficiary of this Agreement and may enforce it solely and/or jointly with the Franchisee. I am aware that my violation of this Agreement will cause the Company and the Franchisee irreparable harm; therefore, I acknowledge and agree that the Franchisee and/or the Company may apply for the issuance of an injunction preventing me from violating this Agreement, and I agree to pay the Franchisee and the Company all the costs it/they incur(s), including, without limitation, legal fees and expenses, if this Agreement is enforced against me. Due to the importance of this Agreement to the Franchisee and the Company, any claim I have against the Franchisee or the Company is a separate matter and does not entitle me to violate, or justify any violation of, this Agreement.

8. This Agreement shall be construed under the laws of the state of [State], without regard to the application of its conflict of law rules. The only way this Agreement can be changed is in writing signed by both the Franchisee and me.

Signature

Name

Address

Title

ACKNOWLEDGED BY FRANCHISEE

By: _____

Name: _____

Title: _____

**EXHIBIT F
TO THE FRANCHISE AGREEMENT**

SITE SELECTION AND LEASE NEGOTIATION ASSISTANCE ADDENDUM

THIS SITE SELECTION AND LEASE NEGOTIATION ASSISTANCE ADDENDUM (the “Addendum”) is made and entered into on _____, 20____”, (the “Effective Date”) between Boss’ Pizza Franchise LLC, a South Dakota limited liability company (“us,” “our,” or “we”), and _____, a _____ (“you” or “your”).

A. You and we are parties to that certain Boss’ Pizza and Chicken franchise agreement dated on or about the Effective Date, for the right to develop and operate one Boss’ Pizza and Chicken business pursuant to the terms and conditions under that agreement (the “Franchise Agreement”).

B. We offer certain franchisees optional site selection and lease negotiation assistance in the development of Boss’ Pizza and Chicken locations.

C. You desire to engage us to provide additional assistance in the development of your Boss’ Pizza and Chicken business under the provisions stated below.

In consideration of the foregoing, the parties agree as follows:

AGREEMENT

1. General Procedures and Broker Requirements. Following the Effective Date of this Addendum, we will provide you with our real estate guidelines (which are part of our Confidential Operations Manual), which will describe our procedures, policies and minimum standards regarding the selection and leasing of a location for a Boss’ Pizza and Chicken Restaurant.

2. Time to Locate Site.

A. We will provide site evaluation assistance as further described in Section 3 below. You may, but will not be obligated to, select one of the proposed locations we provide to you as the proposed final location (Authorized Location) for your Franchised Business. You acknowledge, however, that you are required under Exhibit B to the Franchise Agreement to acquire or lease/sublease, at your expense, commercial real estate that is properly zoned for use as a Boss’ Pizza and Chicken business that you will operate under the Franchise Agreement within three (3) months after the Effective Date (the “Search Period”) within the Site Selection Area.

B. If you do not select one of the locations we proposed to you and you used your best efforts to identify, but did not find, a suitable site that we approve by the end of the Search Period, we will have the right to extend the Search Period by up to sixty (60) days. If you fail to acquire or lease or sublease a site for the Franchised Business within the Search Period, including any extension thereof, you will be in default under the Franchise Agreement and this Addendum, and we will have the right to terminate the Franchise Agreement and this Addendum pursuant to the terms of Section 15 the Franchise Agreement.

3. Site Evaluation Services. We will, directly or through a designated third party, conduct two (2) site visits to evaluate one or more proposed locations within a market area during each visit for your Franchised Business as we deem necessary and appropriate (on our own initiative or at your request) without a separate charge. If you request that we or our designee conduct any additional site visits to evaluate proposed locations, you must pay us or our designee, as applicable, a fee of Five Hundred Dollars (\$500), plus our (or our designee’s) related expenses for travel, lodging and meals, for each additional site

visit. Subject to the following, in providing our site evaluation services for a Boss' Pizza and Chicken Restaurant, we will evaluate and identify two (2) suitable locations for your Franchised Business. The site evaluation services we provide under this Addendum are limited to a Franchised Business that will not be located in a hotel facility and will not be operated as a sports bar model of a Boss' Pizza and Chicken Restaurant. To the extent you desire to open a Boss' Pizza and Chicken Restaurant in a hotel facility or under a sports bar model, we will offer a separate agreement respecting site evaluation services.

4. Pre-Opening Lease Negotiation Assistance. Once you have selected the location for your Boss' Pizza and Chicken business, and we have approved the location pursuant to the terms of the Franchise Agreement (and specifically Exhibit B), we will provide the following pre-opening lease negotiation assistance:

- A. communicate directly with the landlord on your behalf regarding the potential location and terms of the lease or sublease;
- B. assist with local municipalities with applicable licenses, permits and other governmental approvals regarding the Franchised Business;
- C. communicate with and provide additional assist with construction companies to ensure compliance with brand standards, and
- D. other additional site development assistance as we determine.

5. Site Development Fee. Upon signing this Addendum, you will pay to us a non-refundable fee equal to Seven Thousand Five Hundred (\$7,500) (the "Site Development Fee"), which is fully earned upon payment.

6. Your Acknowledgments. You acknowledge and agree that our recommendation or approval of your proposed site does not constitute, directly or implicitly, an assurance, warranty or guaranty that your Franchised Business will achieve a certain sales volume or level of profitability. Our recommendation or approval indicates only that we believe that the site meets our then-acceptable criteria. You acknowledge and agree that your acceptance of the obligation to develop the Premises and Franchised Business is based on your own independent investigation of the suitability of the proposed location for the Franchised Business. You understand and agree that we will not be liable or responsible for: (1) the evaluation of any site's soil for any purpose; (2) inspection of any structure for asbestos or other toxic or hazardous materials; (3) compliance with the Americans With Disabilities Act ("ADA"); or (4) compliance with any other applicable law. You are solely responsible for obtaining satisfactory evidence and/or assurances that the site (and any structures thereon) is free from environmental contamination and is in compliance with the requirements of the ADA and other applicable laws.

7. Definitions. Unless stated otherwise herein, all capitalized terms in this Addendum have the definition given to them in the Franchise Agreement.

The undersigned have signed this Addendum as of the Effective Date.

US:
BOSS' PIZZA FRANCHISE LLC

YOU:

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

**EXHIBIT G
TO THE FRANCHISE AGREEMENT**

SPORTS BAR ADDENDUM

THIS SPORTS BAR ADDENDUM (the “Addendum”) is made and entered into on _____, 20____, (the “Effective Date”) between Boss’ Pizza Franchise LLC, a South Dakota limited liability company (“us,” “our,” or “we”), and _____, a _____ (“you” or “your”).

A. You and we are parties to that certain Boss’ Pizza and Chicken franchise agreement dated on or about the Effective Date, for the right to develop and operate one Boss’ Pizza and Chicken business pursuant to the terms and conditions under that agreement (the “Franchise Agreement”).

B. You desire to operate a Boss’ Pizza and Chicken Restaurant under a sports bar model.

C. The parties desire to modify the Franchise Agreement under the provisions stated below.

In consideration of the foregoing, the parties agree as follows:

AGREEMENT

1. Training. Section 7(B) of the Franchise Agreement is amended to provide that the initial training program will take place over a period of fourteen (14) business days. In addition to the Operating Principal, the Restaurant kitchen manager and at least two other full-time management personnel must attend and successfully complete the entire initial training program. To the extent we permit an individual other than the controlling Principal Owner to serve as the Operating Principal, the controlling Principal Owner separately must attend and successfully complete the initial training program and all supplemental and refresher training programs referenced in Section 7(B).

2. Opening Assistance. Section 7(C) of the Franchise Agreement is amended to state as follows: “We will provide you with the services of three (3) of our representatives for four (4) days each to assist you in the opening and initial operations of the Restaurant. We will determine the days and time at which our representatives are available to you.

3. Conditions to Transfer. Section 14(C)(4) of the Franchise Agreement is amended to provide that the new Operating Principal, the Restaurant kitchen manager and at least two other full-time management personnel must attend and successfully complete the initial training program required of new Boss’ Pizza and Chicken franchisees. To the extent we permit an individual other than the controlling Principal Owner to serve as the Operating Principal, the controlling Principal Owner separately must attend and successfully complete the initial training program and all supplemental and refresher training programs referenced in Section 7(B).

4. Site Selection Assistance. Section 3 of the Site Selection and Lease Negotiation Assistance Agreement is amended by replacing such Section with the following:

We will, directly or through a designated third party, conduct a site visit and related site evaluation services as we deem necessary and appropriate to identify one proposed suitable location for your Franchised Business. If you request that we or our designee conduct any additional site visits to evaluate proposed locations for a Boss’ Pizza and Chicken Restaurant under a sports bar model, you must pay us or our designee, as applicable, a fee of Five Hundred Dollars (\$500), plus our (or our designee’s) related expenses for travel, lodging and meals, for each additional site visit. The site evaluation services we provide under this Addendum are limited to a Franchised Business that will be operated as a sports bar model of a Boss’ Pizza and Chicken Restaurant but will not be

located in a hotel facility. To the extent you desire to open a Boss' Pizza and Chicken Restaurant in a hotel facility, we will offer a separate agreement respecting site evaluation services.

5. Definitions. Unless stated otherwise herein, all capitalized terms in this Addendum have the definition given to them in the Franchise Agreement.

The undersigned have signed this Addendum as of the Effective Date.

US:
BOSS' PIZZA FRANCHISE LLC

YOU:

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

EXHIBIT C

LIST OF STATE ADMINISTRATORS; AGENTS FOR SERVICE OF PROCESS

STATE	STATE ADMINISTRATOR/AGENT	ADDRESS
California	Commissioner of Financial Protection and Innovation California Department of Financial Protection and Innovation	320 West 4 th Street, Suite 750 Los Angeles, CA 90013-2344 1-866-275-2677
Hawaii (State Administrator)	Commissioner of Securities Dept. of Commerce and Consumer Affairs Business Registration Division Securities Compliance Branch	335 Merchant Street Room 203 Honolulu, HI 96813
Illinois	Illinois Attorney General	500 South Second Street Springfield, IL 62706
Indiana (State Administrator)	Indiana Securities Commissioner Securities Division	302 West Washington Street, Room E111 Indianapolis, IN 46204
Indiana (Agent)	Indiana Secretary of State	302 West Washington Street, Room E018 Indianapolis, IN 46204
Maryland (State Administrator)	Office of the Attorney General Division of Securities	200 St. Paul Place Baltimore, MD 21202-2020
Maryland (Agent)	Maryland Securities Commissioner	200 St. Paul Place Baltimore, MD 21202-2020
Michigan	Michigan Department of Attorney General Consumer Protection Division	G. Mennen Williams Building, 1 st Floor 525 West Ottawa Street Lansing, MI 48933
Minnesota	Commissioner of Commerce Minnesota Department of Commerce	85 7 th Place East, Suite 280 St. Paul, MN 55101-2198
New York (State Administrator)	NYS Department of Law Investor Protection Bureau	28 Liberty Street, 21 st Floor New York, NY 10005 212-416-8236
New York (Agent)	New York Department of State	One Commerce Plaza 99 Washington Avenue, 6th Floor Albany, NY 12231-0001 518-473-2492
North Dakota	Securities Commissioner North Dakota Securities Department	600 East Boulevard Avenue State Capitol, 14th Floor, Dept. 414 Bismarck, ND 58505-0510
Rhode Island	Director, Department of Business Regulation, Securities Division	1511 Pontiac Avenue John O. Pastore Complex – Building 68-2 Cranston, RI 02920
South Dakota	Department of Labor and Regulation Division of Insurance – Securities Regulation	124 S. Euclid, Suite 104 Pierre, SD 57501
Virginia (State Administrator)	State Corporation Commission Division of Securities and Retail Franchising	1300 East Main Street, 9 th Floor Richmond, VA 23219 804-371-9051
Virginia (Agent)	Clerk of the State Corporation Commission	1300 East Main Street, 1st Floor Richmond, VA 23219-3630
Washington	Department of Financial Institutions Securities Division	150 Israel Road SW Tumwater, WA 98501 360-902-8760
Wisconsin	Commissioner of Securities	Department of Financial Institutions Division of Securities 4822 Madison Yards Way, North Tower Madison, WI 53705

EXHIBIT D
STATE ADDENDA

MINNESOTA ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

To the extent the Minnesota Franchise Act, Minn. Stat. §§80C.01 – 80C.22 applies, the terms of this Addendum apply.

State Cover Page and Item 17, Additional Disclosures:

Minn. Stat. Sec. 80C.21 and Minn. Rule 2860.4400J prohibit us from requiring litigation to be conducted outside of Minnesota, requiring waiver of a jury trial or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Disclosure Document shall abrogate or reduce any of your rights as provided for in Minn. Stat. Sec. 80C, or your rights to any procedure, forum or remedies provided for by the laws of the jurisdiction.

Franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. A court will determine if a bond is required.

Item 6, Additional Disclosure:

NSF checks are governed by Minn. Stat. 604.113, which puts a cap of \$30 on service charges.

Item 13, Additional Disclosures:

The Minnesota Department of Commerce requires that a franchisor indemnify Minnesota Franchisees against liability to third parties resulting from claims by third parties that the franchisee's use of the franchisor's trademark infringes upon the trademark rights of the third party. The franchisor does not indemnify against the consequences of a franchisee's use of a franchisor's trademark except in accordance with the requirements of the franchise agreement, and as the condition to an indemnification, the franchisee must provide notice to the franchisor of any such claim immediately and tender the defense of the claim to the franchisor. If the franchisor accepts tender of defense, the franchisor has the right to manage the defense of the claim, including the right to compromise, settle or otherwise resolve the claim, or to determine whether to appeal a final determination of the claim.

Item 17, Additional Disclosures:

Any condition, stipulation or provision, including any choice of law provision, purporting to bind any person who, at the time of acquiring a franchise is a resident of the State of Minnesota or in the case of a partnership or corporation, organized or incorporated under the laws of the State of Minnesota, or purporting to bind a person acquiring any franchise to be operated in the State of Minnesota to waive compliance or which has the effect of waiving compliance with any provision of the Minnesota Franchise Law is void.

We will comply with Minn. Stat. Sec. 80C.14, subs. 3, 4 and 5, which requires, except in certain specified cases, that a franchisee be given 90 days notice of termination (with 60 days to cure), 180 days notice for nonrenewal of the Franchise Agreement, and that consent to the transfer of the franchise will not be unreasonably withheld.

Minnesota Rule 2860.4400D prohibits a franchisor from requiring a franchisee to assent to a general release, assignment, novation, or waiver that would relieve any person from liability imposed by Minnesota Statute §§80C.01 – 80C.22.

The limitations of claims section must comply with Minn. Stat. Sec. 80C.17, subd. 5.

Exhibit H, Additional Disclosure:

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

MINNESOTA ADDENDUM TO FRANCHISE AGREEMENT

To the extent the Minnesota Franchise Act, Minn. Stat. §§80C.01 – 80C.22 applies, the terms of this Addendum apply.

1. Notwithstanding anything to the contrary contained in the Franchise Agreement, to the extent that the Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

With respect to franchises governed by Minnesota Franchise Law, franchisor shall comply with Minn. Stat. Sec. 80C.14, subd. 4 which requires that except for certain specified cases, that franchisee be given 180 days' notice for non-renewal of this Franchise Agreement.

The Minnesota Department of Commerce requires that franchisor indemnify franchisees whose franchise is located in Minnesota against liability to third parties resulting from claims by third parties that the franchisee's use of franchisor's trademarks ("Marks") infringe upon the trademark rights of the third party. Franchisor does not indemnify against the consequences of a franchisee's use of franchisor's trademark but franchisor shall indemnify franchisee for claims against franchisee solely as it relates to franchisee's use of the Marks in accordance with the requirements of the Franchise Agreement and franchisor's standards. As a further condition to indemnification, the franchisee must provide notice to franchisor of any such claim immediately and tender the defense of the claim to franchisor. If franchisor accepts tender of defense, franchisor has the right to manage the defense of the claim, including the right to compromise, settle or otherwise resolve the claim, or to determine whether to appeal a final determination of the claim.

Franchisee will not be required to assent to a release, assignment, novation, or waiver that would relieve any person from liability imposed by Minnesota Statute §§ 80C.01 – 80C.22.

With respect to franchises governed by Minnesota Franchise Law, franchisor shall comply with Minn. Stat. Sec. 80C.14, subd. 3 which requires that except for certain specified cases, a franchisee be given 90 days' notice of termination (with 60 days to cure). Termination of the franchise by the franchisor shall be effective immediately upon receipt by franchisee of the notice of termination where its grounds for termination or cancellation are: (1) voluntary abandonment of the franchise relationship by the franchisee; (2) the conviction of the franchisee of an offense directly related to the business conducted according to the Franchise Agreement; or (3) failure of the franchisee to cure a default under the Franchise Agreement which materially impairs the goodwill associated with the franchisor's trade name, trademark, service mark, logo type or other commercial symbol after the franchisee has received written notice to cure of at least twenty-four (24) hours in advance thereof.

According to Minn. Stat. Sec. 80C.21 in Minnesota Rules or 2860.4400J, the terms of the Franchise Agreement shall not in any way abrogate or reduce your rights as provided for in Minn. Stat. 1984, Chapter 80C, including the right to submit certain matters to the jurisdiction of the courts of Minnesota. In addition, nothing in this Franchise Agreement shall abrogate or reduce any of franchisee's rights as provided for in Minn. Stat. Sec. 80C, or your rights to any procedure, forum or remedy provided for by the laws of the State of Minnesota.

Any claims franchisee may have against the franchisor that have arisen under the Minnesota Franchise Laws shall be governed by the Minnesota Franchise Law.

The Franchise Agreement contains a waiver of jury trial provision. This provision may not be enforceable under Minnesota law.

Franchisee consents to the franchisor seeking injunctive relief without the necessity of showing actual or threatened harm. A court shall determine if a bond or other security is required.

The Franchise Agreement contains a liquidated damages provision. This provision may not be enforceable under Minnesota law.

Any action pursuant to Minnesota Statutes, Section 80C.17, Subd. 5 must be commenced no more than 3 years after the cause of action accrues.

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

2. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.

3. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

This Addendum is being entered into in connection with the Franchise Agreement. In the event of any conflict between this Addendum and the Franchise Agreement, the terms and conditions of this Addendum shall apply.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

WE:

YOU:

BOSS' PIZZA FRANCHISE, LLC

Name of corporation or limited liability company

By _____
Its _____

By _____
Its _____

NORTH DAKOTA ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

To the extent the North Dakota Franchise Investment Law, N.D. Cent. Code, §§51-19-01 – 51-19-17 applies, the terms of this Addendum apply.

Item 5, Additional Disclosure:

Payment of the initial franchise fee is deferred until such time as the franchisor completes its initial obligations and franchisee is open for business.

Item 17, Additional Disclosures. The following statements are added to Item 17:

Any provision requiring franchisees to consent to the jurisdiction of courts outside North Dakota or to consent to the application of laws of a state other than North Dakota may be unenforceable under North Dakota law. Any mediation or arbitration will be held at a site agreeable to all parties. If the laws of a state other than North Dakota govern, to the extent that such law conflicts with North Dakota law, North Dakota law will control.

Any general release the franchisee is required to assent to as a condition of renewal is not intended to nor shall it act as a release, estoppel or waiver of any liability franchisor may have incurred under the North Dakota Franchise Investment Law.

Covenants not to compete during the term of and upon termination or expiration of the franchise agreement are enforceable only under certain conditions according to North Dakota law. If the Franchise Agreement contains a covenant not to compete that is inconsistent with North Dakota law, the covenant may be unenforceable.

The Franchise Agreement includes a waiver of exemplary and punitive damages. This waiver may not be enforceable under North Dakota law.

The Franchise Agreement stipulates that the franchisee shall pay all costs and expenses incurred by franchisor in enforcing the agreement. For North Dakota franchisees, the prevailing party is entitled to recover all costs and expenses, including attorneys' fees.

The Franchise Agreement requires the franchisee to consent to a waiver of trial by jury. This waiver may not be enforceable under North Dakota law.

The Franchise Disclosure Document and Franchise Agreement state that franchisee must consent to the jurisdiction of courts outside that State of North Dakota. That requirement may not be enforceable under North Dakota law.

The Franchise Disclosure Document and Franchise Agreement may require franchisees to consent to termination or liquidated damages. This requirement may not be enforceable under North Dakota law.

The Franchise Agreement requires the franchisee to consent to a limitation of claims within one year. To the extent this requirement conflicts with North Dakota law, North Dakota law will apply.

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

NORTH DAKOTA ADDENDUM TO FRANCHISE AGREEMENT

To the extent the North Dakota Franchise Investment Law, N.D. Cent. Code, §§51-19-01 – 51-19-17 applies, the terms of this Addendum apply.

1. Notwithstanding anything to the contrary contained in the Franchise Agreement, to the extent that the Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

Any release executed in connection with a renewal shall not apply to any claims that may arise under the North Dakota Franchise Investment Law.

Covenants not to compete during the term of and upon termination or expiration of the franchise agreement are enforceable only under certain conditions according to North Dakota law. If the Franchise Agreement contains a covenant not to compete that is inconsistent with North Dakota law, the covenant may be unenforceable.

The choice of law other than the State of North Dakota may not be enforceable under the North Dakota Franchise Investment Law. If the laws of a state other than North Dakota govern, to the extent that such law conflicts with North Dakota law, North Dakota law will control.

The waiver of punitive or exemplary damages may not be enforceable under the North Dakota Franchise Investment Law.

The waiver of trial by jury may not be enforceable under the North Dakota Franchise Investment Law.

The requirement that arbitration be held outside the State of North Dakota may not be enforceable under the North Dakota Franchise Investment Law. Any mediation or arbitration will be held at a site agreeable to all parties.

The requirement that a franchisee consent to termination or liquidated damages has been determined by the Commissioner to be unfair, unjust and inequitable within the intent of the North Dakota Franchise Investment Law. This requirement may not be enforceable under North Dakota law.

The Franchise Agreement states that franchisee must consent to the jurisdiction of courts located outside the State of North Dakota. This requirement may not be enforceable under North Dakota law.

The Franchise Agreement requires the franchisee to consent to a limitation of claims within one year. To the extent this requirement conflicts with North Dakota law, North Dakota law will apply.

Franchise Agreement stipulates that the franchisee shall pay all costs and expenses incurred by Franchisor in enforcing the agreement. For North Dakota franchisees, the prevailing party is entitled to recover all costs and expenses, including attorneys' fees.

Payment of the initial franchise fee is deferred until such time as the franchisor completes its initial obligations and franchisee is open for business.

2. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.

3. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

This Addendum is being entered into in connection with the Franchise Agreement. In the event of any conflict between this Addendum and the Franchise Agreement, the terms and conditions of this Addendum shall apply.

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

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

WE:

YOU:

BOSS' PIZZA FRANCHISE, LLC

Name of corporation or limited liability company

By _____
Its _____

By _____
Its _____

SOUTH DAKOTA ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

To the extent the South Dakota Franchise Investment Act, S.D. Codified Laws §§37-5B-53 – 37-5B-53 applies, the terms of this Addendum apply.

Item 5. Additional Disclosure:

Payment of the initial franchise fee is deferred until such time as the franchisor completes its initial obligations and franchisee is open for business.

SOUTH DAKOTA ADDENDUM TO FRANCHISE AGREEMENT

To the extent the South Dakota Franchise Investment Act, S.D. Codified Laws §§37-5B-53 – 37-5B-53 applies, the terms of this Addendum apply.

1. Notwithstanding anything to the contrary contained in the Franchise Agreement, to the extent that the Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

Payment of the initial franchise fee is deferred until such time as the franchisor completes its initial obligations and franchisee is open for business.

2. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.

3. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

This Addendum is being entered into in connection with the Franchise Agreement. In the event of any conflict between this Addendum and the Franchise Agreement, the terms and conditions of this Addendum shall apply.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

FRANCHISOR:

FRANCHISEE:

BOSS' PIZZA FRANCHISE, LLC

By: _____

By: _____

Its:

Its:

Date: _____

Date: _____

EXHIBIT E
GENERAL RELEASE FORM

FORM RELEASE OF CLAIMS

**THIS IS A CURRENT RELEASE FORM THAT GENERALLY WILL
BE USED WITH OR INCORPORATED INTO A SEPARATE AGREEMENT.
THIS FORM IS SUBJECT TO CHANGE OVER TIME.**

For and in consideration of the Agreements and covenants described below, Boss' Pizza Franchise, LLC ("we" or "us"), _____ ("you") and _____ ("Guarantors") enter into this Release of Claims ("Agreement").

RECITALS

- A. We and you entered into a Boss' Pizza & Chicken Franchise Agreement dated _____, 20____ (the "Franchise Agreement").
- B. [NOTE: Describe the circumstances relating to the release.]

AGREEMENTS

1. **Consideration.** [NOTE: Describe the consideration paid.]
- 2-3. [NOTE: Detail other terms and conditions of the release.]
4. **Release of Claims.**

A. Definitions.

1. **Franchisor Parties:** We and each of our subsidiaries, corporate parents and affiliates, and their respective officers, directors, owners, stockholders, members, employees, insurers, attorneys, agents, successors, predecessors, assigns, heirs and personal representatives.

2. **Franchisee Parties:** You and each of the Guarantors and all persons or entities acting on their behalf or claiming under them including each of their respective past and present corporate parents, subsidiaries, affiliates, owners, heirs, executors, administrators, managers, directors, officers, employees, trustees, agents, partners, business entities, attorneys, insurers, successors and assigns.

B. The Franchisee Parties irrevocably and unconditionally waive, release and forever discharge, and covenant not to sue, the Franchisor Parties of and from any and all claims, suits, debts, liabilities, causes of action, demands, contracts, promises, obligations, losses, rights, controversies, damages, costs, expenses (including actual attorneys' fees and costs incurred), actions and causes of action of every nature, whether known or unknown, direct or indirect, vested or contingent, at law or in equity, whether arising by statute, common law, or otherwise, including claims for negligence (collectively, "Claims"), that they may now have, or at any time heretofore had, or hereafter may have, against each or any of the Franchisor Parties arising out of or relating to any conduct, transaction, occurrence, act or omission at any time before the [Effective Date] relating to the Franchise Agreement(s), the development or operation of the Restaurant(s), the franchise relationship between the parties, the offer or sale of any franchise, or any agreement between any of the Franchisee Parties and any of the Franchisor Parties.

C. The Franchisee Parties specifically and expressly acknowledge and agree that the consideration accepted under this Agreement is accepted in full satisfaction of any and all injuries and/or damages that have previously arisen and which may hereafter arise respecting any of the claims being released.

D. The Franchisee Parties acknowledge that they have had a reasonable opportunity to consult with an attorney prior to signing this release and they have executed this release voluntarily. Also, the Franchisee Parties represent that they have not assigned or transferred to anyone any claims released by them under Section 4(B) above.

5. **General.** No amendment to this Agreement or waiver of the rights or obligations of either party shall be effective unless in writing signed by the parties. This Agreement is governed by the laws of the State of _____ without regard to conflicts of laws principles. If any provision of this Agreement is held invalid or unenforceable by any court of competent jurisdiction, the other provisions of this Agreement will remain in full force and effect. This Agreement contains the entire agreement and understanding of the parties concerning the subject matter of this Agreement. [NOTE: Detail other miscellaneous provisions.]

YOU:

WE:

BOSS' PIZZA FRANCHISE, LLC

BY: _____

BY: _____

ITS: _____

ITS: _____

DATE: _____

DATE: _____

PERSONAL GUARANTORS:

EXHIBIT F
LIST OF FRANCHISEES

EXHIBIT F

**LIST OF CURRENT FRANCHISEES
as of December 31, 2023**

State	Address of Restaurant	Franchisee and Phone
SD	1607 E Highway 50 Yankton, SD 57078	Aaron and Kim Ocampo (605) 975-5751
SD	2515 6 th Street Brookings, SD 57006	Darren Newborg & Dallas Wilkinson (605) 692-1429
SD	2111 S Minnesota Ave Sioux Falls, SD 57105	Ryan Bitterman (605) 929-9488
SD	5330 W 26th Street Sioux Falls, SD 57106	Ryan Bitterman (605) 929-9488
SD	236 Winter Street Keystone, SD 57751	Kellie Falken (303) 908-8196

**LIST OF FORMER FRANCHISEES
as of December 31, 2023**

WI	1015 East Veteran's Way Mukwonago, WI 53149	Kris and Alicia Ganske (262) 230-2677
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EXHIBIT G

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EXHIBIT H
DISCLOSURE ACKNOWLEDGMENT AGREEMENT

**DISCLOSURE
ACKNOWLEDGMENT AGREEMENT**

Applicant _____
(If corporation) State of Incorporation _____
Address of Applicant _____
Location (Territory) Applied For _____

1. I have received all appropriate disclosure documents for the State(s) of _____ at least fourteen (14) calendar days, exclusive of the day I received them and the day I signed them, before signing the Franchise Agreement and/or payment of any monies.

2. I have signed and returned to Boss' Pizza Franchise, LLC (you or your) the acknowledgment of receipt for each disclosure document given me.

3. I have had an opportunity to read the Franchise Agreement thoroughly and understand all of your covenants and obligations and my obligations as a franchisee of the Boss' Pizza & Chicken system. I understand that the Franchise Agreement contains all obligations of the parties and that you do not grant to me any right of first refusal.

4. I understand that this franchised business may be impacted by risks largely outside your or our control such as local, national or global economic, political or social disruption.

5. I understand that this franchised business, as in all business ventures, involves other risks and, despite assistance and support programs, the success of my business will depend largely upon me and my ability.

6. Except for fill in the blank provisions or for negotiated changes that I initiated, I received a copy of the revised Franchise Agreement or related agreement at least seven (7) calendar days before the date on which the Franchise Agreement or related agreement was signed.

7. I understand that you have established a national marketing and promotional fund (the Brand Development Fund) which is not directed towards any specific franchise territory but is intended to benefit the entire Boss' Pizza & Chicken system nationwide. I further understand that amounts from the Brand Development Fund will be used to offset any in-house expenses you incur in providing marketing services, production art and other activities.

8. I have had no promises, guarantees or assurances made to me and no information provided to me relative to earnings, revenues, profits, expenses or projected revenues for this franchise, except as disclosed in the disclosure document. If I believe that I have received any such promises, guarantees, assurances or information, I agree to describe it below (otherwise write "None").

Applicants' Acknowledgment:

Name: _____ Name : _____
Date: _____ Date: _____

EXHIBIT I

STATE EFFECTIVE DATES AND RECEIPT PAGES

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:

State	Effective Date
Minnesota	Pending
North Dakota	Pending
South Dakota	Pending
Wisconsin	Pending

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

RECEIPT

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If Boss’ Pizza Franchise, LLC (“Boss’ Pizza & Chicken”) offers you a franchise, Boss’ Pizza & Chicken must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, Boss’ Pizza & Chicken or its affiliate in connection with the proposed franchise sale. Iowa requires that we give you this disclosure document at the earlier of the first personal meeting or 14 calendar days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

If Boss’ Pizza & Chicken does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and those state administrators listed on **Exhibit C**.

Issuance Date: October 25, 2024

The franchisor is Boss’ Pizza Franchise, LLC, located at 4804 S. Minnesota Avenue Sioux Falls, South Dakota 57108. Its telephone number is (605) 368-4796.

Boss’ Pizza & Chicken franchise sellers involved in offering and selling the franchise are Jeremy Seefeldt and Josh Benz, or are listed below (with address and telephone number), or will be provided to you separately before you sign a franchise agreement: _____.

Boss’ Pizza & Chicken authorizes the respective state agencies identified on **Exhibit C** to receive service of process for Boss’ Pizza Franchise, LLC in the particular state.

I have received a disclosure document with an issuance date of October 25, 2024 that included the following Exhibits:

- A. Financial Statements
- B. Franchise Agreement (and Exhibits)
- C. List of State Administrators, Agents for Service of Process
- D. State Addenda
- E. General Release Form
- F. List of Franchisees
- G. Operations Manual Table of Contents
- H. Disclosure Acknowledgment Agreement
- I. State Effective Dates and Receipt Pages

Date: _____
(Do not leave blank)

(Print Name of Prospective Franchisee (For Entity))

By: _____
Its: _____

Signature _____

(Print Name of Prospective Franchisee (For Individuals))

Signature _____

Copy for Franchisee

RECEIPT

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If Boss’ Pizza Franchise, LLC (“Boss’ Pizza & Chicken”) offers you a franchise, Boss’ Pizza & Chicken must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, Boss’ Pizza & Chicken or its affiliate in connection with the proposed franchise sale. Iowa requires that we give you this disclosure document at the earlier of the first personal meeting or 14 calendar days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

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- G. Operations Manual Table of Contents
- H. Disclosure Acknowledgment Agreement
- I. State Effective Dates and Receipt Pages

Date: _____
(Do not leave blank)

(Print Name of Prospective Franchisee (For Entity))

By: _____
Its: _____

Signature _____

(Print Name of Prospective Franchisee (For Individuals))

Signature _____

Please sign and date both copies of this receipt, keep one copy (the previous page) for your records, and mail one copy (this page) to the address listed on the front page of this disclosure document or send to Josh Benz at 4804 S. Minnesota Avenue Sioux Falls, South Dakota 57108 or jbenz.franchiseboss@gmail.com.

Copy for Boss’ Pizza Franchise, LLC