

FRANCHISE DISCLOSURE DOCUMENT

WALK-ON'S ENTERPRISES FRANCHISING, LLC

a Georgia limited liability company

2 Ravinia Drive NE, 5th Floor

Atlanta, Georgia 30346

Phone: (470) 751-0435

www.walk-ons.com

E-mail: franchise@walk-ons.com



The franchisee will operate a “Walk-On’s Sports Bistreaux,” which is a Louisiana themed sports grill offering a variety of fresh, cooked to order, menu items such as sandwiches, seafood, Southern Louisiana specialties, hamburgers and salads. We also offer qualifying franchisees the right to develop multiple Walk-On’s Sports Bistreaux Restaurants under an Area Development Agreement.

The total investment necessary to begin operation of a single Walk-On’s Sports Bistreaux Restaurant is from \$1,554,500 to \$7,056,300, including \$100,000 that must be paid to us or our affiliate. If you enter into an Area Development Agreement, you must develop at least 2 Restaurants. The total investment necessary to begin operation under an Area Development Agreement is from \$1,584,500 to \$7,086,300, including \$60,000 (for development of 2 Restaurants that must be paid to us or our affiliate).

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 government 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 Jennifer Pecoraro-Striepling at 2 Ravinia Drive NE, 5th Floor, Atlanta, Georgia 30346, jennifer.striepling@walk-ons.com and (470)-751-0435.

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 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, DC 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: May 8, 2024, as amended August 9, 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 H. |
| 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 C 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 Walk-Ons Sports Bistreaux 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 Walk-Ons Sports Bistreaux franchisee? | Item 20 or Exhibit H 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 D.

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:

Out-of-State Dispute Resolution. The franchise agreement requires you to resolve disputes with the franchisor by litigation only in Atlanta, Georgia. Out-of-state litigation may force you to accept a less favorable settlement for disputes. It may also cost more to litigate with the franchisor in Atlanta, Georgia than in your own state.

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

NOTICE REQUIRED BY THE STATE OF MICHIGAN

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

TABLE OF CONTENTS

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

ITEM 2 BUSINESS EXPERIENCE..... 3

ITEM 3 LITIGATION..... 3

ITEM 4 BANKRUPTCY 4

ITEM 5 INITIAL FEES 4

ITEM 6 OTHER FEES 5

ITEM 7 ESTIMATED INITIAL INVESTMENT 10

ITEM 8 RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES..... 16

ITEM 9 FRANCHISEE’S OBLIGATIONS 18

ITEM 10 FINANCING 20

ITEM 11 FRANCHISOR’S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING 20

ITEM 12 TERRITORY 31

ITEM 13 TRADEMARKS 34

ITEM 14 PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION 35

ITEM 15 OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS 37

ITEM 16 RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL 37

ITEM 17 RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION..... 38

ITEM 18 PUBLIC FIGURES 48

ITEM 19 FINANCIAL PERFORMANCE REPRESENTATIONS 48

ITEM 20 OUTLETS AND FRANCHISEE INFORMATION 53

ITEM 21 FINANCIAL STATEMENTS 56

ITEM 22 CONTRACTS..... 56

ITEM 23 RECEIPTS 57

Exhibits

A Franchise Agreement and Related Materials
State Specific Addenda to Franchise Agreement
Exhibit A - Franchised Territory and Restaurant Type
Exhibit B - Proprietary Marks
Exhibit C - Required Lease Rider
Exhibit D - Guarantee
Exhibit E - Acknowledgement Addendum

B Area Development Agreement and Related Materials
State Specific Addenda to Area Development Agreement
Exhibit A - Development Territory
Exhibit B - First Unit Franchise Agreement You and We Will Sign
Exhibit C - Guarantee

C Financial Statements

D State Franchise Administrators

E Agents for Service of Process

F State Specific Addenda to Franchise Disclosure Document

G General Release

H List of Current and Former Franchisees

I State Effective Dates and Receipts

ITEM 1

THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS AND AFFILIATES

The Franchisor

To simplify the language in this Disclosure Document, “we” or “us” means Walk-On’s Enterprises Franchising, LLC, the franchisor. “You” means the individual, corporation or partnership who buys the franchise. If the franchisee will operate through a corporation, limited liability company, partnership or other business entity, “you” also includes the franchisee’s owners or partners. Our agents for service of process in the states whose franchise laws require us to name a state agency as agent for service are shown on Exhibit E.

We are a Georgia limited liability company originally formed in Louisiana on July 23, 2014. On April 2, 2024, we converted to a Georgia limited liability company. We conduct business under the names “Walk-On’s.” Our principal business address is 2 Ravinia Drive NE, 5th Floor, Atlanta, Georgia 30346. We have been offering franchises for Walk-On’s Sports Bistreaux Restaurants since October 2014. We have not conducted business in any other line of business. We do not operate any Walk-On’s Sports Bistreaux Restaurants; however, our affiliate, Walk-On’s Enterprises Operations, LLC, has operated, through its subsidiaries, Walk-On’s Sports Bistreaux Restaurants since October 2014. The Walk-On’s Sports Bistreaux Restaurants operated by Walk-On’s Enterprises Operations, LLC through its subsidiaries are listed as corporate stores in Item 20.

Our Parent and Affiliates

Our direct parent, Walk-On’s Enterprises Holdings, LLC, is a Louisiana limited liability company formed in January 2014. Walk-On’s Enterprises Holdings, LLC’s principal address is 2 Ravinia Drive NE, 5th Floor, Atlanta, Georgia 30346.

Our ultimate parent, Walk-On’s Holdings DE, LLC, is a Delaware limited liability company formed in September 2020. Walk-On’s Holdings DE, LLC’s principal address is 2 Ravinia Drive NE, 5th Floor, Atlanta, Georgia 30346.

Our affiliate, Walk-On’s Enterprises Marketing, LLC (“Walk-On’s Marketing”) is a Louisiana limited liability company formed on April 30, 2015. Walk-On’s Marketing’s address is 2 Ravinia Drive NE, 5th Floor, Atlanta, Georgia 30346. Walk-On’s Marketing administers the System Advertising Fund (the “Fund”) (See Item 11).

Our affiliate, Walk-On’s Enterprises IP, LLC, a Louisiana limited liability company, owns the trademarks and other intellectual property associated with the System (as defined below) and has granted us a perpetual license to use and sublicense to others to use the trademarks and intellectual property pursuant to a cross-license agreement dated as of October 10, 2014 (the Cross-License Agreement”).

Except as described above, neither our parent nor our affiliates offer franchises in this or any other lines of business, although they may do so in the future. We have no predecessors.

The Walk-On’s System

We and/or our affiliates have developed a proprietary system (the “System”) for opening and operating Walk-On’s Sports Bistreaux Restaurants (“Walk-On’s Restaurant” or “Restaurant”), which are Louisiana themed sports grills offering a variety of fresh, cooked to order, menu items such as sandwiches, seafood, Southern Louisiana specialties, hamburgers and salads. Walk-On’s Restaurants typically operate in interior space ranging between 4,500 to 12,000 square feet with 200 to 400 seats.

The Walk-On's Proprietary Marks

The System makes use of the trademarks and service marks "Walk-On's," "Walk-On's Sports Bistreaux" and certain other trademarks, service marks, trade names, related emblems, designs, labels, trade dress, signs and symbols, copyrighted materials and other intellectual property (collectively, the "Proprietary Marks") that we specify now or designate for use in the future in the System.

The Walk-On's Unit Franchise Program and Area Development Program

This Disclosure Document offers two basic types of franchises for Walk-On's Restaurants. For those who wish to operate a single Walk-On's Restaurant, we offer a unit franchise program under which you sign a Franchise Agreement and commit to open one Walk-On's Restaurant (see the Franchise Agreement in Exhibit A). For those who wish to operate multiple Walk-On's Restaurants within a defined Development Territory, we offer an area development program under which you sign an Area Development Agreement and commit to sign separate Franchise Agreements for, and open, at least 2 Walk-On's Restaurants according to a predetermined Development Schedule and under our then-current form of Franchise Agreement, which may have materially different terms than the Franchise Agreement included in this offering (see the Area Development Agreement in Exhibit B).

Market Competition

The market for your products and services consists of consumers, including sports enthusiasts and families, seeking the high-quality food offerings featured on a Walk-On's Restaurant menu. The restaurant market is highly developed, highly competitive and constantly changing. You will compete primarily with other full-service sports bars, casual dining restaurants and specialty restaurants. You will compete with local independent and regional chains as well as national chains such as The Yard House, Brickhouse Tavern, Buffalo Wild Wings, BJ's Brewhouse and Chili's. Sales are not generally seasonal. The restaurant business is often affected by changes in consumer tastes, national, regional or local economic conditions, demographic trends, consumer confidence in the economy, discretionary spending patterns, weather conditions, tourist travel, traffic patterns, and the type, number and location of competing restaurants. The ability of each Walk-On's Restaurant to compete depends on its location, ingress and egress, signage, parking, service, employee attitudes, overhead, changing local market and economic conditions, and many other factors both within and outside your control.

Rules and Regulations

You must comply with all local, state, and federal laws and regulations applicable to the operation of your Walk-On's Restaurant. The restaurant business is subject to extensive federal, state and local government regulations, including regulations relating to food and beverage handling, alcoholic beverage control, the preparation and sale of food, public health and safety, sanitation, waste disposal, smoking restrictions, building zoning and fire codes. Your Walk-On's Restaurant must obtain and maintain food service licenses from local health authorities and licenses from regulatory authorities allowing it to sell liquor, beer and wine. You must comply with all applicable laws, rules and regulations regarding the sale of alcohol. There are other laws and regulations applicable to businesses generally (such as the Americans with Disabilities Act) with which you must comply. You should consult with your attorney concerning all laws and regulations that may affect your Walk-On's Restaurant.

ITEM 2

BUSINESS EXPERIENCE

Founder, Chairman of the Board of Directors, and Owner: Brandon P. Landry

Brandon has served as our Founder and Owner since our formation in July 2014 and has served as Chairman of our Board of Directors since January 2023. He previously served as our Chief Executive Officer from July 2014 to January 2023. Brandon has served as Chief Executive Officer, Founder and Owner of: Walk-On's Enterprises Operations, LLC since its formation in September 2003; Walk-On's Enterprises Holdings, LLC since its formation in January 2014; Walk-On's Enterprises IP, LLC since its formation in January 2014; Walk-On's Enterprises Operations, LLC since its formation in January 2014; and Walk-On's Marketing since its formation in April 2015. Brandon serves in his present capacity in Baton Rouge, Louisiana.

Interim Chief Executive Officer and Chief Financial Officer: Christopher Porcelli

Chris has served as our Interim Chief Executive Officer since August 2024. Chris has served as our Chief Financial Officer since September 2023. From July 2017 to September 2023, Chris was employed by Driven Brands, Inc. in Charlotte, North Carolina, serving from January 2023 to September 2023 as its Chief Operating Officer - Maaco, from April 2022 to January 2023 as its Senior Vice President, Strategy & Finance Administration - Maaco, from July 2020 to April 2022 as its Vice President, Strategy & Analytics - Maaco, and from March 2019 to July 2020 as its Senior Director, Finance & Accounting. Chris serves in his present capacity in Atlanta, Georgia.

Chief Operating Officer: Kendall Ware

Kendall has served as our Chief Operating Officer since July 2023. From April 2022 to January 2023, Kendall served as Chief Operating Officer for In-Shape Solutions, LLC in Stockton, California. From December 2020 to January 2022, Kendall served as President and Chief Brand Officer for Cinnabon Franchisor SPV, LLC and Carvel Franchisor SPV, LLC in Atlanta, Georgia. From November 2017 to December 2020, Kendall was employed by Orange Leaf, LLC in Oklahoma City, Oklahoma, serving from November 2019 to December 2020 as its Chief Executive Officer and from November 2017 to November 2019 as its President and Chief Operating Officer. Kendall serves in his present capacity in Atlanta, Georgia.

Chief Development Officer: Jennifer Pecoraro-Striepling

Jennifer has served as our Chief Development Officer since September 2023. From September 2020 to September 2023, Jennifer served as Vice President of Design, Construction, Facilities & Franchise Sales for Papa John's International in Atlanta, Georgia. From January 2012 to April 2020, Jennifer served as Vice President of Design & Construction for Bloomin Brands in Tampa, Florida. Jennifer serves in her present capacity in Atlanta, Georgia.

Owner: Drew Brees

Drew has been one of our Owners since April 2015. Since April 2015, Drew has also been an Owner of: Walk-On's Enterprises Holdings, LLC; Walk-On's Enterprises IP, LLC; Walk-On's Enterprises Operations, LLC; and Walk-On's Marketing. Since 2011, Drew has also been a franchisee with Jimmy Johns Gourmet Sandwiches and currently operates locations in the greater New Orleans, Louisiana area. Drew serves in his present capacity in Santa Monica, California.

ITEM 3

LITIGATION

No litigation must be disclosed in this Item.

ITEM 4
BANKRUPTCY

No bankruptcy must be disclosed in this Item.

ITEM 5
INITIAL FEES

Initial Franchise Fee

The Initial Franchise Fee for one Walk-On's Restaurant is \$60,000. You must pay the Initial Franchise Fee in lump sum on the date you sign the Franchise Agreement, unless you sign an Area Development Agreement, as described below. The Initial Franchise Fee is fully earned when paid and it is not refundable under any circumstances. The Initial Franchise Fee is uniform for all franchisees.

Training Fee

The Initial Franchise Fee covers the cost for up to 6 people to attend the Initial Training Program. If you wish to send additional people to the Initial Training Program, you must pay us \$5,000 per additional trainee before the start of the Initial Training Program. The Initial Training Fee is uniform for all franchisees.

Opening Support Fee

The Opening Support Fee is \$40,000. You must pay the Opening Support Fee in lump sum on the date you sign the Franchise Agreement. The Opening Support Fee is fully earned when paid and is not refundable under any circumstances. We will provide an Opening Training Team, as described in Item 11, before and immediately following the opening of your Walk-On's Restaurant. In addition, if we determine, in our sole discretion, that additional on-site assistance is necessary after the opening of a Walk-On's Restaurant, you must pay all expenses of keeping all or a portion of the Opening Training Team at your Walk-On's Restaurant beyond the allotted time, including, but not limited to, daily wages, costs of travel (if applicable), lodging and a per diem for each member. The Opening Support Fee is uniform for all franchisees.

Area Development Fee

If you enter into an Area Development Agreement, you must pay an Area Development Fee of 50% of the Initial Franchise Fee (\$30,000 per Walk-On's Restaurant) multiplied by the total number of Walk-On's Restaurants to be developed. You must pay the Area Development Fee in lump sum on the date you sign the Area Development Agreement. The Area Development Fee is fully earned when paid and it is not refundable under any circumstance. The Area Development Fee is uniform for all franchisees.

For each Walk-On's Restaurant you must develop under the Area Development Agreement, you will receive a credit of \$30,000 against the then-current Initial Franchise Fee due when you sign the Franchise Agreement for the particular Walk-On's Restaurant.

Grand Opening Marketing Funds

When you sign your Franchise Agreement, you must pay us \$20,000 for your grand opening marketing efforts. At least 120 days before your Walk-On's Restaurant's opening, we will provide you with a marketing plan detailing how and when we propose to spend the Grand Opening Marketing Funds. We will then spend the Grand Opening Marketing Funds on your behalf in support of your Walk-On's Restaurant's opening. The Grand Opening Marketing Funds will be refundable to you if you do not open your Walk-On's Restaurant. The Grand Opening Marketing Funds are uniform for all franchisees.

If you enter into an Area Development Agreement, you must pay us the Grand Opening Marketing Funds for each Walk-On's Restaurant developed under the Area Development Agreement at the time that you sign the Franchise Agreement for each Walk-On's Restaurant.

Except as disclosed in this Item 5, you pay us or our affiliates no other fees or payments for services or goods before your Walk-On's Restaurant opens.

**ITEM 6
OTHER FEES**

| (1) Type of Fee | (2) Amount | (3) Due Date | (4) Remarks |
|----------------------------------|---|---|---|
| Continuing Royalty | 5% of Gross Revenues. See Note 1. | Payable weekly for the 7-day period beginning on Thursday and ending on the following Wednesday (the "Weekly Royalty Period"). The Continuing Royalty is due on the Monday following the end of the Weekly Royalty Period by ACH. | Royalty percentage will not change during term of Franchise Agreement. |
| System Advertising Contribution | Currently 3% of Gross Revenues. See Note 1. | Same as Continuing Royalty. | We may increase the System Advertising Contribution up to 5% of Gross Revenues. |
| Regional Advertising Cooperative | If cooperative formed: Minimum – 1% of Gross Revenues; Maximum – 3% of Gross Revenues. | Established by Regional Advertising Cooperative. | We may form a Regional Advertising Cooperative for your area. Walk-On's Restaurants we or our affiliates own will have the same voting rights and contribute at the same rate as franchisees to a Regional Advertising Cooperative. |
| Technology Contribution | Currently \$500 per month | Payable on or before the 10th day of each month. | Technology Contribution payments are used to fund technology to improve our support to the System including digital and other modern ordering capabilities, platforms, apps and other now or later developed infrastructure, tools, systems and analytics. We reserve the right to increase the Technology Contribution fee and/or impose a limited time special assessment at any time on 60 days' notice. |
| Proprietary Products | See Note 2. | When you place orders for products. | If we develop them in the future, you must buy proprietary products from us, our affiliate or designee. |
| Testing fee | Varies depending on the reasonable expenses we incur in testing the product or service you propose. | When we request. | We may test the product or service of any supplier you propose. Fee for testing pays for our expenses. |

| (1) Type of Fee | (2) Amount | (3) Due Date | (4) Remarks |
|---------------------------------|---|--------------------------------|--|
| On-Site Training and Assistance | \$300 per day per trainer, plus costs of travel and lodging, for each trainer sent. | When we request. | You can request on-site training and/or assistance at any time. The franchise agreement does not require us to provide it. |
| Replacement Manager Training | \$5,000 per trainee | When we request | Any Walk-On's General Manager, Restaurant Manager, or Executive Kitchen Manager you appoint after the opening of your Walk-On's Restaurant must attend and successfully complete our next scheduled Initial Training Program. |
| On Going Training | Our expenses. We may charge tuition for an annual conference, convention or required training sessions. | As incurred. | We may from time to time develop additional training programs that you (if an individual), your General Manager, Restaurant Manager, or Executive Kitchen Manager must attend and successfully complete. We may also hold an annual conference, convention or required training sessions. You, your General Manager and your Walk-On's Restaurant Manager must attend. You must pay any required tuition or registration fee and all living and transportation expenses of your trainees who attend. |
| Insurance | Our actual cost. | As insurance carrier requires. | If you fail to pay premiums for required insurance, we may, but are not obligated to, pay premiums and charge you for them. Premiums may vary depending on factors such as the insurance company selected and your claims experience. |
| Relocation | \$20,000 or any greater amount necessary to reimburse us for any reasonable costs we incur in considering your request. | On demand. | You must pay this fee if you desire to relocate your Restaurant. |
| Taxes | Varies. | Promptly when due. | You must pay us or our affiliates: (a) all sales taxes, trademark license taxes and any other taxes, imposed on, required to be collected, or paid by us or our affiliates (excluding any corporate income taxes imposed on us or our affiliates) because we or our affiliates have furnished programs, services or services to you, collected any fee from you, licensed our Proprietary Marks to you and/or entered into this Agreement with you. |

| (1) Type of Fee | (2) Amount | (3) Due Date | (4) Remarks |
|---------------------------------------|--|-------------------------------------|---|
| Late Financial Reports | \$50 per month per missing report | On demand. | We may charge this fee if you do not timely furnish to us any of the financial statements or tax returns required under your Franchise Agreement. |
| Reimbursements and Administrative Fee | Varies. | When we request. | If you default under your Franchise Agreement, we have the right, but not the obligation, to cure the default on your behalf, and if we do, you must pay us all amounts we advance to third parties for you plus our time in curing the default for you and an administrative fee of 25% of the amount we disburse. |
| Late Charge | Maximum law allows, or if no legal maximum, then 4% above prime rate. | When we request. | You must pay late charge on any past due amounts to us. We will not increase charge beyond formula in column 2 during term of Franchise Agreement. |
| Fines for Defaults | Varies | When we request. | We may impose fines on you for defaulting under your Franchise Agreement, including a daily fine while a default remains uncured. If your Restaurant fails a restaurant inspection, we may charge you a fine of up to \$25,000. |
| Inspection Expenses | Varies, the expenses that we incur | On demand. | If we must re-inspect your Restaurant due to your failure to pass our quality assurance inspection, you must pay us our expenses in repeating the quality assurance inspection to determine if you have cured the deficiencies under the previous inspection. |
| Audit Expenses | Varies. | As incurred. | See Note 3. |
| Successor Agreement Fee | 25% of the then-current Initial Franchise Fee. | Before we sign successor agreement. | |
| Transfer Fee | One-half of the then-current initial franchise fee (currently, \$30,000) | Before we approve the transfer. | |

| (1) Type of Fee | (2) Amount | (3) Due Date | (4) Remarks |
|---|---|-----------------|---|
| Management Fee on Death or Disability | Greater of (a) twice the salary paid to individual(s) we assign to operate the Walk-On's Restaurant, or (b) 10% of the Walk-On's Restaurant's weekly Gross Revenue. | See Remarks. | From your death or disability or the death or disability of your last surviving owner (if you are a business entity), until a new Walk-On's Restaurant Manager assumes control, we may operate a Walk-On's Restaurant, but will have no obligation to do so. If we do, then we will deduct our expenses from the Walk-On's Restaurant's Gross Revenues and pay ourselves the management fee shown in column 2. The management fee is in addition to Continuing Royalties due us. We will remit any remaining funds to your Estate. Estate must pay us any deficiency in sums due us under Franchise Agreement within 10 days of our notifying Estate of deficiency. |
| Indemnification | Varies. The losses and expenses we incur. | On demand. | You indemnify us from certain losses and expenses. See Section 8.10 of the Franchise Agreement. |
| Attorneys' and Experts' Fees, Court Costs | The amount of these fees and costs are unknown and may vary depending on factors such as the attorneys and experts selected and the court costs. | | See Note 4. |
| Collection Costs and Expenses | Varies. | On demand. | You must reimburse us for collection costs and expenses we incur including, but not limited to, costs and commissions paid to a collection agency, reasonable attorney's fees, costs incurred in creating or replicating reports demonstrating Gross Sales, court costs, expert witness fees, discovery costs and reasonable attorneys' fees and costs on appeal, together with interest charges on all of the foregoing. |
| Quality Inspections | Currently \$501.30 | On demand. | We pay for quality inspection tests performed by EcoSure. If you fail to meet our required passing percentage rate (which is currently 88%) your Restaurant will be re-inspected within 7 to 10 days and you must reimburse us for the cost of the re-inspection. We also may have EcoSure bill you directly for re-inspections. |

| (1) Type of Fee | (2) Amount | (3) Due Date | (4) Remarks |
|--------------------|---|--|--|
| Liquidated Damages | Your average monthly Continuing Royalty over the 12 months of operation before the termination (or lesser period if not open for 12-months) multiplied by the lesser of: (i) 24; or (ii) the number of months remaining in the term of the Franchise Agreement. | On termination of the Franchise Agreement. | If we terminate the Franchise Agreement as a result of your default, you must pay us liquidated damages. |

Notes

Unless otherwise stated, all fees in the table above are nonrefundable and the fee or its formula is uniformly imposed.

1. “Gross Revenues” means: all revenue that you derive from operating your Restaurant, including, but not limited to, all amounts that you receive at or away from the Restaurant, and whether from cash, check, credit and debit card, gift cards (included on redemption of Walk On’s issued gift cards and on sale of gift cards you issue outside of the Walk On’s gift card program), barter exchange, trade credit, or other credit transactions and all other income of every kind and nature related to your Restaurant, but excluding only: (1) proceeds from property damage or liability insurance; (2) proceeds from any civil forfeiture, condemnation, or seizure by government entities; (3) all federal, state, or municipal sales, use, or service taxes collected from customers and paid to the appropriate taxing authority; and (4) all reasonable discounts or comps, adjustments, discounts to employees, over-rings and allowances actually made by your Restaurant. You may not deduct third-party delivery fees from Gross Revenues. Gross Revenues includes revenue and income from, to the extent we grant our prior written approval of same, catering, vending machines, coin operated machines, ATM machines, juke boxes or other music playing devices, basketball machines, pinball machines, video games, other arcade-style games and/or any other form of machine or electronic device operated at your Restaurant. If we determine in our sole judgment that the amount of discounts or comps, adjustments, discounts to employees, over-rings or allowances is excessive as compared to the system-wide average, we may require you to increase the amount of your Gross Revenues in the amount that we determine.

All Continuing Royalty and System Advertising Contribution payments must be made by ACH or other similar technology we designate. You must pay all costs associated with the payment system we designate.

If a state or local law in which your Walk-On’s Restaurant is located prohibits or restricts in any way your ability to pay and our ability to collect the Continuing Royalty and/or the System Advertising Contribution derived from the sale of alcoholic beverages at your Walk-On’s Restaurant (an “Alcohol Restriction Law”), you must pay whatever increased percentages of all Gross Revenues and/or System Advertising Contributions not deriving from the sale of alcohol necessary so that the Continuing Royalty and System Advertising Contribution you pay equals the Continuing Royalty and System Advertising Contribution you would pay if you were not subject to an Alcohol Restriction Law.

The Continuing Royalty for the Gross Revenues generated from approved gaming machines will be made by ACH on the first Monday of the month for the preceding month. You do not have to pay a System Advertising Contribution on Gross Revenues generated from approved gaming machines.

2. You must buy any proprietary products from us, our affiliate or designee. We (or our affiliates or designees) will sell you proprietary products under terms we develop. We may earn a profit on the sale of proprietary products to you.

3. If we audit your Walk-On’s Restaurant and find that you understated the Gross Revenues on the weekly or monthly statements you submitted to us by 2% percent or more for any month or for the entire period when compared with your actual Gross Revenues, then you must immediately pay us the cost of the audit and the additional amounts owing, plus interest at the highest legal rate or, if there is no maximum legal rate, then 4% percent above the prime rate. Otherwise, we must pay the cost of the audit. If you understated your Gross Revenues by 8% or more for any month or for the entire period, we can terminate the Franchise Agreement and you must pay the amount due, plus interest and the cost of the audit. If you understated your Gross Revenues by less than 2% percent for any month or for the entire period, you must immediately pay us the amount due, plus interest, but we will pay the cost of the audit. The percentages described in this footnote are fixed and will not change during the term of the Franchise Agreement.

4. In certain circumstances, as stated in the Franchise Agreement, you must reimburse us for our reasonable attorneys’ fees, experts’ fees, court costs and all other expenses incurred in connection with any action filed to secure or protect our rights under the Franchise Agreement, to enforce the terms of the Franchise Agreement, or in any action against us you filed or joined. If we become a party to any proceeding brought against us by a third party relating to the Franchise Agreement or your Walk-On’s Restaurant as a result of your act or omission, or if we become a party to any litigation or insolvency proceeding involving you under any bankruptcy or insolvency code, then you must pay us our reasonable attorneys’ fees, experts’ fees, court costs, travel and lodging costs and all other expenses we incur. If we terminate the Franchise Agreement for your default, in addition to damages, you must pay us all our expenses from your default or termination, including reasonable attorneys’ and experts’ fees.

ITEM 7

ESTIMATED INITIAL INVESTMENT*

YOUR ESTIMATED INITIAL INVESTMENT

DEVELOPMENT OF ONE WALK-ON’S RESTAURANT

| (1) Type of expenditure | (2) Amount | | (3) Method of payment | (4) When due | (5) To whom payment is to be made |
|---|---------------|----------|--------------------------|-----------------------------------|--------------------------------------|
| | Low | High | | | |
| Initial Franchise Fee See Note 1 | \$60,000 | \$60,000 | Lump sum | At signing of Franchise Agreement | Us |
| Initial Training Program Expenses See Note 2 | \$20,000 | \$30,000 | As incurred | As incurred | Supplier |
| Opening Support Fee See Note 3 | \$40,000 | \$40,000 | As incurred | As incurred | Us |

* Unless otherwise stated, none of the expenses on these charts are fully refundable.

| (1) Type of expenditure | (2) Amount | | (3) Method of payment | (4) When due | (5) To whom payment is to be made |
|---|---------------|-------------|---------------------------------------|---------------------------------------|--|
| | Low | High | | | |
| Management Salary Expense See Note 4 | \$120,000 | \$130,000 | As incurred | When we request | Management Personnel |
| Hiring Trailer See Note 5 | \$4,500 | \$7,800 | As incurred | As supplier requests | Supplier |
| Leased Real Property See Note 6 | \$110,000 | \$280,000 | As landlord requires | As landlord requires | Landlord |
| Construction and Leasehold Improvements See Note 7 | \$0 | \$4,000,000 | As incurred | As contractor requires | Contractor |
| Equipment See Note 8 | \$500,000 | \$1,300,000 | As incurred | As supplier requires | Supplier |
| Furniture and Fixtures See Note 9 | \$85,000 | \$140,000 | As incurred | As supplier requires | Supplier |
| Hand Wares, Small Appliances and Uniforms See Note 10 | \$71,000 | \$102,000 | As incurred | As supplier requires | Supplier |
| Computer, Television Audio and Point of Sale Systems See Note 11 | \$250,000 | \$310,000 | As supplier requires | As supplier requires | Supplier |
| Initial Inventory See Note 12 | \$35,000 | \$50,000 | As supplier requires | As supplier requires | Supplier/our affiliate |
| Security deposits, utility deposits, business licenses, and other prepaid expenses See Note 13 | \$1,000 | \$7,500 | As agency requires | As agency requires | Agency |
| Liquor License See Note 14 | \$50,000 | \$250,000 | As arranged | As arranged | State/local authorities or third parties |
| Professional Fees See Note 15 | \$8,000 | \$19,000 | As you agree with accountant/attorney | As you agree with accountant/attorney | Accountant/Attorney |
| Signs See Note 16 | \$30,000 | \$90,000 | As supplier requires | As supplier requires | Supplier |
| Architect and Engineering Fees See Note 17 | \$50,000 | \$120,000 | As architectural firm requires | As architectural firm requires | Architectural firm |
| Grand Opening Charitable Donation See Note 18 | \$5,000 | \$5,000 | Lump sum | As incurred. | Charity of your choice. |

| (1) Type of expenditure | (2) Amount | | (3) Method of payment | (4) When due | (5) To whom payment is to be made |
|---|--------------------|--------------------|---|-----------------|--------------------------------------|
| | Low | High | | | |
| Grand Opening Marketing Funds See Note 19 | \$20,000 | \$20,000 | As incurred or Lump sum | As incurred. | Us |
| Pre-Opening Labor See Note 20 | \$45,000 | \$45,000 | As incurred | Payroll weekly | Employees |
| Additional funds (initial period – 3 months) See Note 21 | \$50,000 | \$50,000 | As incurred | After opening | Various |
| TOTAL | \$1,554,500 | \$7,056,300 | (high end includes building but excludes property / land) | | |

Notes

1. The Initial Franchise Fee is non-refundable. None of the fees shown on the above table are refundable unless a supplier has a refund policy of which we are not aware.

2. You pay all your trainees' living and transportation expenses. Travel expenses depend on where your home base is located, whether you and your trainees can commute by car to our training base, and the number of people receiving the Initial Training Program. Lodging and food expenses depend on number of people being trained and the class of accommodation. You may send up to 6 people to attend the Initial Training Program. If you wish to send additional people to the Initial Training Program, you must pay us \$5,000 per additional trainee before the start of the Initial Training Program. You must independently ensure that all of your personnel complete any state and local required food safety training (for example, ServSafe Food Safety Training).

3. We will provide an Opening Training Team, as described in Item 11, before and immediately following the opening of your Walk-On's Restaurant. In addition, if we determine, in our sole discretion, that additional on-site assistance is necessary after the opening of a Walk-On's Restaurant, you must pay all expenses of keeping all or a portion of the Opening Training Team at your Walk-On's Restaurant beyond the allotted time, including, but not limited to, daily wages, costs of travel (if applicable), lodging and a per diem for each member.

4. The management salary reflects your General Manager and your Executive Kitchen Manager being hired 6 months before opening, and the additional management team hired 100 days before opening. The range may be higher or lower based on the cost of labor in your area, the amount that you pay your management team, and benefits you offer your management team.

5. You must rent a trailer to assist with interviewing and hiring your initial staff before opening. The hiring trailer must be a job site trailer, about 10'x44'. The trailer will need two offices, a community area and a restroom with the sanitary waste holding tank service. The hiring trailer must be set up at least 6 weeks before opening.

6. These estimates assume that you will rent the space for your Walk-On's Restaurant. If you rent, you will have to lease at least 4,500 to 12,000 square feet of suitable space. In Louisiana, annual rental costs may range from \$20.00 to \$35.00 per square foot, if not more. In addition, the difference in rental cost per foot will vary depending on additional building allowances. The estimates provided in the chart

are based on Louisiana rental costs and show payment to a landlord of three month's rent. The estimates also include payment of a security deposit ranging between \$15,000 to \$30,000. Pre-paid rent is generally non-refundable, while security or other deposits may be refundable either in full, or in part, depending on the lease contract. Real estate values vary dramatically from region to region and we cannot guarantee your rent will be as depicted in the table. It is also possible, however, that you might choose to buy, rather than rent, real estate on which a building suitable for your Walk-On's Restaurant already is constructed or could be constructed. Real estate costs depend on location, size, visibility, economic conditions, accessibility, competitive market conditions, and the type of ownership interest you are buying, so we cannot estimate the cost of purchasing real estate.

7. These estimates, which are indicative of standard pricing in or near Atlanta, Georgia, are for the ground-up construction of a Walk-On's Restaurant with about 7,400 square.

8. We will develop a test-fit for your proposed location. You can use this test-fit to obtain quotes from our list of approved FF&E vendors. The range of cost recognizes instances when kitchen configurations differ. Third party financing may also be available to qualified candidates, however, this too with all general various leasing or finance fees that would be incremental to the amounts listed here.

9. The range of costs for furniture and fixtures covers the purchase of tables, chairs, booths, exterior signage and various items of décor that will be installed into a Walk-On's Restaurant designed to seat 180 to 290 people.

10. Smallwares are mechanical kitchen tools, small appliances, kitchen utensils, storage containers and cleaning equipment, as well as other items that would not be considered on their own as major equipment purchases. This range also includes the cost of employee uniforms.

11. You must purchase the Computer and Point of Sale Systems (as defined in Item 11 under the heading "Computer and Point of Sale Systems"). You must obtain high-speed communications access for your Computer and Point of Sale Systems. The estimate in the table covers the purchase of the Computer and Point of Sale Systems, LED television screens, camera system and a music system, speakers, and controls. The difference between the high and the low estimate reflects instances when additional LED screens or thermal printers are necessary for the configuration of the order counter and the kitchen.

12. The initial inventory to open your business includes all food, cleaning products and packaging necessary to open the Walk-On's Restaurant.

13. This is an estimate of various deposits, licenses, and other charges that are typically paid in cash. Utility deposits may be required and the issuing company may request a credit check before beginning services and a higher deposit for first time customers. These costs will vary and are due to the type of services required for the facility and the municipality from which it is being contracted. We recommend that you check the requirements in your local area. This estimate is also for the cost of the deposit to obtain the minimum required insurance. You will need to check with your local carrier for actual premium quotes and costs, as well as the actual cost of the deposit. The cost of coverage will vary based on the area in which your Walk-On's Restaurant will be located, your experience with the insurance carrier, the loss experience of the carrier, and other factors beyond our control. You should also check with your insurance agent or broker regarding any additional insurance that you may wish to carry above our stated minimums. You are also responsible for obtaining and maintaining all required permits and licenses necessary to operate the Walk-On's Restaurant. You will also need to check with the governing authorities regarding these requirements.

14. It is your sole responsibility to obtain and maintain a liquor license. The cost of a liquor license can be significantly higher in states where the number of licenses is severely restricted or available only from an existing holder. You should retain legal counsel specialized in obtaining and maintaining liquor licenses.

15. These fees are representative of the costs for engagement of professionals for the start-up of a Walk-On's Restaurant. We also strongly recommend that you seek the assistance of attorneys and accountants for the initial review and resulting advice on this franchise opportunity, this Disclosure Document, the Franchise Agreement and, as applicable, the Area Development Agreement. You also should consult these professionals to review any lease or other contracts that you will enter into as a part of starting your Walk-On's Restaurant. Ask your professional advisors for a fee schedule before engaging them to perform any services on your behalf.

16. This is an estimate of the cost to produce signage (two building fascia signs) for the outside of the building. The low estimate covers the fabrication of standard signage, with an individually lighted channel letter configuration, while the high estimate takes into consideration a larger sign fabrication, and the configuration of the building, zoning laws and requirements, and restrictions your landlord imposes.

17. You must engage a licensed architect, electrical, mechanical, plumbing professionals, structural engineers, and in certain cases a civil engineer to adapt the approved layout to your Restaurant, to complete and finalize your construction documents, and receive our final approval before you file for permits. They must be licensed with the state in which the Restaurant is located, have casual dining restaurant experience, and errors and omissions insurance. You, your architect, and engineers are responsible for ensuring that the plans meet all state and local requirements including ADA.

18. We require that you donate at least \$5,000 to a local charity of your choosing in conjunction with opening your Walk-On's Restaurant.

19. We will spend the Grand Opening Marketing Funds on your behalf on promotional, publicity and marketing efforts in support of your Walk-On's Restaurant opening. These efforts may include traditional and non-traditional media placement, local marketing and publicity programs, and in-kind trade efforts.

20. This estimate includes the expenses incurred in the training of hourly employees plus one Walk-On's Restaurant Manager and one General Manager. The range may be higher or lower based on the cost of labor in your area, the amount that you pay your staff, benefits you offer employees, and the number of employees you hire.

21. This is an estimate of the additional funds you may need to operate your Walk-On's Restaurant during the first three months after opening. We cannot guarantee that you will not have additional expenses in starting the Walk-On's Restaurant. The estimate includes such items as initial payroll taxes, ongoing Continuing Royalties, System Advertising Contributions, professional and accounting fees, additional advertising, insurance, health insurance and workers' compensation, rent, repairs and maintenance, bank charges (including interest), miscellaneous supplies and equipment, initial staff recruiting expenses, state tax and license fees, depreciation and amortization, deposits and prepaid expenses (if applicable) and other unforeseen miscellaneous items. The expenses you incur during the initial start-up period will depend on factors such as the time of year you open, local economic and market conditions, your experience and business acumen, competition, and the sales level you reach during this initial period. Additional operating expenses will be incurred in the ongoing operation of your business.

22. In compiling the above estimates for the development of one Walk-On's Restaurant, we rely on our affiliates' experience in opening and operating Walk-On's Restaurants. Your costs may vary based on a number of factors including, but not limited to, the geographic area in which you open, local market conditions, the time it takes to build sales of the establishment, and your skills at operating a business. We strongly recommend that you use these categories and estimates as a guide to develop your own business plan and budget and investigate specific costs in your area. We do not provide financing to franchisees either directly or indirectly for their initial investment requirements. The availability and terms of financing obtained from third parties will depend on such factors as the availability of financing, your creditworthiness, collateral that you may make available, and the policies of local lending institutions.

**YOUR ESTIMATED INITIAL INVESTMENT
DEVELOPMENT OF TWO WALK-ON'S RESTAURANTS UNDER AREA DEVELOPMENT
AGREEMENT**

| (1) Type of expenditure | (2) Amount | | (3) Method of payment | (4) When due | (5) To whom payment is to be made |
|---|--------------------|--------------------|-----------------------------|---|--|
| | Low | High | | | |
| Area Development Fee See Note 1. | \$60,000 | \$60,000 | Lump sum | At signing of Area Development Agreement | Us |
| Initial Investment for first Restaurant See Note 2. | \$1,554,500 | \$7,056,300 | | | |
| Credit for Initial Franchise Fee for first Restaurant (it is included in the previous row) | -\$30,000 | -\$30,000 | | | |
| TOTAL | \$1,584,500 | \$7,086,300 | | | |

Notes

(1) This Area Development Fee is for 2 Walk-On's Restaurants (which is the minimum permitted to be developed under our Area Development Agreement). If you enter into an Area Development Agreement, you must pay us an Area Development Fee. The Area Development Fee is 50% of the Initial Franchise Fee (\$30,000 per Walk-On's Restaurant) multiplied by the number of Walk-On's Restaurants to be opened. The Area Development Fee, therefore, varies depending on the number of Walk-On's Restaurants you agree to open within your Development Territory (as stated in the Area Development Agreement). The Area Development Fee is fully earned when paid and it is not refundable under any circumstances.

(2) For each Walk-On's Restaurant you will operate under the Area Development Agreement, in addition to the Area Development Fee, you must make the additional initial investment described in the table for the development of one Walk-On's Restaurant above for each Walk-On's Restaurant you develop. For each Walk-On's Restaurant you develop under the Area Development Agreement, you will receive a credit of \$30,000 against the then-current Initial Franchise Fee due when you sign the Franchise Agreement for the particular Walk-On's Restaurant. You should be aware that the initial investment (the estimates of which are disclosed in the Item 7 tables above) for your second and subsequent Walk-On's Restaurants will likely be higher than for your first Walk-On's Restaurant due to inflation and other economic factors that may vary over time.

ITEM 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

You must only use in your Walk-On's Restaurant ingredients, food products, spices, seasonings, mixes, beverages, materials, supplies used in the preparation of food products, furniture, fixtures, equipment, digital sound and AV equipment, smallwares and other materials that meet our specifications. You must offer for sale in your Walk-On's Restaurant all menu items and services we specify, and only those menu items and services we specify. We may also specify certain items of clothing (such as t-shirts, sweatshirts, jackets, caps and similar items), souvenirs and other novelty items bearing our Proprietary Marks that must be offered in your Walk-On's Restaurant and purchased from designated or approved suppliers.

You are not currently required to purchase or lease any products necessary to establish and operate your Walk-On's Restaurant from us; however, you are currently required to purchase or lease certain products in accordance with our specifications and from suppliers we designate or approve. Reinhart Food Service/PFG is currently our required food distributor, Fintech is our required alcohol electronic payment system, EcoLab is our required vendor for dish washing machines and chemicals, and Edward Don is our required small wares distributor. Any vendor that sells produce must be an approved Fresh Concepts member. You must use our required music provider.

In addition, while you are currently required to purchase proprietary products from suppliers we designate, we may require that you purchase proprietary products from us in the future. Currently, there are no items for which we or our affiliates are approved suppliers or the only approved suppliers. None of our officers own any interest in an approved supplier.

If we have designated an approved supplier, you may contract with an alternative supplier if you meet our criteria and obtain our written approval. We do not maintain written criteria for approving suppliers, and thus these criteria are not available to you or your proposed supplier. We may examine any factor in making the determination as to whether to approve a supplier you propose. To request our written approval for the alternative supplier, you must submit a written request to us for review. The supplier must meet our specifications to our reasonable satisfaction. The supplier must demonstrate to our reasonable satisfaction that it is in good standing in the business community for financial soundness and reliability of its product or service. We may test, at your expense, the product or service of any supplier you propose. We will give you notice of our approval or disapproval within 45 days. If we revoke approval of any supplier, we will give you written notice (in our Manual or otherwise).

We will provide you with specifications governing the minimum standards of certain products, services or equipment you procure in our Manual or in other written notices we transmit to you. We may modify our specifications in writing and may add new specifications in writing. You may purchase these items from any supplier whose product, service or equipment meets our specifications. We may issue and modify specifications in writing, through our Manual or other written notices to franchisees.

You must procure and install the Computer and Point of Sale Systems we require at each Walk-On's Restaurant you operate. See Items 7 and 11. We do not currently have any proprietary computer software that you must use. If we develop, or have developed on our behalf, proprietary computer software in the future, you must use the software and sign our then-current software license agreement. We will provide any proprietary computer software to you at no charge; however, you must pay for any future updates or revisions. You must also participate in any electronic gift card program (which may be integrated into the Computer and Point of Sale Systems) we establish and provide related services such as gift card issuance, redemption, reloading and balance inquiry.

You must purchase at your expense, and maintain in effect at all times, at least the following categories of insurance coverage in forms and through insurance carriers that possess a Best's Financial Strength Rating no lower than A- and Financial Size Category no lower than XIII: (1) Comprehensive General Liability with limits no less than \$1,000,000 Per Occurrence, and \$2,000,000 General Aggregate, including Personal

& Advertising Injury and Products & Completed Operations; (2) Liquor liability coverage of at least \$1,000,000 Each Common Cause; (3) Special form Commercial Property Insurance on a 100% Replacement Cost Basis; (4) Business interruption insurance in sufficient amounts to cover your Walk-On's rental expenses, previous profit margins, maintenance of competent personnel and other fixed expenses for a minimum of 120 days; (5) Hired & Non-Owned Automobile Liability with limits no less than \$1,000,000 Combined Single Limit for Bodily Injury & Property Damage (If a vehicle is owned or leased to be used in the operation of your Walk-On's, Owned or Scheduled Auto Liability is required with a \$1,000,000 Combined Single Limit); (6) Workers Compensation insurance including Employers Liability with limits no less than \$1,000,000 Each Accident, \$1,000,000 Disease – Each Employee and \$1,000,000 Disease – Policy Limit; (7) For the construction, refurbishment, renovation or remodeling of your Walk-On's Restaurant, Builders' Risk insurance to cover 100% Replacement Value of the completed construction value or renovations and Performance and Completion Bonds in amounts acceptable to us; (8) Insurance coverage of the types, nature and scope sufficient to satisfy your indemnification obligations under this Agreement; (9) Commercial Umbrella with a limit no less than \$1,000,000 per occurrence; (10) Employment Practices Liability Insurance with a limit no less than \$1,000,000 per occurrence, including first and third-party coverage. You must name us and additional parties we designate as additional insureds under your policies.

We may enter into systemwide supply contracts with one or more vendors of products, services or equipment that all company-owned and franchised Walk-On's Restaurants in a geographic area are required to use or sell (each, a "systemwide supply contract"). If we enter into any systemwide supply contract for your geographic area, then immediately on notification of this, you, we and all franchisees in your geographic area must purchase the specified products, services or equipment only from the designated supplier. However, if at the time of our notification you are already a party to a non-terminable supply contract with another supplier for the product, service or equipment in question, then your obligation to purchase from our designated supplier will not begin until the scheduled expiration (or earlier termination) of your pre-existing supply contract. We make no representation that we will enter into any systemwide supply contracts or other exclusive supply arrangements or, if we do so, that you would not otherwise be able to purchase the same products, services or equipment at a lower price from another supplier. We may add to, modify, substitute or discontinue systemwide supply contracts or exclusive supply arrangements at any time.

We have negotiated national account pricing on Coca-Cola® products. Accordingly, you may serve only Coca-Cola® soft-drinks, juices, bottled water and like beverage products at your Walk-On's Restaurant. We have also negotiated national account pricing on Dr. Pepper® and Red Bull®, which you must serve. The product specifics are outlined in our beverage menu specifications.

We may, in the future, require you to offer additional beverages from other approved or designated suppliers. We have negotiated numerous food contracts for the benefit of the system. We do not currently negotiate any other purchase arrangements with suppliers for the benefit of franchisees, but we may in the future. There are currently no purchasing or distribution cooperatives. We provide you with no material benefits (such as granting additional franchises) based on your use of designated or approved sources; however, purchases of unapproved products or from unapproved vendors in violation of the Franchise Agreement entitle us to terminate the Franchise Agreement.

We and our affiliates may receive rebates from approved and designated suppliers based on purchases from company-owned and franchised Walk-On's Restaurants. Rebates are typically based on the amount of product ordered (for most beverages, the rebate is based on the number of gallons of soda purchased, typically ranging from \$3.65 to \$4.89 per gallon, and for most food products, the rebate is based on the number of cases of product purchased and varies from \$1.10 per case to \$3.00 per case for purchases of certain recipe-owned items). In limited circumstances, we or our affiliates may receive a flat rebate amount.

In the fiscal year ending December 27, 2023, Walk-On's Marketing received \$1,650,000 in rebates from approved and designated suppliers for company-owned and franchised Walk-On's Restaurants and it received \$1,060,000 from approved and designated suppliers as conference sponsorships. All conference sponsorships received are spent on the annual conference. In the fiscal year ending December 27, 2023, Walk-On's Enterprises Holdings, LLC received \$5,240,000 in rebates from approved and designated suppliers of certain recipe-owned items for franchised Walk-On's Restaurants. Except as described above, neither we nor our affiliates received any other revenue or rebates based on franchisees' required purchases. Subject to applicable state law, we have no obligation to use supplier payments in a particular fashion or to pass them through to you. We generally deposit rebates, commissions, fees, and other economic benefits received from unaffiliated suppliers based on franchisees' purchases into the Fund, but we may also retain these amounts.

We estimate that about 85% of your expenditures for purchases and leases in establishing and operating your Walk-On's Restaurant will be for goods and services that are subject to sourcing restrictions (that is, for which the suppliers and products must be designated by us, approved by us, or which must meet our standards or specifications).

ITEM 9

FRANCHISEE'S OBLIGATIONS

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

Franchise Agreement

| Obligation | Section in Agreement | Disclosure Document Item |
|--|-------------------------------------|---------------------------|
| a. Site selection and acquisition/lease | Article 6, Exhibit C | Items 7 and 11 |
| b. Pre-opening purchases/leases | Sections 6.02, 8.07 and 8.08 | Items 6, 7, 8 and 11 |
| c. Site development and other pre-opening requirements | Article 6 | Not Applicable |
| d. Initial and ongoing training | Sections 7.02 - 7.04 | Item 11 |
| e. Opening | Section 8.01 | Item 11 |
| f. Fees | Article 5, Sections 13.01 and 14.04 | Items 5 and 6 |
| g. Compliance with standards and policies/Brand Standards Manual | Articles 8, 10, 11, 12, and 15 | Items 7, 8, 11, 15 and 16 |
| h. Proprietary Marks and proprietary information | Articles 12, 15 and 18 | Items 13 and 14 |
| i. Restrictions on products/services offered | Sections 3.03 and 8.08 | Item 16 |
| j. Warranty and customer service requirements | Not Applicable | Item 16 |
| k. Territorial development and sales quotas | Not Applicable | Item 12 |
| l. Ongoing product/service purchases | Section 8.08 and 8.09 | Items 6 and 8 |
| m. Maintenance, appearance and remodeling requirements | Sections 6.05, 6.06, 13.01, 14.04 | Item 11 |
| n. Insurance | Article 9 | Item 6 |
| o. Advertising | Article 10 | Item 11 |

| | Obligation | Section in Agreement | Disclosure Document Item |
|----|---|--|---------------------------------|
| p. | Indemnification | Section 8.10 | Item 6 |
| q. | Owner's participation/management/staffing | Sections 8.06 and 12.05 | Item 15 |
| r. | Records and reports | Article 11, Sections 5.07, 7.08 and 8.08 | Item 6 |
| s. | Inspections and audits | Sections 8.11 and 11.02 | Item 6 |
| t. | Transfer | Article 14 | Item 17 |
| u. | Renewal | Article 13 and Section 4.02 | Item 17 |
| v. | Post-termination obligations | Article 18 | Item 17 |
| w. | Non-competition covenants | Article 12 | Item 17 |
| x. | Dispute resolution | Articles 23 and 30 | Item 17 |
| y. | Personal guarantee | Section 31.02 | Item 15 |

Area Development Agreement

| | Obligation | Section in Area Development Agreement | Item in Disclosure Document |
|----|---|--|------------------------------------|
| a. | Site selection and acquisition/lease | Article 3 and Exhibit A | Items 7 and 12 |
| b. | Pre-opening purchases/leases | Not applicable | Items 6, 7, 8 and 11 |
| c. | Site development and other pre-opening requirements | Not applicable | Item 12 |
| d. | Initial and ongoing training | Sections 8.01 and 9.05 | Item 11 |
| e. | Opening | Not applicable | Item 11 |
| f. | Fees | Article 5 | Items 5, 6 and 7 |
| g. | Compliance with standards and policies/Brand Standards Manual | Article 9 | Items 7, 8, 11, 15 and 16 |
| h. | Trademarks and proprietary information | Articles 10, 11 and 13 | Items 13 and 14 |
| i. | Restrictions on products/services offered | Not applicable | Item 16 |
| j. | Warranty and customer service requirements | Not applicable | Not applicable |
| k. | Territorial development and sales quotas | Article 6 | Item 12 |
| l. | Ongoing product/service purchases | Not applicable | Not applicable |
| m. | Maintenance, appearance and remodeling requirements | Not applicable | Not applicable |
| n. | Insurance | Not applicable | Not applicable |
| o. | Advertising | Not applicable | Not applicable |
| p. | Indemnification | Section 9.03 | Item 6 |
| q. | Owner's participation/management/staffing | Section 9.06 | Item 15 |
| r. | Records and reports | Section 9.03 | Not applicable |
| s. | Inspections and audits | Not applicable | Not applicable |

| Obligation | Section in Area Development Agreement | Item in Disclosure Document |
|---------------------------------|---------------------------------------|-----------------------------|
| t. Transfer | Article 12 | Item 17 |
| u. Renewal | Not applicable | Item 17 |
| v. Post-termination obligations | Article 16 | Item 17 |
| w. Non-competition covenants | Article 11 | Item 17 |
| x. Dispute resolution | Article 18 | Item 17 |
| y. Other: Guarantee | Section 18.15, Exhibit C | Item 15 |

**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 Obligations

Franchise Agreement

Before you open your Walk-On's Restaurant, we will:

- (1) Designate your Territory. (Franchise Agreement, Section 3.01, Exhibit A)
- (2) Approve or disapprove a site for your Walk-On's Restaurant. We do not currently own sites for leasing to franchisees. You select the site for your Walk-On's Restaurant in your Territory. We or our designee will approve or disapprove your proposed site for your Walk-On's Restaurant. (Franchise Agreement, Section 6.01) We may offer a third-party tenant representative to assist you in your site selection process. If you and we cannot agree on the site for your Walk-On's Restaurant within 6 months following the date we sign the Franchise Agreement, then either you or we can terminate the Franchise Agreement, but if either of us does so, the Initial Franchise Fee will not be refunded and you must sign a General Release in the form of Exhibit G to this Disclosure Document.

We require you to submit a proposed Real Estate Package in which we require you include maps, completed checklists, photographs, copies of proposed leases, diagrams of the premises with measurements, proforma and other information and materials that we reasonably require to evaluate your proposed site for your Walk-On's Restaurant. We will provide you with a Real Estate Package template. Our Real Estate Committee will review proposed packages monthly. We will visit your proposed site for your Walk-On's Restaurant.

We consider the following factors, among others, in approving sites: the size of your Territory; the market potential and estimated volume of your Walk-On's Restaurant; the availability of locations; the general location; surrounding neighborhood and proximity of core customers; site visibility; traffic patterns; co-tenancy; size of the property or space; age and condition of the shopping center and/or building; signage; traffic patterns; accessibility to the site; availability and proximity of parking; zoning; competition, as well as overall investment costs including potential lease terms.

- (3) Approve or disapprove the lease or purchase agreement for the Walk-On's Restaurant Location (as defined below) within 20 business days after we receive it. You may not sign your lease or purchase agreement until you receive our written approval. (Franchise Agreement, Section 6.02)
- (4) Review the final construction documents, FF&E quotes, and specifications for your Walk-On's Restaurant promptly and approve or provide comments on the construction documents, FF&E quotes and specifications to you. You may not begin construction of the Walk-On's Restaurant until we approve the final construction documents, FF&E quotes, and specifications in writing. We will provide you with the names of designated or approved suppliers and specifications for all items of the design, construction, furniture, fixtures, equipment and decoration of the Walk-On's Restaurant. (Franchise Agreement, Sections 6.03 and 6.04)
- (5) Specify the electronic and/or written accounting and MIS Systems, procedures, formats and reporting requirements that you will use to account for your Walk-On's Restaurant, maintain your financial records and merchandising data, and generate reports for both you and us. (Franchise Agreement, Section 7.08)
- (6) Through our online platform called "Center Court," provide you with online access to, the Confidential Guest Experience Manual (the "Manual"). You must strictly comply with the Manual in operating your Walk-On's Restaurant. We can change the Manual, and you must comply with these changes when you receive them, but they will not materially alter your rights and obligations under the Franchise Agreement. (Franchise Agreement, Section 7.01)
- (7) Provide you with a grand opening marketing plan at least 120 days before your scheduled opening of your Walk-On's Restaurant. We will then use the funds for promotional, publicity and marketing efforts in support of your Walk-On's Restaurant opening. (Franchise Agreement, Section 10.03)
- (8) Provide you access to one copy of the Manual. (Franchise Agreement, Section 7.01) The following is the Table of Contents of the Manual as of the date of this Disclosure Document:

GUEST EXPERIENCE MANUAL

| | Pages |
|---|-------|
| Introduction | |
| Overview of the manual's purpose and importance of following standard procedures in the restaurant. | 2 |
| Company's history, mission statement | 2 |
| Cultural Elements | 4 |
| Table of Contents | 4 |
| Franchisor-Franchisee Relationship | |
| Definition of the relationship between the franchisor and franchisee. | 3 |
| Roles and responsibilities of each party. | 7 |
| Information on the franchise agreement, the franchise fee, and the royalty fee. | 1 |
| Business Procedures and Processes | |
| Detailed explanation of business procedures and processes that franchisees must follow. | 77 |
| Information on the restaurant technology. | 20 |
| Brand Identity and Products | |
| Complete information about the brand identity and products. | 2 |

| | |
|--|------------|
| Product offerings. | 2 |
| Information on the restaurant's menu, pricing, and promotions. | 3 |
| Business Policies | |
| List of business policies that franchisees must adhere to. | 3 |
| Health and safety regulations, marketing guidelines, and financial management tools and practices. | 27 |
| Information on the restaurant's insurance, taxes, and legal requirements. | 3 |
| Compliance | |
| Escalation process for deviation from Brand Standards. | 3 |
| Appendix | |
| Contact Information | 2 |
| Key Words | 4 |
| Supportive Documents | 5 |
| Total Pages | 174 |

MANAGEMENT TRAINING DIGITAL PLAYBOOK

| TOPIC | NUMBER OF PAGES |
|--|-----------------|
| Orientation | 70 |
| Food Allergy Protocol | 3 |
| Food Safety & Sanitation | 40 |
| General Manager Playbook | 113 |
| Assistant General Manager Playbook | 102 |
| Assistant Manager Playbook | 102 |
| Service Manager Playbook | 102 |
| Executive Kitchen Manager Playbook | 103 |
| Assistant Kitchen Manager Playbook | 102 |
| Blue Chip / Assistant Kitchen Manager Playbook | 52 |
| Blue Chip / Service Manager Playbook | 64 |
| Digital Training | 91 |
| Walk-On's Way Culture | 7 |
| Recipes | 243 |
| Restaurant Systems | 41 |
| Manager Reference Tools | 167 |
| Menu Tests | 38 |
| ServSafe Manager Presentation | 324 |
| New Partner Training Validations | 21 |
| TOTAL PAGES | 1785 |

- (9) Furnish you with any written specifications for required products and services (Franchise Agreement, Section 8.07)
- (10) Approve or disapprove any advertising, direct mail, identification and promotional materials and programs you propose within 10 business days of receipt. If we do not respond within 10 business days, the material is disapproved. (Franchise Agreement, Section 10.02)

- (11) If we determine to do so, exercise rights concerning franchisee pricing of products and services to the fullest extent permitted by then-applicable law. These rights may include, for example prescribing the maximum and/or minimum retail prices that you may charge customers; recommending the prices you charge customers; advertising specific retail prices for some or all products or services sold by your franchised Walk-On's Restaurant, which prices you will be compelled to observe; engaging in marketing, promotional and related campaigns in which you must participate and that may directly or indirectly impact your retail prices; and, otherwise mandating, directly or indirectly, the maximum and/or minimum retail prices that your franchised Walk-On's Restaurant may charge the public. We may do so only in certain geographic areas (cities, states, regions) and not others, or with regard to certain groups of franchisees and not others. (Franchise Agreement, Section 7.09)
- (12) We will provide up to 6 people our Initial Training Program (as defined below). (Franchise Agreement, Section 7.02)
- (13) We will provide an Opening Training Team that will assist you with the opening of your Restaurant. This team will generally be at your Restaurant before and after your Restaurant's opening to provide additional support and training. (Franchise Agreement, Section 7.03)

Area Development Agreement

If you sign an Area Development Agreement with us, then, under the Area Development Agreement, we will:

- (1) Designate your Development Territory; the number of Walk-On's Restaurants you will open; and, the development schedule setting the requisite timetable for opening each Walk-On's Restaurant (based on our mutual agreement). (Area Development Agreement, Sections 3.01 and 6.01) You and we will decide on your Development Territory together, considering factors such as the general locations and neighborhoods and proximity to customers in the Development Territory we are considering; traffic patterns in the Development Territory; co-tenant attractiveness in the sites available in the Development Territory; size of the available spaces in the Development Territory; age and condition of the buildings in which the Walk-On's Restaurant might be situated in the Development Territory being considered; the availability of locations and necessary zoning in the Development Territory; and, the location of competitors in the Development Territory. In deciding on the number of Walk-On's Restaurants you will operate and the development schedule for their opening, you and we will consider factors such as the potential total number of Walk-On's Restaurants in the Development Territory; how aggressive the opening schedule should be; your experience, if any, in the industry; your experience in franchising; and, the capital commitment you are able and willing to make. If you and we do not agree on the Development Territory and the number of Walk-On's Restaurants to be opened and the development schedule, then you and we will not sign an Area Development Agreement.
- (2) Under the terms of each Franchise Agreement signed under the Area Development Agreement, approve or disapprove a site for your Walk-On's Restaurant.
- (3) Perform the training, instruction, assistance and other activities and services provided for under the Franchise Agreements. (Area Development Agreement, Section 8.01).

Obligations After Opening

After you open your Walk-On's Restaurant, we will:

- (1) Furnish you with the field support services, supervision and/or assistance that we consider advisable through on-site visits, off-site sessions, telephonic, electronic or other communication modes. You may also at any time communicate with our headquarters for consultation and guidance with respect to the operation and management of your Walk-On's Restaurant. The timing of these

services will be subject to the availability of our personnel. (See Franchise Agreement, Section 7.05)

- (2) Provide standard electronic accounting forms, other accounting forms and electronic reports, as part of our Manual, through the Restaurant 365 software (referenced below) or otherwise. (Franchise Agreement, Section 5.07)
- (3) Approve or disapprove any advertising, direct mail, identification and promotional materials and programs you propose within 10 business days of receipt. If we do not respond within 10 business days, the material is disapproved. (Franchise Agreement, Section 10.02)
- (4) Furnish you with any specifications for required products and services. (Franchise Agreement, Section 8.07)
- (5) Continue, if we determine to do so, to engage in the pricing activities described above in this Item 11. (Franchise Agreement, Section 7.09)

Advertising

System Advertising Fund

You must contribute a System Advertising Contribution of 3% of your Walk-On's Restaurant's Gross Revenues to the Fund (Franchise Agreement, Section 10.01). The Fund is maintained by Walk-On's Marketing and is used for advertising, marketing and public relations programs and materials as we and/or Walk-On's Marketing deem necessary or appropriate.

We and/or Walk-On's Marketing will direct all advertising programs and control the creative concepts, materials and media used, media placement and allocation. Walk-On's Marketing need not make expenditures for you that are equivalent or proportionate to your System Advertising Contributions. Walk-On's Marketing need not ensure that any particular franchisee benefits directly or proportionately from Fund advertising. The Fund is not a trust and neither we nor Walk-On's Marketing is a fiduciary.

The Fund may be used to meet all costs of administering, directing, preparing, placing and paying for national, regional or local advertising. This includes: television, radio, magazine, newspaper and worldwide web/internet advertising campaigns; other advertising, marketing and public relations materials; point-of-purchase materials; consumer research, interviews and related activities; the creation, maintenance and periodic modification of the Walk-On's website; reviewing any advertising material you propose to use (as provided below); search engine optimization; loyalty platform and 1:1 marketing campaigns; establishing a third party facility for customizing local advertising materials; accounting for Fund receipts and expenditures; attendance at industry related conventions, shows or seminars; organizing Walk-On's franchise conventions, shows or seminars; advertising at sports events; mailers, freestanding inserts/coupons, brochures and sponsorships; mystery shoppers (both for the System and for competitive networks or units); celebrity endorsements; crew incentives; franchisee incentives and/or promotional programs; up-sell programs; guest response programs; manager/employee recognition programs; paying administrative costs, accounting fees, and overhead (including allocating our employees' salaries and benefits and our overhead expenses to the Fund to the extent that any employee performs services for the Fund or overhead expenses benefit the Fund); other activities that we believe are appropriate to enhance, promote and/or protect the System; and, engaging advertising agencies to assist in any or all of the above activities, including fees to have print, broadcast and/or internet advertising placed by an agency, and all other public relations and advertising agency fees.

Walk-On's Marketing need not maintain the money franchisees pay to the Fund or income earned by the Fund in a separate account, but Walk-On's Marketing may not use this money for any purposes other than those provided for in the Franchise Agreement. Walk-On's Marketing can spend money from the Fund for its reasonable administrative costs and overhead for activities reasonably related to the administration of the Fund and advertising programs for franchisees, including, for example, preparing marketing and

advertising materials; working with advertising agencies, advertising placement services and creative talent; preparing an accounting of contributions to the Fund and the annual statement of Fund contributions and expenditures described below; and, otherwise devoting our personnel, resources and/or funds for the benefit of the Fund.

Within 60 days following the close of its fiscal year, Walk-On's Marketing will prepare (but not audit) a statement detailing Fund income and expenses for the fiscal year just ended. Walk-On's Marketing will send you a copy of this statement on written request.

Walk-On's Marketing will spend most contributions to the Fund for advertising purposes during the fiscal year in which the contributions are made. If Walk-On's Marketing spends more than the amount in the Fund in any fiscal year (in addition to any money it has to spend because it did not spend all the money in the Fund during the year before), then Walk-On's Marketing can reimburse itself from the Fund during the next fiscal year for all excess expenditures during the preceding fiscal year, with reasonable interest. If Walk-On's Marketing spends less than the total in the Fund during any fiscal year, it can spend the unused money during the next fiscal year.

We and/or Walk-On's Marketing can use whatever media, create whatever programs and allocate advertising funds to whatever regions or localities we and/or Walk-On's Marketing consider appropriate. The Fund will not be used for any activity whose sole purpose is the sale of franchises. However, the design and maintenance of our website (for which Fund monies may be used) may include information and solicitations for prospective franchisees and public relations and community involvement activities that may result in greater awareness of the Walk-On's brand and the franchise opportunity.

Although it is intended that the Fund be perpetual, it may be terminated. The Fund will not be terminated until it has spent all money in the Fund for advertising and promotional purposes.

Each Walk-On's Restaurant that we or our affiliates operate will contribute a percentage of Gross Revenues to the Fund identical to the System Advertising Contribution percentage franchisees contribute.

During the fiscal year ending December 27, 2023, the Fund income was spent in the following amounts: 71% on media placement; 5% on marketing support materials; 1% on special events; 14% on other general and administrative expenses; and 9% on marketing technology initiatives. This breakdown includes a 1% underspend that we have earmarked for technology initiatives during our 2024 fiscal year. During our 2023 fiscal year, we deposited \$1,650,000 into the Fund from revenue Walk-On's Enterprises Holdings, LLC received from suppliers, of which \$1,080,000 was earmarked and used for the 14% the Fund spent on general and administrative expenses. All amounts spent on the annual conference are from conference sponsorships we received from approved and designated suppliers.

Regional Advertising Cooperatives

There are currently no regional advertising cooperatives. We may, from time to time, establish, change, merge or dissolve regional advertising cooperatives for a geographic area which encompasses two or more Walk-On's Restaurants (each a "Regional Advertising Cooperative"). If we form a Regional Advertising Cooperative for your area, we will notify you in writing of the starting date and amount of your contributions. We will determine the area of each Regional Advertising Cooperative based on an area that we consider likely to be able to advertise effectively on a cooperative regional basis. The Franchise Agreement gives us the power to require cooperatives to be formed, changed, dissolved or merged. If we form a Regional Advertising Cooperative, your contributions will be at least 1% but no more than 3% of Gross Revenues, unless the maximum contribution is changed by franchisee Regional Advertising Cooperative members in accordance with the terms of the Bylaws of the Regional Advertising Cooperative (see Franchise Agreement, Section 10.04). Expenditures by the Regional Advertising Cooperative need not be in proportion to the contributions you make (or any other franchisee makes).

A Regional Advertising Cooperative may spend funds for: developing advertising ideas and concepts; developing market research and merchandising programs; preparing advertising campaigns; developing promotional ideas and strategies; preparing collateral creative materials; preparing advertisements (including writing, filming, editing, etc.); planning, negotiating, contracting and trafficking media programs; technical and professional advice for programs; public relations; and, administration of the Regional Advertising Cooperative, including legal and accounting services.

The Regional Advertising Cooperative will prepare unaudited financial statements following the end of each fiscal year. The Regional Advertising Cooperative will present its unaudited financial statements to its Board of Directors as soon as practicable, and the Board of Directors will then present the report to you and the other members of the Regional Advertising Cooperative at the next regular meeting or at a special meeting.

Franchise Advisory Council

We formed an advisory council (the “Council”) to advise us on System policies, including to review marketing plans, menu concepts and other various initiatives. Currently, the Council consists of 5 franchisee members representing 5 different geographic regions. The Council’s membership may not exceed 12 franchisee members from 6 different geographic regions. Members of the Council are elected by all franchisees in the system that are in good standing with our franchise agreement and attend our annual convention. The Council serves in an advisory capacity only. We have the power to form, change or dissolve the Council.

Grand Opening Marketing Funds and Local Advertising and Promotion

When you sign your Franchise Agreement, you must pay us \$20,000 for your grand opening marketing efforts. At least 120 days before your Walk-On’s Restaurant’s opening, we will provide you with a marketing plan detailing how and when we propose to spend the Grand Opening Marketing Funds. We will then spend the Grand Opening Marketing Funds on your behalf in support of your Walk-On’s Restaurant’s opening. You are not required to spend any particular amount on local advertising; however, we strongly encourage you to engage in local advertising around your Restaurant.

Other Advertising Information

There is no obligation for us to maintain any advertising program or to spend any amount on advertising in your area or territory. We currently advertise using print, radio and television, with local, regional and national coverage. You may develop advertising materials for your own use, at your own cost. We must approve these advertising materials in advance and in writing, but if we do not respond within 10 business days after receiving your proposed advertising material, the material is disapproved. You must participate, at your expense, in all marketing programs pertaining to the Walk-On’s loyalty app and eCommerce, including but not limited to the loyalty rewards programs, third-party delivery programs, and online ordering programs.

Web Sites and Social Media

We alone may establish, maintain, modify or discontinue all internet, worldwide web and electronic commerce and advertising activities pertaining to the System, including through the use of a page or profile on a social media website such as Facebook, Instagram, Twitter, etc. We may establish one or more websites accessible through one or more uniform resource locators (“URLs”) and, if we do, we may design and provide for the benefit of your Walk-On’s Restaurant a “click through” subpage at each of these websites for the promotion of your Walk-On’s Restaurant. If we establish one or more websites or other modes of electronic commerce and if we provide a “click through” subpage at each of these websites for the promotion of your Walk-On’s Restaurant, you must routinely provide us with updated photographs and news stories about your Walk-On’s Restaurant suitable for posting on your Walk-On’s Restaurant’s “click through” subpage if we request. We may specify the content, frequency and procedure of these in our

Manual. Any websites or other modes of electronic commerce that we establish or maintain may – in addition to being instrumental in advertising and promoting the programs, products or services available at Walk-On’s Restaurants – also be devoted in part to offering Walk-On’s Restaurant franchises for sale and be used by us to exploit the electronic commerce rights that we reserve (see Item 12). You may not maintain your own website or social media page; otherwise maintain a presence or advertise on the internet, through social media or in any other mode of electronic commerce for your Walk-On’s Restaurant, including through the use of a page or profile on any social media website such as Facebook, Instagram, Twitter, etc.; establish a link to any website we establish at or from any other website or page; or, at any time establish any other website, social media or electronic commerce presence that in whole or in part incorporates the “Walk-On’s” name or any confusingly similar name. In the future, subject to our prior written approval, we may allow you to maintain a local Facebook page for your Walk-On’s Restaurant if it is developed and maintained in accordance with the Manuals and the System.

In addition to these activities, we may also establish an intranet through which downloads of operations and marketing materials, exchanges of franchisee email, System discussion forums and systemwide communications (among other activities) can be affected.

We alone will be, and at all times will remain, the sole owner of the copyrights to all material that appear on any Walk-On’s website we establish and maintain, including all material you may furnish to us as described above.

Computer and Point of Sale Systems

Before you open your Walk-On’s Restaurant, you must purchase the required computer hardware, software, credit card processing services, Internet connections and service, required dedicated telephone and power lines and other computer-related accessories, peripherals and equipment (the “Computer and Point of Sale Systems”). You must obtain high-speed communications access for your Computer and Point of Sale Systems, such as broadband, DSL or other high-speed capacity. You must have an LTE backup solution in place. You must maintain a functioning e-mail address for your Walk-On’s Restaurant. You must participate in any electronic gift card program (which may be integrated into the Computer and Point of Sale Systems) we establish and provide related services such as gift card issuance, redemption, reloading and balance inquiry.

You must provide all assistance we require to bring your Computer and Point of Sale Systems on-line with our headquarters computer at the earliest possible time and to maintain this connection as we require. You must input and maintain in your Computer and Point of Sale Systems all data and information that we prescribe in our Manual, in our proprietary software and manuals, if any, and otherwise, including to provide us with the state sales tax percentages applicable in the state in which the Walk-On’s Restaurant will be located. We may retrieve from your Computer and Point of Sale Systems all information that we consider necessary, desirable or appropriate. You must accurately, consistently and completely record, structure, capture and provide through the Computer and Point of Sale Systems all information concerning the operation of the Walk-On’s Restaurant that we require, in the form and at the intervals that we require.

We will provide you with our current minimum specifications for the Computer and Point of Sale Systems in the Manual or otherwise and you must purchase the Computer and Point of Sale Systems from approved or designated suppliers. Our current specifications for the Computer and Point of Sale Systems include: the Toast POS and KDS System, the Restaurant 365 Restaurant Software System, and a back-office support program. Currently, Toast is our only approved supplier for the Toast POS, handhelds, and KDS System. The estimated cost for the Computer and Point of Sale Systems is between \$18,000 and \$25,000. We will have access to poll information contained on your Computer and Point of Sale Systems. There are no contractual limitations imposed on our right to access information generated by your Computer and Point of Sale Systems.

In the future, we may develop proprietary software. You agree to use proprietary software and software support services that either we develop and provide or that are provided by a third-party supplier we designate, and you must sign a standard form software license agreement reasonably necessary to do so. You agree to purchase from us or our designee, as applicable, new, upgraded or substitute proprietary software whenever we determine to adopt them systemwide, at the prices and on the terms that we or a third-party vendor establish, but you will not be required to do so more than once in any calendar year. You will pay for new or updated programs and materials when you order them. (Franchise Agreement, Section 8.08)

You must keep your Computer and Point of Sale Systems in good repair and must enter into an annual and monthly service and support agreements, which currently cost about \$1,150 per month. If we run tests and determine that the installation will benefit you and us, you must install (at your own expense) whatever additions, changes, substitutions and replacements to your computer hardware, software, telephone and power lines, etc. we direct. You must install these items when we direct. You must pay for these items at the time and on the terms that the sellers specify. There is no contractual limit on our ability to require you to change the providers or specifications of the Computer and Point of Sale Systems, upgrade the Computer and Point of Sale Systems, add components to the Computer and Point of Sale Systems and replace components of the Computer and Point of Sale Systems.

Training

You must hire your General Manager in ample time so that he/she is present at the groundbreaking of the Walk-On’s Restaurant. You must hire all other Walk-On’s Restaurant Managers and the Executive Kitchen Manager and have them in our training no later than 100 days before your scheduled opening date. You may not send any trainees to our Initial Training Program until after you have signed a lease for and begun construction of your Restaurant. You must contact the Director of New Partner Training to schedule training for all Walk-On’s Restaurant Managers, Executive Kitchen Manager, and your General Manager more than 30 days before the date you would like training to begin.

Before opening your Walk-On’s Restaurant, we will provide our 8-week Initial Training Program for up to 6 people. While up to 6 individuals may attend the Initial Training Program, the Initial Training Program is mandatory for you (if you are the General Manager), your General Manager, all of your Walk-On’s Restaurant Managers, and your Executive Kitchen Manager.

The following is description of our Initial Training Program as of the issuance date of this Disclosure Document:

TRAINING PROGRAM

| Subject | Hours Of Classroom Training | Hours Of On The Job Training | Location |
|--|------------------------------------|-------------------------------------|--|
| Orientation | 4 hours | NA | Web-Meeting |
| Front of House positional training | | 20 - 30 hours | Designated Certified Training Restaurant |
| Heart of House (Kitchen) positional Training | NA | 50 - 75 hours | Designated Certified Training Restaurant |
| Restaurant Management Training | NA | 140 - 235 hours | Designated Certified Training Restaurant |
| Financial and Systems Training | 20 - 30 hours | 20 - 30 hours | Designated Certified Training Restaurant |
| Walk-On's University | 25 hours | | Walk-On's Corporate Headquarters |

We conduct the Initial Training Program as frequently as needed at an operating Certified Training Location Walk-On's Restaurant and in Atlanta, Georgia and/or another location we designate. Our training materials include our Manual, classroom learning and testing materials, weekly/daily checklists, access to online training, marketing templates and access to our intranet for printed materials and templates. The minimum experience of the instructors in the field relevant to the subject taught and to our operations is from one to five years.

The Initial Franchise Fee includes the cost of tuition and materials of the Initial Training Program for up to 6 people, and you must pay for all costs for travel, room and board, wages and other expenses for your trainees. Depending on the capacity of the training facility, however, you may be limited to only send two people at a time to the Initial Training Program.

All trainees must complete the Initial Training Program to our satisfaction, which we will determine in our sole discretion. If any trainee fails to successfully complete the Initial Training Program, then the person who failed can re-enroll in our next scheduled Initial Training Program at no additional charge. All manager trainees must attend all scheduled training shifts and arrive on time and prepared. We can terminate the Franchise Agreement if the person again fails to successfully complete the Initial Training Program to our satisfaction.

On completion of the Initial Training Program and before the opening of your Walk-On's Restaurant, your General Manager and entire management team must attend and successfully complete the four-day Walk-On's U program at our headquarters in Atlanta, Georgia. Walk-On's U currently focuses on the following topics: computer and inventory systems; finance; operations; and marketing. We also require that you attend one day of new franchisee orientation at a site we designate. Additionally, before the opening of your Walk-On's Restaurant, you and your General Manager must participate in the opening of another company-owned or franchised Walk-On's Restaurant to gain additional insight and knowledge on the operations of Walk-On's Restaurants.

You must ensure that all of your managers and general managers complete any state and local required food safety training (for example, ServSafe Food Safety Training). Documentation of successful completion of food safety training must be provided to our New Partner Training Department.

In addition to the above training, we will provide you with our trained representatives (the "Opening Training Team") to provide on-site pre-opening and opening training, supervision, support and assistance to you (the "Opening On-Site Assistance"). We will determine the length of the Opening On-Site Assistance based on your level of experience in restaurant operations and the management level of your experience. We will use the below tiers to determine the extent of the Opening On-Site Assistance.

| Tier | Qualification | Length of Opening On-Site Assistance |
|------|---|--------------------------------------|
| 1 | You have less than 3 years of relevant experience. We will administer a placement test to help focus the training. | A 40-shift program |
| 2 | You have 3 to 5 years of experience in a role at or above your position with the Walk-On's Restaurant. We will use a placement test as a secondary measure of evaluation to help focus the training. | A 30-shift program |
| 3 | You have more than 5 years of experience in a role at or above your position with the Walk-On's Restaurant. We will use a placement test as a secondary measure of evaluation to help focus the training. | A 25-shift program |

Any Walk-On's Restaurant Manager, General Manager, and Executive Kitchen Manager you appoint after the opening of your Walk-On's Restaurant must attend and successfully complete our next scheduled Initial Training Program at a charge of \$5,000 per trainee. You must also pay your trainee's costs for travel, room and board, wages and other expenses. See Item 6 for information about charges for training additional or subsequent trainees.

If we determine, in our sole discretion, that you need additional on-site assistance beyond the allotted Opening On-Site Assistance, we may require that all or a portion of the Opening Training Team remain at your Walk-On's Restaurant after opening for as long as we deem necessary. If we require that all or a portion of the Opening Training Team remain beyond the allotted Opening On-Site Assistance, you must pay all expenses associated with keeping all or a portion of the Opening Training Team at your Walk-On's Restaurant after its opening, including, but not limited to, daily wages, transportation, lodging and a per diem fee. We only provide use of the Opening Training Team for your first 3 Walk-On's Restaurants. If you open more than 3 Walk-On's Restaurants and need the Opening Training Team because you do not have certified trainers on staff, you must pay all wages and expenses for the Opening Training Team.

Beginning with the opening of your fourth Walk-On's Restaurant, the training of your employees will be your responsibility. You can fulfill this obligation by paying us to train your personnel (see Item 6 for associated fees), or you can train them in one of your existing Walk-On's Restaurants that we have approved as a training site at no additional cost. Assuming that you train these individuals, you must confirm to us in writing that the training program was led and administered by a trainer we previously approved. The content and administration of your training program must adhere to the standards of our Initial Training Program. We or a third-party designee, may, from time to time, perform audits to ensure that your management team is adhering to our standards.

You can request additional on-site training and/or assistance at any time. We will provide it at our option, but the Franchise Agreement does not require us to provide it. We may impose a fee for each day of additional on-site training or assistance we agree to provide and you must also pay all of the expenses incurred by our personnel in connection with such additional on-site training or assistance, including their salaries, travel costs, meals, lodging and other living expenses. The timing of all additional on-site and off-site advice, consultation and training (after the Initial Training Program) is subject to the availability of our personnel.

We may from time to time conduct an annual conference, convention or training session. We will determine the duration, curriculum and location of these. You (if an individual) and/or your General Manager for each of your opened Walk-On's Restaurants must attend each annual conference, convention or training session. We may charge our then-current fees for these events. You must pay all the expenses your trainees or attendees incur for the Initial Training Program, Walk-On's University and any other training, conferences, conventions or other meetings your trainees attend, including, for example, their salaries, transportation costs, meals, lodging and other living expenses. You may not attend, and may not send any attendees to, any conference, convention, or training session until after you have signed a lease for and begun construction of your Restaurant. (Franchise Agreement, Section 7.02)

Once you have established your third Restaurant, you must designate an "Area Operator" to supervise the operations of each of your Restaurants. The Area Operator must have complete decision making authority with regard to your Restaurants and must have authority to act on your behalf. Your Area Operator must complete the Initial Training Program to our satisfaction. We also have the right to require you to designate an Area Operator before you have established your third Restaurant based on our evaluation of your day-to-day involvement in your Restaurant(s).

Time to Open

You or your designee must communicate (by email or phone) with us on a weekly basis providing weekly construction updates on your Walk-On's Restaurant. You must secure a site for your Restaurant within 180 days after signing your Franchise Agreement. We will determine your opening date based on the construction timeline. You must open your Walk-On's Restaurant within 20 months after we sign your Franchise Agreement. However, if you sign an Area Development Agreement, the opening deadline will be determined by the Area Development Agreement rather than the Franchise Agreement. We estimate that the typical length of time between the signing of the Franchise Agreement and the opening of a Walk-On's Restaurant is between 15 months to 19 months. Factors affecting time include attendance at and satisfactory

completion of our Initial Training Program, obtaining a satisfactory site, arranging for any financing, complying with local ordinances, construction duration, completing delivery and installation of equipment and signs and procuring opening inventory.

ITEM 12

TERRITORY

Franchise Agreement

Under the Franchise Agreement, you may establish only one Walk-On's Restaurant. Your right to operate a Walk-On's Restaurant is restricted to the location designated in Exhibit A to the Franchise Agreement (the "Walk-On's Restaurant Location"). We will grant you a protected geographic area that will generally consist of a 9-mile radius surrounding your Walk-On's Restaurant Location (the "Territory"). We reserve the right to reduce this radius for high density population areas. There is no minimum sales quota for maintaining your Territory or other circumstances that grant us the right to modify your Territory during the term of your Franchise Agreement.

You may not relocate the Walk-On's Restaurant without our previous written approval. All leases or subleases that you enter into, all construction documents, FF&E quotes, and specifications that you propose and all construction, remodeling, renovation or other similar activity that you perform at and for the relocated Walk-On's Restaurant must be in accordance with all of the provisions of Article 6 of the Franchise Agreement and our then-current requirements. You must reimburse us for reasonable costs we incur in considering your relocation request. You do not have any options, rights of first refusal, or similar rights to acquire additional franchises.

Your Walk-On's Restaurant may only offer and sell its products and services from your Walk-On's Restaurant Location. Your Walk-On's Restaurant may not sell any products or services from any location besides for your Walk-On's Restaurant Location or through any alternative channels of distribution, such as the internet/worldwide web and other forms of electronic commerce; supermarkets, grocery stores or convenience stores; catalogs; or, any other channel of distribution. Under no circumstances may your Walk-On's Restaurant offer delivery of System menu items or products except as we may (but need not) authorize in writing. If we grant our approval, your Walk-On's Restaurant may then offer catering services within your Territory so long as you comply with our System requirements.

Subject to the rights reserved below, while the Franchise Agreement is in effect, we and our affiliates will not, in your Territory, operate or grant a franchise for a Walk-On's Restaurant. Outside of the Territory, we and our affiliates can operate and/or authorize others to operate any number of Walk-On's Restaurants at any location, including locations immediately proximate to your Territory.

We and/or our affiliates may engage in any type of business activity in and/or outside the Territory, except as restricted in the preceding paragraph. The Franchise Agreement does not confer on you any right to participate in or benefit from any other business activity, whether it is conducted under the Proprietary Marks or not. For example, we and/or our affiliates may own, operate or authorize others to own or operate any type of business at any location whatsoever, including within your Territory, so long as the other business does not sell under the identical Proprietary Marks the identical type of programs, products or services that your Walk-On's Restaurant offers and sells (except as permitted below). You will receive no compensation for these businesses' sales.

Only we and/or our affiliates have the right to sell within and outside your Territory, under the Proprietary Marks, any and all System programs, products or services and/or their components or ingredients (including those used or sold by your Walk-On's Restaurant), at wholesale or retail, through any method of distribution, including without limitation, the internet/worldwide web; any other form of electronic commerce; supermarkets, grocery stores and convenience stores; mail order; catalogs; television sales; or,

any other channel of distribution except for a Walk-On's Restaurant. You will receive no compensation for our or our affiliates' sales through alternative distribution channels.

We and/or our affiliates have the right to sell (directly, or through other franchisees or licensees) System programs, products and services at any and all nontraditional locations, including nontraditional locations situated in your Territory and proximate to your Walk-On's Restaurant Location, through the establishment of Walk-On's Restaurants, limited-service or fast casual Walk-On's Restaurants, kiosks, mobile units, concessions or "shop in shops" in nontraditional locations. "Nontraditional locations" include sports arenas and venues; casinos; food retailers; malls and mall food courts; schools and universities; airports; guest lodging facilities (including Walk-On's Hotels); government facilities; the premises of any third-party retailer; military bases and installations; and, any other location or venue to which access to the general public is restricted. You will receive no compensation for our or our affiliates' sales at nontraditional locations. You will not receive an exclusive Territory. You may face competition from outlets that we own at nontraditional locations, from other channels of distribution or competitive brands that we control.

Both within and outside the Territory, only we and/or our affiliates have the right to sell System programs, products and services to national, regional and institutional accounts. "National, Regional and Institutional Accounts" are organizational or institutional customers whose presence is not confined to your Territory, including (for example): business entities with offices or branches situated both inside and outside of your Territory; sports leagues or divisions; government agencies, branches or facilities; guest lodging networks; the military; and, any other customer whose presence is not confined to your Territory. Only we will have the right to enter into contracts with National, Regional and/or Institutional Accounts, which may include facilities within your Territory. If we receive orders for any System products or services calling for delivery or performance in your Territory as a result of our engaging in commerce with National, Regional and Institutional Accounts, then we have the right, but not the obligation, either to require you to fulfill the orders at the price we agree on with the customer or to give you the opportunity to fulfill the orders at the price we agree on with the customer. If we give you the opportunity to fulfill an order and if, for any reason, you do not desire to or cannot serve the customer, or if the customer desires for any or no reason to deal exclusively with us, our affiliate or another franchisee and not with you, then we, our affiliate or any other Walk-On's franchisee may serve the customer within your Territory, and you will not be entitled to any compensation.

We may purchase, merge, acquire, be acquired by or affiliate with an existing competitive or non-competitive franchise or non-franchise network, chain or any other business regardless of the location of that other business' facilities, and we may then operate, franchise or license those other businesses and/or facilities, and following such activity we may operate, franchise or license those other businesses and/or facilities regardless of the location of these businesses and/or facilities (which may be immediately proximate to your Walk-On's Restaurant Location) under the Proprietary Marks, outside of your Territory, or under any names or marks other than the Proprietary Marks, within your Territory. You will receive no compensation for these activities. Under the terms of the Franchise Agreement, you waive and release any claims, demands or damages arising from or related to any of the above activities and promise never to begin or join in any legal action or proceeding, or register a complaint with any governmental entity, directly or indirectly contending otherwise.

Other than as described in Item 1 of this Disclosure Document, we and our affiliates have not established and do not currently intend to establish any other franchises, company-owned outlets or other distribution channels offering similar products or services under a different trademark anywhere in the United States, but we may do so in the future.

Area Development Agreement

If you and we sign an Area Development Agreement, we will grant you a "Development Territory" within which you will promise to develop, own and operate a specified number of Walk-On's Restaurants. We will describe your Development Territory in detail in Exhibit A to your Area Development Agreement.

You will not receive an exclusive Development Territory. You may face competition from outlets that we own at nontraditional locations, from other channels of distribution or competitive brands that we control.

Each Territory you are granted under your Franchise Agreements (as described in the Franchise Agreement section above in this Item 12) must be within your Development Territory. As an area developer, you must sign a Franchise Agreement for each Walk-On's Restaurant in a timely manner that enables you to meet the Development Schedule stated in your Area Development Agreement. With respect to each Franchise Agreement signed, you must use your best efforts to find an acceptable Walk-On's Restaurant Location within your Development Territory. You must comply with all of our specifications, requirements and restrictions for finding acceptable Walk-On's Restaurant Locations, as set forth in the Franchise Agreement. We may require you to submit maps, completed checklists, photographs and diagrams of the premises with measurements and other information and materials that we reasonably require to evaluate each of your proposed Walk-On's Restaurant Locations. You must select a Walk-On's Restaurant Location, identify it to us, obtain our advance written approval and sign a lease we approved for your Walk-On's Restaurant Location within two months following the date of our signing of each Franchise Agreement signed under the Area Development Agreement. The Territory for each Walk-On's Restaurant opened under an Area Development Agreement will be a 9-mile radius around the Walk-On's Restaurant and will be described in Exhibit A to the Franchise Agreement for that Walk-On's Restaurant. We reserve the right to reduce this radius for high density population areas. The rights you receive to each Territory granted under each Franchise Agreement signed under an Area Development Agreement are described above in this Item 12.

You have the right and obligation to open and operate in your Development Territory the number of Walk-On's Restaurants stated on the Development Schedule in your Area Development Agreement. You will not have any options, rights of first refusal or similar rights to acquire additional franchises. You must comply with the timetable on the Development Schedule. If you do not meet the deadlines set in your Development Schedule by either failing to sign a Franchise Agreement for each Walk-On's Restaurant by the date in your Development Schedule or failing to open by the Opening Date in your Development Schedule, you will be in default under your Area Development Agreement. If you default under your Area Development Agreement for this reason, we may terminate the Area Development Agreement. Termination of the Area Development Agreement for this reason, however, will not be a termination (constructive or otherwise) of any Franchise Agreement(s) entered into by you and us under which you have already opened the Walk-On's Restaurant covered by the Franchise Agreement(s) if you have fully performed and otherwise been in compliance with all of your obligations under the Franchise Agreement(s) in question.

Within and outside of the Development Territory, we and our affiliates may operate any number of Walk-On's Restaurants or other businesses (whether under the Proprietary Marks or otherwise), and authorize others to operate them, at any location we choose (including one or more locations that may be within the Development Territory). However, while any Franchise Agreement is in effect, we and our affiliates will not, in a Territory for any of your Walk-On's Restaurants granted in a Franchise Agreement, operate or grant a franchise for a Walk-On's Restaurant, except as described above in this Item 12.

We and/or our affiliates may engage in any business activity we choose in or outside the Development Territory (except as we are restricted as described above in any Territory you are granted under a Franchise Agreement) and the Area Development Agreement does not confer on you any right to participate in or benefit from any other business activity (regardless of whether it is conducted under the Proprietary Marks or not). We thus may engage in, or authorize others to engage in, any form of business offering and selling any type of product or service within your Development Territory, except as restricted within any Territory you are granted under a Franchise Agreement as described above.

The Area Development Agreement confers no marketing exclusivity in the Development Territory on you, and all Walk-On's Restaurants (whether company-owned, affiliate-owned, company joint-ventured, franchised or otherwise) may solicit, service, advertise and offer their products and services to any

individual or entity, regardless of your or its geographic location, including within your Development Territory.

We may purchase, merge, acquire, be acquired by or affiliate with an existing competitive or non-competitive franchise or non-franchise network, chain or any other business regardless of the location of that other business' facilities, and following this activity we may operate, franchise or license those other businesses and/or facilities under any names or marks regardless of the location of these businesses and/or facilities, which may be within the Development Territory or immediately proximate to it.

Under the terms of the Area Development Agreement, you waive and release any claims, demands or damages arising from or related to any of the above activities and promise never to begin or join in any legal action or proceeding, or register a complaint with any governmental entity, directly or indirectly contending otherwise.

**ITEM 13
TRADEMARKS**

We grant you the right to operate under the names Walk-On's and Walk-On's Sports Bistreaux, and to use certain other of our other current or future Proprietary Marks that we designate in the operation of your Walk-On's Restaurant.

The following is a list of our principal Proprietary Marks that Walk-On's Enterprises IP, LLC has registered on the Principal Register of the United States Patent and Trademark Office:

Principal Federal Registrations

| Registration Number | Description of Mark | Registration Date |
|---------------------|---|-------------------|
| 4,695,122 | WALK-ON'S | 3/3/2015 |
| 6,181,351 |  | 10/20/2020 |
| 6,181,350 | WALK-ON'S SPORTS BISTREAUX | 10/20/2020 |
| 7,146,841 |  | 8/22/2023 |

There are presently no effective determinations of the U.S. Patent and Trademark Office, any trademark trial and appeal board, any state trademark administrator or any court, any pending infringement, opposition, or cancellation proceedings, or any pending material litigation involving any of the above-referenced Proprietary Marks that is relevant to your use.

Walk-On's Enterprises IP, LLC has licensed us to use the System, Proprietary Marks and other intellectual property and to sublicense them to our franchisees in the Cross-License Agreement. The Cross-License Agreement has a term of 20 years, and we have the right to renew every 20 years as long as we are not in

default. The Cross-License Agreement does not address franchisees' use of the Proprietary Marks if the Agreement is ever terminated or expires. With the exception of the cross-license agreement, dated as of October 10, 2014 (the "License"), between us and Walk-On's Enterprises IP, LLC, there are no agreements that significantly limit our rights to use or license these Proprietary Marks.

There are no infringing uses or superior previous rights known to us that can materially affect your use of the Proprietary Marks in the state in which the Walk-On's Restaurant is to be located. There are no decided infringement, opposition or cancellation proceedings in which we unsuccessfully fought to prevent registration of a trademark in order to protect a Proprietary Mark.

There is no pending material federal or state court litigation regarding our use or ownership rights in any of the above Proprietary Marks. All required affidavits have been filed. All required renewals have been filed.

We have the right to control any administrative proceedings or litigation involving the Proprietary Marks. If you learn of any claim against you for alleged infringement, unfair competition, or similar claims about the Proprietary Marks, you must promptly notify us. We will promptly take the action we consider necessary to defend you. We must indemnify you for any action against you by a third party based solely on alleged infringement, unfair competition, or similar claims about the Proprietary Marks as long as you have used the Proprietary Marks in compliance with the Franchise Agreement. You may not settle or compromise any of these claims without our previous written consent. We will have the right to defend and settle any claim at our sole expense, using our own counsel. You must cooperate with us in the defense. Under the Franchise Agreement, you irrevocably grant us authority to defend or settle these claims. You may participate at your own expense, but our decisions with regard to the defense or settlement will be final. We will have no obligation to defend or indemnify you if the claim against you relates to your use of the Proprietary Marks in violation of the Franchise Agreement.

If you learn that any third party whom you believe is not authorized to use the Proprietary Marks is using the Proprietary Marks or any variant of the Proprietary Marks, you must promptly notify us. We will determine whether or not we will take any action against the third party. You will have no right to make any demand or to prosecute any claim against the alleged infringer for the infringement.

You must comply with any instruction by us to modify or discontinue use of any Proprietary Mark or to adopt or use additional or substituted Proprietary Marks at your own expense.

You must follow our rules when you use the Proprietary Marks. You cannot use the Proprietary Marks in any other entity or business in which you have an interest, direct or indirect, or as any part of the name of the entity operating the Walk-On's Restaurant.

ITEM 14

PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

Patents

We hold no patents.

Copyrights

We have no registered copyrights, but we claim common law copyrights on certain forms, advertisements, promotional materials and other written materials. We also claim common law copyrights and other proprietary rights in the Manual.

There are no agreements currently in effect that significantly limit your right to use any of our copyrights. Also, there are no currently effective determinations of the United States Patent and Trademark Office, the United States Copyright Office or any court pertaining to or affecting any of our copyrights discussed above. Finally, as of the date of this Disclosure Document, we are unaware of any infringing uses of or superior prior rights to any of our copyrights that could materially affect your use of them in the state in which your Walk-On's Restaurant is to be located.

Your and our obligations to protect your rights to use our copyrights are the same as the obligations for Proprietary Marks described in Item 13 of this Disclosure Document.

Confidential Information

You may never, while the Area Development Agreement or Franchise Agreement is in effect or after it expires or is terminated, reveal any of our confidential information to another person or use it for any other person or business. You may not copy any of our confidential information or give it to a third party except as we authorize.

Under the Franchise Agreement, the following persons must sign a form of Confidential Information Protection Agreement that we have approved:

- (1) Before employment or any promotion, your Walk-On's Restaurant Manager and all other managerial personnel; and
- (2) If you are a business entity, and as applicable, all of your owners, equity holders, control persons, shareholders, members, partners and general partner(s); all of your officers, directors and managers; and, all persons possessing equivalent positions in any business entity that directly or indirectly owns and/or controls you.

Under the Area Development Agreement, the following persons must sign a form of Confidential Information Protection Agreement that we have approved:

- (1) Before employment or any promotion, your General Manager; and
- (2) If you are a business entity, and as applicable, all of your owners, equity holders, control persons, shareholders, members, partners and general partner(s); all of your officers, directors and managers; and, all persons possessing equivalent positions in any business entity that directly or indirectly owns and/or controls you.

Our confidential information includes information, knowledge, trade secrets or know-how used or embraced by the System, products, services, equipment, technologies and procedures that are part of the System; systems of operation, other products, services, equipment, recipes, specifications, ingredients, sources of supply, preparation techniques, procedures, policies, standards, techniques, requirements and specifications that are part of the System; the Manual; methods of advertising and promotion; instructional materials; and many other matters stated in the Franchise Agreement.

You must irrevocably license to us all intellectual property, newly developed items; improvements to existing items; and all other products, services, equipment and programs you develop related to your Walk-On's Restaurant. We will not be liable to you in any way because of this license.

ITEM 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

You must personally supervise and participate in the day-to-day operation of your Walk-On's Restaurant, unless we permit otherwise in writing. You must devote your time, attention and best efforts to performing your obligations under the Franchise Agreement and, if applicable, Area Development Agreement and your other agreements with us and our affiliates. If we grant you a license to operate more than one Walk-On's Restaurant, you must devote the time and attention necessary for the proper and effective operation of all your Walk-On's Restaurants.

You must designate a qualified individual as the "General Manager" of your Walk-On's Restaurant. If you are an individual, then you must serve as the General Manager. Your General Manager must have complete decision making authority with regard to your Walk-On's Restaurant. If you are operating a single Walk-On's Restaurant, your General Manager must have authority to act on your behalf under the Franchise Agreement. If you are signing an Area Development Agreement, you must designate the same individual as the General Manager under each Franchise Agreement signed under the Area Development Agreement and the General Manager must have authority to act on your behalf under each Franchise Agreement and the Area Development Agreement. Your General Manager is the only person who we will communicate with when we seek to communicate with you. If you desire to designate a successor or replacement General Manager, then you must notify us in writing; identify your proposed successor General Manager and the reason that your predecessor General Manager ceased to serve. Your General Manager must complete the Initial Training Program to our satisfaction.

If you are an individual, you must also either serve as or designate a Walk-On's Restaurant Manager. If you are an entity, you must designate a Walk-On's Restaurant Manager. The Walk-On's Restaurant Manager, who will have day-to-day management responsibility for your Walk-On's Restaurant, will exercise on-premises supervision and personally participate in the direct operation of the Walk-On's Restaurant. You must inform us in writing of your Walk-On's Restaurant Manager and any successors in advance. You also must designate an Executive Kitchen Manager. Your Walk-On's Restaurant Manager and your Executive Kitchen Manager must complete the Initial Training Program to our satisfaction. After a Walk-On's Restaurant Manager's death, disability or termination of employment, you must immediately notify us, and you must designate a successor or acting Walk-On's Restaurant Manager within 10 days.

Your General Manager, Walk-On's Restaurant Manager and the other persons listed in this Item 15 must sign a form of Confidential Information Protection Agreement that we have approved and keep our confidential or proprietary information confidential.

If you are a business entity, then all direct and indirect owners of the business entity must sign a guarantee in the form attached as Exhibit D to the Franchise Agreement. A spouse of a direct or indirect owner is not required to sign the guarantee unless the spouse also has a direct or indirect ownership interest in the business entity.

ITEM 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

Your Walk-On's Restaurant must at all times offer and sell our then-current products, services and programs that we designate as part of the System unless, as to any one or more products, services or programs, you are prohibited by local law or regulation or unless we have granted you our advance written approval to exclude some products, services or programs.

We may allow, or require you to sell, certain products, services and/or programs in addition to those initially identified by us as part of the System in accordance with our standards.

You must not sell any product, service or program that is not a part of the System or that we delete from the System.

If you desire to sell any product, service or program that is not part of the System, then you must obtain our advance written permission. If we grant our advance written approval, then the product, service or program will become a part of the System. We will not be required to, but may, authorize it for sale at one or more other Walk-On’s Restaurants. We may revoke our approval at any time. We will own all rights associated with the product, service or program, and you will not be entitled to any compensation for it.

We may require you, at your own expense, to participate in the testing of new products, services or programs. If so, you must maintain appropriate records of the testing and report the testing results to us.

We may add to, delete from or modify the products, services and programs that you can and must offer or we may modify the System. You must abide by any additions, deletions and modifications. There is no contractual limit on our right to require these changes.

You may only sell System products, services and programs at retail. You may not engage in the wholesale sale or distribution of any System products, equipment, and services that your Walk-On’s Restaurant is required or permitted to use or sell, or any component or ingredient of them that now or in the future constitutes part of the System.

You must participate, at your expense, in all marketing programs pertaining to the Walk-On’s loyalty app and eCommerce, including but not limited to the loyalty rewards programs, third-party delivery programs, and online ordering programs.

ITEM 17

RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

This table lists certain important provisions of the franchise and related agreements pertaining to renewal, termination, transfer and dispute resolution. You should read these provisions in the agreements attached to this Disclosure Document.

THE FRANCHISE RELATIONSHIP

Franchise Agreement

| Provision | Section in Franchise Agreement | Summary |
|--|---------------------------------------|--|
| a. Length of the franchise term | Section 4.01 | Term is 10 years from the effective date. |
| b. Renewal or extension of the term | Section 4.02, 13.01 | You can enter into 4 consecutive Renewal Franchise Agreements for a term of 5 years each if you fulfill the conditions in Section 13.01 of the Franchise Agreement. |
| c. Requirements for you to renew or extend | Section 13.01 | <ul style="list-style-type: none"> a. Notify us no more than 9 months and no less than 6 months before expiration. b. Comply with the Franchise Agreement and Manual and you did so and met your material obligations on time throughout the current Term. c. Satisfy all monetary obligations to us, our affiliates, landlord and suppliers. d. For your first renewal, design and remodel your Walk-On’s Restaurant, up to \$250,000, to comply with our then-current standards. For any subsequent renewal, design and remodel your Walk-On’s Restaurant, up to \$200,000, to comply with our then-current standards. |

| Provision | Section in Franchise Agreement | Summary |
|--|--------------------------------|--|
| | | <p>e. You or your Walk-On’s Restaurant Manager (as applicable), and any other management and staff we designate, must attend and successfully complete any training that we reasonably require, at your expense.</p> <p>f. You must pay us a renewal fee of 25% of the our then-current Initial Franchise Fee for similar franchised territories, but the Renewal Fee for the first Renewal Term will be no greater than the Initial Franchise Fee that you paid under the Franchise Agreement.</p> <p>g. Renew your lease on terms acceptable to you and us, or lease an acceptable new Walk-On’s Restaurant Location in your Territory without any interruption of business.</p> <p>h. Sign a General Release in the form of Exhibit G (but <u>not</u> releasing us from future claims under any Renewal Franchise Agreement). You may be asked to sign a contract with materially different terms than your original contract, but there will be no initial franchise fee, the boundaries of the Territory will remain the same, the term of each Renewal Franchise Agreement will be 10 years, the limited renewal rights of the Franchise Agreement will be incorporated, and the Continuing Royalty on renewal will not be greater than the Continuing Royalty that we then impose on similarly-situated renewing franchisees.</p> |
| d. Termination by you | None. | |
| e. Termination by us without cause | None. | |
| f. Termination by us with cause | Article 17 | <p>We may terminate only if you default. The Franchise Agreement describes defaults throughout – please read it carefully.</p> <p>Any default or breach by you, your affiliates and/or any guarantor of yours of the lease or any other agreement between us or our affiliates and you and/or the other parties is a default under the Franchise Agreement, and any default or breach of the Franchise Agreement by you and/or the other parties is a default or breach under all other agreements between us or our affiliates and you, your affiliates and/or any guarantor of yours. If the nature of the default under any other agreement would have permitted us (or our affiliate) to terminate the Franchise Agreement if the default had occurred under the Franchise Agreement, then we have the right to terminate all other agreements in the same manner provided for in Franchise Agreement for termination.</p> |
| g. “Cause” defined - defaults which can be cured | Section 17.03 | <p>You have 15 days to cure the default if you do not comply with any Franchise Agreement or Manual provision or requirement or otherwise fail to fulfill the terms of the Franchise Agreement in good faith, except for defaults described in h. below. In addition, we may require you to close your Restaurant until you have cured a default. Examples of curable defaults include:</p> <p>a. You do not pay promptly when due any money owed to us, our affiliates or any lender that has provided financing to your Walk-On’s Restaurant under any arrangement with us. The cure period for this default will be 5 days after written notice of default.</p> |

| Provision | Section in Franchise Agreement | Summary |
|---|--------------------------------|---|
| | | <p>b. You do not submit required reports or make any false statement in any reports or information you submit to us.</p> <p>c. You sell unauthorized services or products.</p> <p>d. You fail to maintain your trade accounts in a current status and/or fail to seek to promptly resolve any disputes with trade suppliers</p> <p>e. You engage in any business, or market any product or service, under a name or mark which, in our opinion, is confusingly similar to the Proprietary Marks.</p> <p>f. You do not pay any taxes on your Walk-On's Restaurant when due.</p> <p>g. You do not use the Proprietary Marks and/or trade dress solely in the manner and for the purposes we direct.</p> <p>h. You violate the restrictions relating to advertising or do not participate in the programs related to advertising and sales promotion.</p> <p>i. You do not indemnify us.</p> <p>j. You permit a continued violation in the operation of the Walk-On's Restaurant of any law, ordinance, rule or regulation, in the absence of a good faith dispute.</p> <p>k. You do not successfully pass any state or local health department food safety inspections.</p> <p>l. You fail to obtain or maintain a required, permit, certificate or other governmental approval.</p> <p>m. You fail to operate your Walk-On's Restaurant during the days and hours specified in our Manual without our advance written approval.</p> <p>n. You default under any agreement between you and the landlord of your Walk-On's Restaurant Location and do not cure within the time provided in the lease.</p> <p>o. You fail to maintain and operate your Walk-On's Restaurant and any delivery vehicles in a good, clean and sound manner, in strict compliance with our standards.</p> <p>p. You do not engage and have us train a successor or replacement Walk-On's Restaurant Manager.</p> <p>q. You do not comply with any other provision or requirement of the Franchise Agreement or any specification, standard or operating procedure we prescribe.</p> |
| h. "Cause" defined - non-curable defaults | Sections 17.01 and 17.02 | <p>Automatic, without notice: bankruptcy, insolvency, receivership, dissolution or levy. On notice to you:</p> <p>a. You fail to open the franchised Walk-On's Restaurant within 20 months following our signing of the Franchise Agreement or cease to operate the Walk-On's Restaurant, abandon the franchise, or, fail to operate your Walk-On's Restaurant for any 1 day during which you are required to operate, unless due to causes beyond your control or is with our prior written approval.</p> <p>b. You omitted or misrepresented a material fact in information you furnished us in connection with our decision to sign the Franchise Agreement.</p> <p>c. You and we agree in writing to terminate.</p> |

| Provision | Section in Franchise Agreement | Summary |
|-----------|--------------------------------|---|
| | | <p>d. You do not secure a Walk-On’s Restaurant Location within the required time limits and procedures.</p> <p>e. You lose the right to possess the Walk-On’s Restaurant Location, but if the loss is due to no fault of yours, you may apply for approval to relocate and reconstruct.</p> <p>f. You, your Walk-On’s Restaurant Manager and/or if you are a business entity, any owner, member, shareholder, director or manager of yours is convicted of a felony, etc.</p> <p>g. You make an unauthorized transfer.</p> <p>h. You do not comply with the in-term covenant not to compete, or obtain the required additional covenants, or you violate the restrictions on the use of Confidential Information.</p> <p>i. Before you open, we determine that you or your your Walk-On’s Restaurant Manager failed to attend or successfully complete the Initial Training Program (after being afforded the opportunity to obtain remedial training).</p> <p>j. You knowingly conceal revenues, knowingly maintain false books or records, or submit any substantially false report to us.</p> <p>k. You do not maintain the required financial records.</p> <p>l. An audit shows that you understated your Gross Revenues by 8% or more for any month or for the entire period of examination.</p> <p>m. You refuse us permission to inspect or audit.</p> <p>n. You wrongfully take our property; systemically fail to deal fairly with your customers or suppliers.</p> <p>o. After curing a default that is subject to cure, you commit the same act of default again within 12 months.</p> <p>p. You make a willful misrepresentation or do not make a material disclosure required by any governmental authority regarding any matter involving your Walk-On’s Restaurant.</p> <p>q. You interfere or attempt to interfere with our contractual relations with others.</p> <p>r. You do not cure a default that materially impairs the goodwill associated with our Proprietary Marks after at least 72 hours’ written notice to cure.</p> <p>s. You fail for 15 days after notice to comply with any law or regulation applicable to the Walk-On’s Restaurant.</p> <p>t. You do not devote the amount of your time and attention and/or your best efforts to the performance of your duties necessary for the proper and effective operation of your Walk-On’s Restaurant.</p> <p>t. You do not immediately repay us or our affiliates for any amounts we advance on your behalf.</p> <p>u. You do not purchase or maintain required insurance.</p> <p>v. You and/or your Walk-On’s Restaurant commit any violation of law, rule or regulation and/or engage in any act or practice that subjects you and/or us to widespread adverse publicity or ridicule.</p> <p>w. You purchase any proprietary products or services or purchase any non-proprietary goods or services under a systemwide supply contract we</p> |

| Provision | Section in Franchise Agreement | Summary |
|--|--------------------------------|--|
| | | <p>negotiate, and you use, sell or otherwise exploit them for the benefit of any other individual, entity or business.</p> <p>x. You operate your Walk-On’s Restaurant in a fashion that, in our sole judgment, in any way jeopardizes the life, health or safety of the general public, your customers and/or your employees. If you do so, then not only may we terminate the Franchise Agreement on notice, but we may direct you to immediately close your Walk-On’s Restaurant(s); you must immediately comply with our direction; and, you must hold us harmless from and against any claims relating to our direction to close your Walk-On’s Restaurant(s).</p> <p>y. You fail to immediately endorse and tender to us any payment that is due us or our affiliates but is made to your order.</p> <p>z. You use our Confidential Information and/or Proprietary Marks in a way not specifically authorized, or for the benefit of any individual or entity other than your Walk-On’s Restaurant.</p> <p>aa. You interfere or attempt to interfere with our ability or right to franchise or license others to use the System and/or Proprietary Marks.</p> <p>bb. You interfere or attempt to interfere with our relationships with any other franchisee, supplier, government authority or other third party.</p> <p>cc. You engage in any act or conduct, or fail to engage in any act or conduct, that under the Franchise Agreement specifically authorizes us to terminate the Franchise Agreement immediately on notice to you.</p> <p>dd. You fail to successfully pass more than one state or local health department food safety inspection).</p> <p>ee. You fail to provide us with a grand opening marketing plan at least 120 days before your Walk-On’s Restaurant is scheduled to open.</p> |
| <p>i. Your obligations on termination/nonrenewal</p> | <p>Article 18</p> | <p>a. Pay all money owing to us or our affiliates, and third parties.</p> <p>b. Stop using our Proprietary Marks, Confidential Information, trade secrets and Manual.</p> <p>c. Cancel assumed name or equivalent registration that contains “Walk-On’s”, or any other Proprietary Marks of ours, or any variant, within 15 days.</p> <p>d. If we terminate the Franchise Agreement for your default, pay us all expenses and damages incurred as a result of your default or termination. Damages include, for example, lost profits, lost opportunities, damage to our Proprietary Marks and reputation, travel and personnel costs and the cost of securing a new Walk-On’s Restaurant for the Territory.</p> <p>e. If we request, assign us your interest in the Walk-On’s Restaurant Location lease and vacate promptly.</p> <p>f. Immediately deliver to us all confidential information, manuals, computer software and database material, customer lists, records and files, forms, advertising and promotional material, signs and related items that bear our Proprietary Marks.</p> <p>g. Immediately sign agreements necessary for termination.</p> <p>h. Stop using the telephone numbers listed in directories under the name “Walk-On’s” or any confusingly similar name.</p> <p>i. Strictly comply with the post-termination/post-expiration covenants not to compete.</p> |

| Provision | Section in Franchise Agreement | Summary |
|--|--------------------------------|---|
| | | <p>j. Continue to abide by restrictions on the use of our Confidential Information, trade secrets and know-how.</p> <p>k. Immediately refrain from engaging in any contacts with customers, suppliers, employees and all vendors of the Walk-On's Restaurant.</p> <p>l. Immediately surrender to us all computer software, data storage disks or tapes and other electronic media used in the operation of the Walk-On's Restaurant, printouts, and other information pertaining to computer operations, codes, procedures and programming.</p> <p>m. If we request, assign us your interest in the Walk-On's Restaurant Lease and vacate promptly.</p> <p>n. In 15 days, arrange with us for an inventory of personal property, fixtures, equipment, inventory and supplies. We have an option for 30 days to buy these at fair market value.</p> <p>o. If we choose not to take over the Walk-On's Restaurant, redecorate and remodel it to deidentify it.</p> <p>If we terminate for cause, we can take possession of the Walk-On's Restaurant. If you dispute the termination, then we can operate the Walk-On's Restaurant until the final court determination. If the court decides the termination was not valid, we must make a complete accounting for the period when we operated the Walk-On's Restaurant.</p> |
| j. Assignment of contract by us | Section 14.01 | We have the right to assign if the assignee agrees to perform these obligations. We may sell our assets, Proprietary Marks, or System; go public, etc. |
| k. "Transfer" by you – definition | Section 14.02 | Any assignment, transfer, subfranchising, sublicensing, sale, redemption or division of Agreement, Walk-On's Restaurant, the real estate for your Walk-On's Restaurant Location or your Walk-On's Restaurant Lease, any interest in them or a business entity franchisee (including any transaction under which you sell the real estate or Lease for your Walk-On's Restaurant Location, which is then leased back to you by the purchaser). |
| l. Our approval of transfer by you | Sections 14.02, 14.03 | No transfer without our consent except as provided in Franchise Agreement (for example, transfer to a business entity you form for convenience.). |
| m. Conditions for our approval of transfer | Section 14.04 | <p>a. The person to whom you propose to transfer (the "transferee") must apply to us for acceptance.</p> <p>b. Transferee must come to personal interview, or we may meet with transferee at his, her or its business or residence, and if we do you must reimburse us for our travel, lodging, meal and personal expenses.</p> <p>c. Transferee (or, if a business entity, the principals of the proposed transferee) must demonstrate the skills, qualifications, ethics, moral values and economic resources necessary, in our reasonable judgment, to conduct the Walk-On's Restaurant and to fulfill obligations to you.</p> <p>d. Transferee and his/her/its proposed Walk-On's Restaurant Manager must attend and successfully complete Initial Training Program before assignment (and other training if we wish), at transferee's expense.</p> <p>e. The landlord of the Walk-On's Restaurant Location must (1) consent in writing to the assignment of lease and (2) if applicable in connection with a lease back transaction, agree to enter into our Required Lease Rider.</p> |

| Provision | Section in Franchise Agreement | Summary |
|---|--------------------------------|---|
| | | <p>f. You must have cured any existing defaults, fully comply with all obligations to us and satisfy your outstanding monetary obligations to third parties.</p> <p>g. Transferee must sign new Franchise Agreement (but need not pay another Initial Franchise Fee). The term of the new Franchise Agreement will be the balance of the Term of your Franchise Agreement.</p> <p>h. Transferee must have acquired, or will be able to immediately acquire following the signing of the new Franchise Agreement, all permits, licenses and other authorizations legally necessary to operate the Walk-On's Restaurants.</p> <p>i. The Total Sales Price may not be so excessive, in our determination, that it jeopardizes the continued economic viability and future operations of the Walk-On's Restaurant and/or the transferee. See Franchise Agreement for definition of "Total Sales Price."</p> <p>j. If transferee is a business entity, owners must sign guarantees and Confidential Information Protection Agreements.</p> <p>k. You and your owners must sign a general release.</p> <p>l. If the transferee is a business entity, all of the requirements of its new Franchise Agreement concerning business entities must be complied with before we sign the new Franchise Agreement and must continue to be complied with.</p> <p>m. You must give us copies of the proposed assignment contract and signed assignment contract.</p> <p>n. The transferee, at its expense, must upgrade the Restaurant to conform with then-current standards and specifications within the time we reasonably specify.</p> <p>o. You must pay us a transfer fee of one-half of the then current initial franchise fee (currently, \$30,000).</p> |
| n. Our right of first refusal to purchase your business | Section 14.06 | We can match any offer for your Walk-On's Restaurant. |
| o. Our option to purchase your business | Section 19.01 | We, any of our affiliates, and/or any nominee or designee we name have the option to buy your Walk-On's Restaurant's assets on termination or expiration of your Franchise Agreement. |
| p. Your death or disability | Section 14.05 | On your death or disability your rights pass to your "Estate". Your Estate may continue operating the Walk-On's Restaurant if it provides an acceptable Operating Principal. This Operating Principal must successfully complete our next Initial Training Program and assume full-time operation of the franchise within one month of your death or disability. The Estate must pay us a \$1,000 administrative fee. From the date of your death or disability until an Operating Principal assumes full time control, we can operate your Walk-On's Restaurant, but need not do so. See Item 6. Or your Estate may sell the franchise in accordance with the requirements described in Section 14 of your Franchise Agreement. |
| q. Non-competition covenants during the term of the franchise | Section 12.02 | No involvement in competing business anywhere in U.S. |

| Provision | Section in Franchise Agreement | Summary |
|---|---------------------------------------|---|
| r. Non-competition covenants after the franchise is terminated or expires | Section 12.02 | No competing business for 2 years within your Territory, within 10 miles of the perimeter of your Territory, or within 10 miles of any other Walk-On's Restaurant. |
| s. Modification of the agreement | Sections 7.01 and 25.01 | No oral modifications generally, but we may change the Manual. Any Manual change will not conflict with or materially alter your rights and obligations under the Franchise Agreement. |
| t. Integration/merger clause | Section 24.01 | Only the terms of the Franchise Agreement, the Exhibits to the Franchise Agreement and all agreements signed with it are binding (subject to state law). Any representations or promises outside of the Disclosure Document and Franchise Agreement may not be enforceable. |
| u. Dispute resolution by arbitration or mediation | N/A | No provision for arbitration or mediation. |
| v. Choice of forum | Section 30.03 | Litigation generally must be in the state or federal court of competent jurisdiction located closest to our then current principal business address (currently, Atlanta, Georgia), subject to state law. |
| w. Choice of law | Section 30.02 | Georgia law applies, subject to state law. |

Area Development Agreement

| Provisions | Section in Area Development Agreement | Summary |
|--|--|--|
| a. Length of the franchise Term | Section 4.01 | Term is from date we sign the Area Development Agreement until the earlier of either the actual or scheduled date of signing of the last Franchise Agreement scheduled to be signed under the Area Development Agreement. |
| b. Renewal or extension of the term | None. | The Area Development Agreement is not renewable. |
| c. Requirements for you to renew or extend | None. | Not applicable. |
| d. Termination by you | None. | Not applicable. |
| e. Termination by us without cause | None. | Not applicable. |
| f. Termination by us with cause | Article 15 | The Area Development Agreement describes defaults throughout – please read it carefully. Termination of the Area Development Agreement for your failure to comply with the Development Schedule will not terminate any of the Franchise Agreements you already signed with us, so long as you have opened the Walk-On's Restaurants covered by the signed Franchise Agreements and you are not in default of the Franchise Agreements. However, your default or |

| Provisions | Section in Area Development Agreement | Summary |
|--|---------------------------------------|--|
| | | breach of any of your Franchise Agreement(s) will trigger the Area Development Agreement’s cross-default provision, such that if the nature of the default/breach under the Franchise Agreement(s) would have permitted us to terminate the Area Development Agreement if it happened under the Area Development Agreement, then we may terminate the Area Development Agreement. The cross-default provision also applies to breaches/defaults of the Area Development Agreement that permit us to terminate your Franchise Agreement(s). |
| g. “Cause” defined - defaults which can be cured | Section 15.03 | Except for defaults described in h. below, you have 15 days to cure any default under the Area Development Agreement. |
| h. “Cause” defined - non-curable defaults | Section 15.01 and 15.02 | <p>Automatic, without notice: bankruptcy, insolvency, receivership, dissolution or levy.</p> <p>On notice to you:</p> <ul style="list-style-type: none"> a. You omitted or misrepresented a material fact in information you furnished us for our decision to sign the Area Development Agreement. b. We and you agree in writing to terminate the Area Development Agreement. c. You, any of your Principals, and/or, if you are a business entity, any owner, member, shareholder, director or manager is convicted of a felony, etc. d. You make an unauthorized transfer. e. You do not comply with the covenant not to compete during the term of the Area Development Agreement; violate restrictions on the use of Confidential Information; or, do not obtain the signing of the additional covenants required by the Area Development Agreement. f. You make a willful misrepresentation or do not make a material disclosure required by any governmental authority. g. You use or duplicate any aspect of our System, services, programs or products in an unauthorized fashion. h. You engage in any business or market any service or product under a name or mark that, in our opinion, is confusingly similar to our Proprietary Marks. i. You engage in conduct that reflects materially and unfavorably on the operation and reputation of us or the System. |
| i. Your obligations on termination/nonrenewal | Section 16.01 | <ul style="list-style-type: none"> a. Pay all money owing to us or our affiliates, and third parties. b. If we terminate the Agreement for your default, pay us all expenses, including attorney’s and expert’s fees. c. Immediately sign all agreements necessary for termination. d. Strictly comply with the post-termination/post-expiration covenants not to compete e. Continue to abide by restrictions on the use of our Confidential Information. <p>Termination of the Area Development Agreement for your failure to comply with the Development Schedule will not terminate any of the Franchise Agreements you already signed with us, so long as you have opened the</p> |

| Provisions | Section in Area Development Agreement | Summary |
|---|--|--|
| | | Walk-On's Restaurants covered by your signed Franchise Agreements and you are not in default of the Franchise Agreements. |
| j. Assignment of contract by us | Section 12.01 | We have the right to assign the Area Development Agreement if the assignee is financially responsible and economically capable of performing our obligations under the Area Development Agreement and agrees to perform these obligations. We may sell our assets, Proprietary Marks, or System; go public, etc. |
| k. "Transfer" by you – definition | Section 12.02 | Any assignment, sale, transfer, shared, reconsidering, subfranchising or dividing, voluntarily or involuntarily, of the Area Development Agreement, any Walk-On's Restaurant, or any interest in any Walk-On's Restaurant or a Business Entity Franchisee (including any capital stock, membership, partnership or proprietary interest of you or anyone who controls you). |
| l. Our approval of transfer by you | Sections 12.02, 12.03 and 12.04 | No transfer without our consent except as provided in Area Development Agreement (for example, transfer to a business entity you form for convenience.). |
| m. Conditions for our approval of transfer | Sections 12.03 and 12.04 | See l., above. |
| n. Our right of first refusal to purchase your business | None | Not applicable. |
| o. Our option to purchase your business | None | Not applicable. |
| p. Your death or disability | Section 12.04 | On your death or disability (if you are an individual), or the death or disability of your last surviving owner (if you are a business entity), that person's rights pass to his or her "Estate". The Estate may continue operating the Area Development Business if it provides an acceptable Area Business Manager. This Area Business Manager must assume full time operation of the franchise within 90 days of death or disability. |
| q. Non-competition covenants during the term of the franchise | Section 11.01 | No involvement in competing business anywhere. |
| r. Non-competition covenants after the franchise is terminated or expires | Section 11.01 | No involvement in competing business for 2 years within your Development Territory, within a 10 mile radius of the perimeter of your Development Territory or within a 10 mile radius of of any Walk-On's Restaurant (whether company-owned, franchised or otherwise established and operated). |
| s. Modification of the agreement | Section 18.05 | No oral modifications. |
| t. Integration/merger clause | Section 18.05 | Only the terms of the Area Development Agreement, the Exhibits to the Area Development Agreement and all agreements signed with it are enforceable |

| Provisions | Section in Area Development Agreement | Summary |
|---|---------------------------------------|---|
| | | (subject to state law). Any representations or promises outside of this Disclosure Document and Area Development Agreement may not be enforceable. |
| u. Dispute resolution by arbitration or mediation | None | Not applicable. |
| v. Choice of forum | Sections 18.13 and 13.03 | Litigation generally must be in the state or federal court of competent jurisdiction located closest to our then current principal business address (currently, Atlanta, Georgia), subject to state law, except that we may bring an action for an injunction in any court with jurisdiction. |
| w. Choice of law | Section 18.12 | Georgia law applies. Your state law may supersede this provision and it may not be enforceable in your state. (Subject to state law). |

ITEM 18

PUBLIC FIGURES

Drew Brees, the former quarterback for the New Orleans Saints, holds a membership interest in our corporate parent, Walk-On's Enterprises Holdings, LLC. Drew has no direct investment in us. As one of the owners of our corporate parent, Drew is involved in brand development, expansion, public relations and advertising of the System. Other than benefits received due to his membership interest in our corporate parent, Drew receives no compensation or other benefit from us or our corporate parent in exchange for his involvement in those activities. Except as stated above, no public figure appears in the franchise name or symbol, endorses or recommends the franchise to prospective franchisees, is involved in our actual management or control, or has invested in us.

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 in Section I below provide historical information for franchised Restaurants. The tables in Section II below provide historical information for affiliate-owned Restaurants. The table in Section III provides historical information for both franchised and affiliate-owned Restaurants.

SECTION I: FRANCHISED 2023 RESTAURANTS

At the end of 2023, there were 74 franchised Restaurants open and operating. Of these 74 franchised Restaurants, 13 were excluded from the below Table because they opened in 2023 and therefore had not been operational for all of 2023. At the end of 2022, there were 68 franchised Restaurants open and operating. Of these 68 franchised Restaurants, 14 were excluded from the below Table because they opened in 2022 and therefore had not been operational for all of 2022. At the end of 2021, there were 55 franchised Restaurants open and operating. Of these 55 franchised Restaurants, 16 were excluded from the below Table because they opened in 2021 and therefore had not been operational for all of 2021.

Table 1 below presents information concerning the 61 franchised Walk-On’s Restaurants that were operational for all of 2023 (“2023 Franchised Restaurants”), 54 franchised Walk-On’s Restaurants that were operational for all of 2022 (“2022 Franchised Restaurants”) and 39 franchised Walk-On’s Restaurants that were operational for all of 2021 (“2021 Franchised Restaurants”). We do not present costs of goods sold information for franchised Restaurants since we do not have historical cost information for franchised locations that is in a similar format to the cost of goods sold information for affiliate-owned locations.

TABLE 1: AVERAGE AND MEDIAN YEARLY GROSS REVENUES

| Calendar Year | Average Yearly Gross Revenues | Number of Restaurants | % Attaining or Exceeding Average | Median Yearly Gross Revenues | High and Low Yearly Gross Revenues |
|----------------------|--------------------------------------|------------------------------|---|-------------------------------------|---|
| 2023 | \$4,589,166.91 | 61 | 33 or 54% | \$4,779,081.67 | \$6,364,647.73 and \$942,537.52 |
| 2022 | \$4,728,821.73 | 54 | 28 or 51% | \$4,862,123.17 | \$6,725,790.44 and \$2,629,114.24 |
| 2021 | \$4,877,998.34 | 38 | 22 or 55% | \$4,922,778.08 | \$7,047,730.43 and \$2,900,047.21 |

TABLE 2: AVERAGE AND MEDIAN HOURLY WAGES AS A PERCENTAGE OF YEARLY GROSS REVENUES

Table 2 below presents the average and median cost of hourly labor as a percentage of average yearly Gross Revenues at the 2023 Franchised Restaurants. Table 2 only provides the labor costs for hourly employees (for example, servers, cooks, bartenders, etc.), excluding the costs of any benefits or payroll taxes. Table 2 does not provide labor costs for managers or other salaried employees.

| Calendar Year | Average Hourly Wages as Percentage of Yearly Gross Revenues | Number of Restaurants | % Attaining or Below Average | Median Hourly Wages as Percentage of Yearly Gross Revenues |
|----------------------|--|------------------------------|-------------------------------------|---|
| 2023 | 19.44% | 61 | 30 or 49.2% | 19.57% |

SECTION II: AFFILIATE-OWNED RESTAURANTS

At the end of 2023, there were 6 affiliate-owned Restaurants open and operating. Of these 6 affiliate-owned Restaurants, 3 were excluded from the below Table because they were acquired during 2023 and therefore had not been affiliate-owned for all of 2023. At the end of 2022, there were 3 affiliate-owned Restaurants open and operating. All 3 affiliate-owned Restaurants are reflected in the 2022 numbers below. At the end of 2021, there were 3 affiliate-owned Restaurants open and operating. All 3 affiliate-owned Restaurants are reflected in the 2021 numbers below.

The tables below present information concerning the 3 Walk-On’s Restaurants that were affiliate-owned for 12 consecutive months in 2023 (the “2023 Affiliate Restaurants”); 3 affiliate-owned Walk-On’s Restaurants open for 12 consecutive months in 2022 (the “2022 Affiliate Restaurants”); and 3 affiliate-owned Walk-On’s Restaurants open for 12 consecutive months in 2021 (the “2021 Affiliate Restaurants”).

TABLE 1: AVERAGE AND MEDIAN YEARLY GROSS REVENUES

| Calendar Year | Average Yearly Gross Revenues | Number of Restaurants | % Attaining or Exceeding Average | Median Yearly Gross Revenues | High and Low Yearly Gross Revenues |
|----------------------|--------------------------------------|------------------------------|---|-------------------------------------|---|
| 2023 | \$6,145,119.60 | 3 | 1 or 33% | \$6,143,133.51 | \$6,441,480.91 and \$5,850,744.39 |
| 2022 | \$6,284,529.68 | 3 | 2 or 66% | \$6,301,244.19 | \$6,431,553.40 and \$6,120,791.46 |
| 2021 | \$6,657,418.27 | 3 | 2 or 66% | \$6,227,893.87 | \$8,192,076.77 and \$5,552,284.17 |

TABLE 2: AVERAGE AND MEDIAN COST OF FOOD AND BEVERAGES SOLD AS A PERCENTAGE OF YEARLY GROSS REVENUES

Table 2 below presents the average and median costs of food and beverages sold as a percentage of average yearly Gross Revenues at the 2023 Affiliate Restaurants; the 2022 Affiliate Restaurants; and, the 2021 Affiliate Restaurants. Table 2 only provides information relating to the costs of food and beverages, including alcohol.

| Calendar Year | Average Cost of Food and Beverages Sold as Percentage of Yearly Gross Revenues | Number of Restaurants | % Attaining or Below Average | Median Cost of Food and Beverages Sold as Percentage of Yearly Gross Revenues |
|----------------------|---|------------------------------|-------------------------------------|--|
| 2023 | 27.39% | 3 | 2 or 66% | 27.33% |
| 2022 | 29.54% | 3 | 1 or 33% | 29.78% |
| 2021 | 28.71% | 3 | 1 or 33% | 28.94% |

TABLE 3: AVERAGE AND MEDIAN HOURLY WAGES AS A PERCENTAGE OF YEARLY GROSS REVENUES

Table 3 below presents the average and median cost of hourly labor as a percentage of average yearly Gross Revenues at the 2023 Affiliate Restaurants; the 2022 Affiliate Restaurants; and the 2021 Affiliate Restaurants. Table 3 only provides the labor costs for hourly employees (for example, servers, cooks, bartenders, etc.), excluding the costs of any benefits or payroll taxes. Table 3 does not provide labor costs for managers or other salaried employees. The labor costs below are based on Louisiana minimum wage rates.

| Calendar Year | Average Hourly Wages as Percentage of Yearly Gross Revenues | Number of Restaurants | % Attaining or Below Average | Median Hourly Wages as Percentage of Yearly Gross Revenues |
|----------------------|--|------------------------------|-------------------------------------|---|
| 2023 | 16.99% | 3 | 2 or 66% | 16.91% |
| 2022 | 17.03% | 3 | 1 or 33% | 17.20% |
| 2021 | 16.14% | 3 | 2 or 66% | 16.02% |

SECTION III: SYSTEM-WIDE RESTAURANTS

TABLE 1: AVERAGE YEARLY GROSS REVENUES

Table 1 below presents information concerning the 67 2023 Franchised Restaurants, the 3 2023 Affiliate Restaurants and the 3 Restaurants that affiliates acquired in 2023 (“2023 System Restaurants”); the 57 2022 Franchised Restaurants and the 3 2022 Affiliate Restaurants (“2022 System Restaurants”); and the 42 2021 Franchised Restaurants and the 3 2021 Affiliate Restaurants (“2021 System Restaurants”).

TABLE 1: SYSTEM AVERAGE YEARLY GROSS REVENUES

| Calendar Year | Average Yearly Gross Revenues | Number of Restaurants | % Attaining or Exceeding Average | Median Yearly Gross Revenues | High and Low Yearly Gross Revenues |
|----------------------|--------------------------------------|------------------------------|---|-------------------------------------|---|
| 2023 | \$4,602,143.20 | 67 | 36 or 54% | \$4,779,081.67 | \$6,441,480.91 and \$942,537.52 |
| 2022 | \$4,810,701.09 | 57 | 31 or 57% | \$4,901,534.59 | \$6,725,790.44 and \$2,629,114.24 |
| 2021 | \$5,008,199.80 | 41 | 21 or 51% | \$5,098,012.00 | \$8,192,076.77 and \$2,900,047.21 |

TABLE 2: AVERAGE AND MEDIAN HOURLY WAGES AS A PERCENTAGE OF YEARLY GROSS REVENUES

Table 2 below presents the average and median cost of hourly labor as a percentage of average yearly Gross Revenues at the 2023 System Restaurants. Table 2 only provides the labor costs for hourly employees (for example, servers, cooks, bartenders, etc.), excluding the costs of any benefits or payroll taxes. Table 2 does not provide labor costs for managers or other salaried employees.

| | Average Hourly Wages as Percentage of Yearly Gross Revenues | Number of Restaurants | % Attaining or Below Average | Median Hourly Wages as Percentage of Yearly Gross Revenues |
|-------------|--|------------------------------|-------------------------------------|---|
| 2023 | 19.33% | 67 | 32 or 47.8% | 19.43% |

General Notes to Item 19

We have not audited the information presented above. Written substantiation of the data used in preparing these sales figures will be made available to you on reasonable request.

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

As used in this Item 19, “Gross Revenues” means: all revenue that Restaurants derived from operating, including, but not limited to, all amounts received at or away from the Restaurant, and whether from cash, check, credit and debit card, gift cards (included on redemption of Walk On’s issued gift cards and on sale of gift cards issued outside of the Walk On’s gift card program), barter exchange, trade credit, or other credit transactions and all other income of every kind and nature related to Restaurants, but excluding only: (1) proceeds from property damage or liability insurance; (2) proceeds from any civil forfeiture, condemnation, or seizure by government entities; (3) all federal, state, or municipal sales, use, or service taxes collected from customers and paid to the appropriate taxing authority; and (4) all reasonable discounts or comps, adjustments, discounts to employees, over-rings and allowances actually made by Restaurants.

Other than the preceding Financial Performance Representation, we do not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to our management by contacting Chris Porcelli, 2 Ravinia Drive NE, 5th Floor, Atlanta, Georgia 30346, (225) 330-4533, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
Systemwide Outlet Summary
For Years 2021 to 2023

| Column 1 Outlet Type | Column 2 Year | Column 3 Outlets at the Start of the Year | Column 4 Outlets at the End of the Year | Column 5 Net Change |
|---------------------------------|--------------------------|--|--|--------------------------------|
| Franchised | 2021 | 39 | 55 | +16 |
| | 2022 | 55 | 68 | +13 |
| | 2023 | 68 | 74 | +6 |
| Company-Owned | 2021 | 4 | 3 | -1 |
| | 2022 | 3 | 3 | 0 |
| | 2023 | 3 | 6 | +3 |
| Total Outlets | 2021 | 43 | 58 | +15 |
| | 2022 | 58 | 71 | +13 |
| | 2023 | 71 | 80 | +9 |

Table No. 2
Transfers of Franchised Outlets from Franchisees
to New Owners (other than the Franchisor)
For Years 2021 to 2023

| Column 1 State | Column 2 Year | Column 3 Number of Transfers |
|---------------------------|--------------------------|---|
| Louisiana | 2021 | 0 |
| | 2022 | 0 |
| | 2023 | 7 |
| Florida | 2021 | 0 |
| | 2022 | 5 |
| | 2023 | 0 |
| Kansas | 2021 | 0 |
| | 2022 | 1 |
| | 2023 | 0 |
| Texas | 2021 | 0 |
| | 2022 | 1 |
| | 2023 | 3 |
| Total | 2021 | 0 |
| | 2022 | 7 |
| | 2023 | 10 |

Table No. 3
Status of Franchised Outlets
For Years 2021 to 2023

| Column 1 State | Column 2 Year | Column 3 Outlets at Start of Year | Column 4 Outlets Opened | Column 5 Termina tions | Column 6 Non- Renewals | Column 7 Reacqui red by Franchis or | Column 8 Ceased Opera tions - Other Reasons | Column 9 Outlets at End of the Year |
|---------------------------|--------------------------|--|--|---------------------------------------|---------------------------------------|--|--|--|
| Alabama | 2021 | 3 | 2 | 0 | 0 | 0 | 0 | 5 |
| | 2022 | 5 | 0 | 0 | 0 | 0 | 0 | 5 |
| | 2023 | 5 | 2 | 0 | 0 | 0 | 0 | 7 |
| Arizona | 2021 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2022 | 0 | 1 | 0 | 0 | 0 | 0 | 1 |
| | 2023 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| Arkansas | 2021 | 2 | 1 | 0 | 0 | 0 | 0 | 3 |
| | 2022 | 3 | 1 | 0 | 0 | 0 | 0 | 4 |
| | 2023 | 4 | 1 | 0 | 0 | 0 | 0 | 5 |
| Florida | 2021 | 2 | 5 | 0 | 0 | 0 | 0 | 7 |
| | 2022 | 7 | 2 | 0 | 0 | 0 | 0 | 9 |
| | 2023 | 9 | 0 | 0 | 0 | 0 | 3 | 6 |
| Georgia | 2021 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2022 | 0 | 1 | 0 | 0 | 0 | 0 | 1 |
| | 2023 | 1 | 1 | 0 | 0 | 0 | 0 | 2 |
| Indiana | 2021 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2022 | 0 | 1 | 0 | 0 | 0 | 0 | 1 |
| | 2023 | 1 | 2 | 0 | 0 | 0 | 0 | 3 |
| Kansas | 2021 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2022 | 0 | 1 | 0 | 0 | 0 | 0 | 1 |
| | 2023 | 1 | 1 | 0 | 0 | 0 | 0 | 2 |
| Louisiana | 2021 | 15 | 2 | 0 | 0 | 0 | 0 | 17 |
| | 2022 | 17 | 0 | 0 | 0 | 0 | 0 | 17 |
| | 2023 | 17 | 1 | 0 | 0 | 0 | 0 | 18 |
| Mississippi | 2021 | 1 | 2 | 0 | 0 | 0 | 0 | 3 |
| | 2022 | 3 | 2 | 0 | 0 | 0 | 0 | 5 |
| | 2023 | 5 | 0 | 0 | 0 | 0 | 0 | 5 |
| Missouri | 2021 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2022 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2023 | 0 | 1 | 0 | 0 | 0 | 0 | 1 |
| Nevada | 2021 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2022 | 0 | 1 | 0 | 0 | 0 | 0 | 1 |
| | 2023 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| North Carolina | 2021 | 1 | 1 | 0 | 0 | 0 | 0 | 2 |
| | 2022 | 2 | 0 | 0 | 0 | 0 | 0 | 2 |
| | 2023 | 2 | 0 | 0 | 0 | 0 | 0 | 2 |

| Column 1 State | Column 2 Year | Column 3 Outlets at Start of Year | Column 4 Outlets Opened | Column 5 Terminations | Column 6 Non- Renewals | Column 7 Reacquired by Franchisor | Column 8 Ceased Operations - Other Reasons | Column 9 Outlets at End of the Year |
|-------------------|------------------|--|-------------------------------|--------------------------|------------------------------|---|---|--|
| South Carolina | 2021 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | 2022 | 1 | 2 | 0 | 0 | 0 | 0 | 3 |
| | 2023 | 3 | 0 | 0 | 0 | 0 | 0 | 3 |
| Tennessee | 2021 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | 2022 | 1 | 1 | 0 | 0 | 0 | 0 | 2 |
| | 2023 | 2 | 1 | 0 | 0 | 0 | 1 | 2 |
| Texas | 2021 | 13 | 3 | 0 | 0 | 0 | 0 | 16 |
| | 2022 | 16 | 1 | 0 | 0 | 0 | 1 | 16 |
| | 2023 | 16 | 3 | 0 | 0 | 3 | 0 | 16 |
| Total | 2021 | 39 | 16 | 0 | 0 | 0 | 0 | 55 |
| | 2022 | 55 | 14 | 0 | 0 | 0 | 1 | 68 |
| | 2023 | 68 | 13 | 0 | 0 | 3 | 4 | 74 |

Table No. 4
Status of Company-Owned Outlets
For Years 2021 to 2023

| Column 1 State | Column 2 Year | Column 3 Outlets at Start of Year | Column 4 Outlets Opened | Column 5 Outlets Reacquired from Franchisee | Column 6 Outlets Closed | Column 7 Outlets Sold to Franchisee | Column 8 Outlets at End of the Year |
|-------------------|------------------|--|-------------------------------|---|-------------------------------|--|--|
| Louisiana | 2021 | 3 | 0 | 0 | 0 | 0 | 3 |
| | 2022 | 3 | 0 | 0 | 0 | 0 | 3 |
| | 2023 | 3 | 0 | 0 | 0 | 0 | 3 |
| Texas | 2021 | 1 | 0 | 0 | 0 | 1 | 0 |
| | 2022 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2023 | 0 | 0 | 3 | 0 | 0 | 3 |
| Total | 2021 | 4 | 0 | 0 | 0 | 1 | 3 |
| | 2022 | 3 | 0 | 0 | 0 | 0 | 3 |
| | 2023 | 3 | 0 | 3 | 0 | 0 | 6 |

Table No. 5
Projected Openings as of December 27, 2023

| Column 1 State | Column 2 Franchise Agreements Signed But Outlet Not Opened | Column 3 Projected New Franchised Outlets in the Next Fiscal Year | Column 4 Projected New Company-Owned Outlets in the Next Fiscal Year |
|---------------------------|---|--|---|
| Alabama | 2 | 3 | 0 |
| Florida | 4 | 2 | 0 |
| Georgia | 1 | 0 | 0 |
| Indiana | 0 | 1 | 0 |
| Louisiana | 1 | 1 | 0 |
| Texas | 5 | 1 | 0 |
| Total | 13 | 8 | 0 |

Exhibit H lists the names of all franchisees operating Walk-On’s Restaurants as of December 27, 2023 and the addresses and telephone numbers of their franchised businesses. Exhibit H also lists franchisees who have signed a franchise agreement for a Walk-On’s Restaurants as of December 27, 2023, but who have not yet opened an outlet, franchisees who signed a franchise agreement for a Walk-On’s Restaurants after December 27, 2023, franchisees who opened an outlet after December 27, 2023 and all current area developers. Finally, Exhibit H also lists each franchisee who had an outlet terminated, canceled, not renewed, transferred or otherwise voluntarily or involuntarily ceased to do business under a Franchise Agreement during our last fiscal year. There is no franchisee in any state who has not communicated with us within 10 weeks of the issuance date of this Disclosure Document. During the last 3 fiscal years, no current or former franchisees have signed confidentiality clauses that restrict them from discussing with you their experiences as a franchisee in our franchise system.

If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

There are no trademark-specific franchisee organizations associated with the franchise system.

ITEM 21

FINANCIAL STATEMENTS

Our audited financial statements as of December 27, 2023, December 28, 2022, and December 29, 2021 are attached as Exhibit C.

Exhibit C also includes our unaudited financial statements dated June 26, 2024.

ITEM 22

CONTRACTS

Copies of all proposed agreements regarding the franchise offering are included as Exhibits to this Disclosure Document. These include our: (1) Franchise Agreement and all exhibits to it, including the following: Franchised Territory; Proprietary Marks; Lease Rider; Guarantee; and Acknowledgement Addendum; (2) Area Development Agreement and all exhibits to it, including the following: Development Territory; First Unit Franchise Agreement You And We Will Sign; and Guarantee; (3) State Specific Addenda; (4) General Release.

ITEM 23
RECEIPTS

You will find copies of a detachable receipt in Exhibit I at the very end of this Disclosure Document.

EXHIBIT A

FRANCHISE AGREEMENT AND RELATED MATERIALS



**WALK-ON'S ENTERPRISES FRANCHISING, LLC
FRANCHISE AGREEMENT**

FRANCHISE OWNER

DATE OF AGREEMENT

WALK-ON'S SPORTS BISTREAUX ADDRESS

TABLE OF CONTENTS

1. **PURPOSE AND SCOPE OF THIS AGREEMENT** 4

2. **GRANT OF FRANCHISE AND LICENSE** 4

3. **TERRITORY** 4

4. **TERM AND RENEWAL** 6

5. **YOUR PAYMENTS TO US**..... 7

6. **SITE SELECTION, CONSTRUCTION, TRADE DRESS AND LEASE REQUIREMENTS**..... 9

7. **OUR DUTIES**..... 12

8. **YOUR DUTIES** 16

9. **INSURANCE**..... 27

10. **ADVERTISING** 29

11. **RECORDS, AUDITS, REPORTING REQUIREMENTS AND PRIVACY** 32

12. **CONFIDENTIAL INFORMATION AND COVENANTS NOT TO COMPETE**..... 33

13. **CONDITIONS TO AND PROCEDURES GOVERNING RENEWAL** 36

14. **ASSIGNMENT**..... 38

15. **PROPRIETARY MARKS**..... 46

16. **RELATIONSHIP OF THE PARTIES**..... 49

17. **DEFAULT AND TERMINATION** 50

18. **FURTHER OBLIGATIONS AND RIGHTS FOLLOWING THE TERMINATION OR EXPIRATION OF THIS AGREEMENT** 55

19. **OPTION TO PURCHASE** 57

20. **UNAVOIDABLE DELAY OR FAILURE TO PERFORM (FORCE MAJEURE)**..... 59

21. **APPROVALS AND WAIVER**..... 59

22. **OUR RIGHT TO CURE DEFAULTS** 60

23. **INJUNCTION** 60

24. **INTEGRATION OF AGREEMENT** 61

25. **NO ORAL MODIFICATION**..... 61

26. **NOTICES**..... 61

27. **SEVERABILITY** 62

28. **NO THIRD PARTY BENEFICIARIES** 62

29. **EXECUTION, CONSTRUCTION AND INTERPRETATION; FURTHER ACTS** .. 62

30. **LEGAL ACTIONS, GOVERNING LAW AND VENUE** 62

31. **LIABILITY OF “FRANCHISEE”; GUARANTEE** 64

32. **SURVIVAL**..... 64

33. **OUR BUSINESS JUDGMENT**..... 65

34. **YOUR REPRESENTATIONS AND ACKNOWLEDGMENTS**..... 65

35. **SUBMISSION OF AGREEMENT**..... 67

EXHIBITS

STATE SPECIFIC ADDENDA TO FRANCHISE AGREEMENT

- A FRANCHISED TERRITORY AND RESTAURANT TYPE
- B PROPRIETARY MARKS
- C REQUIRED LEASE RIDER
- D GUARANTEE
- E ACKNOWLEDGEMENT ADDENDUM

WALK-ON'S ENTERPRISES FRANCHISING, LLC
FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT ("Agreement") is entered into on _____ (the "Effective Date") between WALK-ON'S ENTERPRISES FRANCHISING, LLC, a Georgia limited liability company with its principal office at 2 Ravinia Drive NE, 5th Floor, Atlanta, Georgia 30346 ("we," "us," or "our") and _____ whose principal address is _____ ("you" or "your").

1. PURPOSE AND SCOPE OF THIS AGREEMENT

1.01 The Walk-On's System and Proprietary Marks

We and/or our affiliates have developed a proprietary system (the "System") for opening and operating Walk-On's Sports Bistreaux restaurants ("Restaurants"), which are Louisiana themed sports grills offering a variety of fresh, cooked to order, menu items such as sandwiches, seafood, Southern Louisiana specialties, hamburgers and salads.

The System makes use of the trademarks, service marks and fictitious business names "Walk-On's," "Walk-On's Sports Bistreaux" and certain other trademarks, service marks, trade names, related emblems, designs, labels, trade dress, signs and symbols, copyrighted materials and other intellectual property (collectively, the "Proprietary Marks"), that we will designate as licensed to you in this Agreement, our Manuals (as described below) and/or otherwise.

2. GRANT OF FRANCHISE AND LICENSE

2.01 Grant of Franchise and Licenses

We grant you, and you accept, the right to use the Proprietary Marks and the System for establishing and operating a Restaurant within the Territory as defined below. You agree to use the Proprietary Marks and System as we may change, improve, modify or further develop them from time to time, and only in accordance with the terms of this Agreement and any related agreements.

3. TERRITORY

3.01 Territory

Under this Agreement, you may establish only one Restaurant. Your right to operate a Restaurant is restricted to the location stated on Exhibit A (the "Restaurant Location"). You are granted a protected territory around the Restaurant as stated on Exhibit A (the "Territory").

3.02 Our Restrictions

Within the Territory, neither we nor any of our affiliates (meaning any individual or business entity we control, that controls us, or that is under common control with us, together our "affiliates") will operate or grant a franchise for a Restaurant, except as provided in Section 3.04 ("Rights We Reserve"). These restrictions terminate immediately on the expiration or termination of this Agreement for any reason.

Outside of the Territory, we and/or our affiliates reserve the right to operate any number of Restaurants, and/or authorize others to operate same, at any location whatsoever, including locations that may be immediately proximate to the Territory.

3.03 Your Restrictions

Your Restaurant may only offer and sell its programs, products and services in, at and from your Restaurant Location. Under no circumstance may you establish any physical presence, apart from your Restaurant Location, at or from which System programs, products or services are sold or furnished. Nor may you offer or sell System programs, products or services through any other means or manners, such as through alternative channels of distribution, including the internet/worldwide web and other forms of electronic

commerce; supermarkets, grocery stores or convenience stores; catalogs; or any other distribution channel whatsoever. However, if you comply with our requirements for catering activities (whether stated in the Manuals or in other written communications from us), your Restaurant may offer approved catering services from the Restaurant Location to customers located within your Territory. Under no circumstances may your Restaurant offer delivery except as we may (but need not) authorize in writing.

You may only engage in the retail sale of System programs, products and services. You are prohibited from engaging in the wholesale sale or distribution of any System programs, products or services, or the programs or any component or ingredient of any of the foregoing that now or in the future constitutes part of the System. "Retail sale" means any sale by you directly to an ultimate consumer. "Wholesale sale or distribution" means any sale or distribution by you to a third party for resale, retail sale, or further distribution. "Component" means any constituent part, ingredient, element, segment or derivative.

3.04 Rights We Reserve

You agree that we and/or our affiliates may, in or outside the Territory (except as restricted by Section 3.02 above), engage in any business activity and deploy any business concept whatsoever and use our Proprietary Marks or any other names or marks owned or developed by us or our affiliates for other concepts and business activities. You agree that this Agreement does not confer on you any right to participate in or benefit from these other concepts or business activities, regardless of whether it is conducted under the Proprietary Marks. Our and our affiliates' rights to engage in other business activities are specifically reserved and may not be qualified or diminished in any way by implication. We thus may engage in, or authorize others to engage in, any form of business offering and selling any type of program, product or service, including businesses using the System or derivations of the System, except as restricted by Section 3.02 above.

By way of example, we and/or our affiliates may own, operate or authorize others to own or operate any type of business at any location whatsoever, including within your Territory, so long as the other business does not sell under identical Proprietary Marks, the identical type of programs, products or services that your Restaurant offers and sells (except as permitted below). We and/or our affiliates may own, operate or authorize others to own or operate Restaurants at any location outside of your Territory, including immediately proximate to your Territory.

In addition, you agree that we and/or our affiliates alone have the right to offer and sell within and outside your Territory, and under the Proprietary Marks, all System programs, products or services and/or their components or ingredients (including those used or sold by your Restaurant), at wholesale or retail, through any alternative method of distribution including, without limitation, alternative channels of distribution such as the internet/worldwide web; any other form of electronic commerce; supermarkets, grocery stores and convenience stores; mail order; catalogs; television sales (including "infomercials"); or any other channel of distribution whatsoever except for a Restaurant of the same type franchised to you under this Agreement, in your Territory. You will receive no compensation for our or our affiliates' sales through alternative distribution channels.

You also agree that we and/or our affiliates have the right to offer and sell (directly, or through other franchisees or licensees) System programs, products and services at any and all nontraditional locations, including nontraditional locations situated in your Territory and proximate to your Restaurant Location, through the establishment of Restaurants, limited-service or fast casual Restaurants, kiosks, mobile units, concessions or "shop in shops". "Nontraditional locations" include sports arenas and venues; casinos; resorts; food retailers; malls and mall food courts; schools and universities; hospital and healthcare facilities; airports; cruise ships; guest lodging facilities (including Restaurant Hotels); government facilities; military bases and installations; and any other location or venue to which access to the general public is restricted. You will receive no compensation for our or our affiliates' sales at nontraditional locations.

You agree that, both within and outside the Territory, we and/or our affiliates alone have the right to sell System programs, products and services to national, regional and institutional accounts. “National, regional and institutional accounts” are organizational or institutional customers whose presence is not confined to your Territory, including (by way of example only): business entities with offices or branches situated both inside and outside of your Territory; sports leagues or divisions; government agencies, branches or facilities; guest lodging networks; healthcare networks; the military; and any other customer whose presence is not confined to your Territory. Only we have the right to enter into contracts with national, regional and/or institutional accounts (which may include facilities within your Territory). If we receive orders for any System programs, products or services calling for delivery or performance in your Territory as a result of our engaging in commerce with national, regional and institutional accounts, then we have the right, but not the obligation, either to require you to fulfill the orders at the price we agree on with the customer or to give you the opportunity to fulfill the orders at the price we agree on with the customer. If we give you the opportunity to fulfill the orders and if, for any reason, you do not desire to or cannot serve the customer, or if the customer desires for any or no reason to deal exclusively with us, our affiliate or another franchisee and not with you, then we, our affiliate or any other of our franchisees may serve the customer within your Territory, and you will not be entitled to any compensation.

You also agree that we may purchase, merge, acquire, be acquired by or affiliate with an existing competitive or non-competitive franchise or non-franchise network, chain or any other business regardless of the location of that other business’ facilities, and following this activity we may operate, franchise or license those other businesses and/or facilities regardless of the location of these businesses and/or facilities (which may be immediately proximate to your Restaurant Location) under the Proprietary Marks, outside of your Territory, or under any names or marks other than the Proprietary marks, within your Territory.

You waive and release any claims, demands or damages arising from or related to any of the above activities and promise never to begin or join in any legal action or proceeding, or register a complaint with any governmental entity, directly or indirectly contending otherwise.

For the purposes of this Agreement, an “affiliate” of an individual or business entity (such as you or us) is defined to mean any individual or business entity that directly or indirectly is controlled by, controls or is under common control with that individual or business entity.

4. TERM AND RENEWAL

4.01 Initial Term

Unless sooner terminated in accordance with its provisions, the initial term (“Initial Term”) of this Agreement begins on the Effective Date and ends 10 years following the sooner of: (i) the date your Walk-Ons opens for business or (ii) the “Opening Deadline” stated in Section 8.01 below.

4.02 Renewal Term and Renewal Agreement

You have the right to enter into 4 consecutive Renewal Franchise Agreements, each featuring a term of 5 years (a “Renewal Term”), if you have complied with the conditions and procedures for renewal stated in Article 13 below. The first Renewal Term begins on the date that the Initial Term expires and each succeeding Renewal Term begins on the date that the previous Renewal Term expires. The first Renewal Franchise Agreement will supersede this Agreement and each later Renewal Franchise Agreement will supersede the preceding Renewal Franchise Agreement. Renewal Franchise Agreements will not take the form of an extension of this Agreement; but, instead, will each take the form of our then-current franchise agreement and may materially vary from this Agreement in all respects, except that no “initial franchise fee” will apply to you; the boundaries of your Territory will remain the same; the term of each Renewal Franchise Agreement is 5 years; the limited renewal rights identified in this Agreement are incorporated (as applicable); and, the Continuing Royalty on renewal will not be greater than the Continuing Royalty that we then impose on similarly situated renewing franchisees.

5. YOUR PAYMENTS TO US

5.01 Initial Franchise Fee

You agree to pay us an Initial Franchise Fee of \$60,000. The Initial Franchise Fee is payable in full when you sign this Agreement (unless you sign an Area Development Agreement with us); is not refundable; and is fully earned when paid solely in consideration of our signing of this Agreement and not in exchange for any particular programs, products, services or assistance. In addition, the Initial Franchise Fee covers the cost for up to 6 people to attend our Initial Training Program. If you wish to send additional people to the Initial Training Program, you must pay us \$5,000 per additional trainee before the start of the Initial Training Program.

5.02 Opening Support Fee

You agree to pay us an Opening Support Fee of \$40,000. The Opening Support Fee is payable in full when you sign this Agreement and is not refundable. We will provide an Opening Training Team, as described in Section 7.03, before and immediately following the opening of your Walk-On's Restaurant. In addition, if we determine, in our sole discretion, that additional on-site assistance is necessary after the opening of a Walk-On's Restaurant, you must pay all expenses of keeping all or a portion of the Opening Training Team at your Walk-On's Restaurant beyond the allotted time frame, including, but not limited to, daily wages, costs of travel (if applicable), lodging and a per diem for each member.

5.03 Continuing Royalty

You agree to pay us a weekly Continuing Royalty of 5% of your previous week's Gross Revenues, as defined in Section 5.06. The Continuing Royalty is solely in consideration of our granting you the franchise conferred by this Agreement and is not in exchange for any particular goods, services or assistance we may furnish you.

5.04 System Advertising Contribution

You agree to pay us a weekly System Advertising Contribution of 3% of your prior week's Gross Revenues (as defined in Section 5.06). These System Advertising Contributions will be spent as provided in Section 10.01 below.

5.05 Technology Contribution

On or before the 10th day of each month, or any other frequency we designate, during the term of this Agreement, you must pay to us or our designee our then-current technology contribution (the "Technology Contribution"). We may increase the Technology Contribution and/or impose a limited time special assessment at any time on 60 days' notice to you. Technology Contribution payments are used to fund technology to improve our support to the System including digital and other modern ordering capabilities, platforms, apps and other now or later developed infrastructure, tools, systems and analytics. You agree that it is vital for the System to feature digital, and other modern ordering capabilities, platforms, apps and other now or later developed infrastructure, tools, systems and analytics, and that these capabilities are constantly evolving and require continued investment and innovation in a competitive environment.

5.06 Definition of Gross Revenues

"Gross Revenues" means: all revenue that you derive from operating your Restaurant, including, but not limited to, all amounts that you receive at or away from the Restaurant, and whether from cash, check, credit and debit card, gift cards (included on redemption of Walk On's issued gift cards and on sale of gift cards you issue outside of the Walk On's gift card program), barter exchange, trade credit, or other credit transactions and all other income of every kind and nature related to your Restaurant, but excluding only: (1) proceeds from property damage or liability insurance; (2) proceeds from any civil forfeiture, condemnation, or seizure by government entities; (3) all federal, state, or municipal sales, use, or service taxes collected from customers and paid to the appropriate taxing authority; and (4) all reasonable discounts

or comps, adjustments, discounts to employees, over-rings and allowances actually made by your Restaurant. You may not deduct third-party delivery fees from Gross Revenues. Gross Revenues includes revenue and income from, to the extent we grant our prior written approval of same, catering, vending machines, coin operated machines, ATM machines, juke boxes or other music playing devices, basketball machines, pinball machines, video games, other arcade-style games and/or any other form of machine or electronic device operated at your Restaurant. If we determine in our sole judgment that the amount of discounts or comps, adjustments, discounts to employees, over-rings or allowances is excessive as compared to the system-wide average, we may require you to increase the amount of your Gross Revenues in the amount that we determine.

5.07 Reporting and Payment

A. You agree to submit a weekly report to us for our receipt on or before the Monday immediately following the preceding Fee Period. The weekly report will include a statement reporting all Gross Revenues for the preceding week and your calculation of the Continuing Royalty and System Advertising Contribution due thereon, all in the manner and form we require. The report must be completed and submitted through the Restaurant 365 back-office system or through any now or hereafter developed mode of communication and/or data transmission that we designate. You also agree to furnish to us any other financial or non-financial data that we request concerning the activity of your Restaurant in the form, manner and frequency that we request it.

B. We reserve the right to require the transmission of these and any other payments required under this Agreement by direct account debit, electronic funds transfer or other similar technology now or hereafter developed to accomplish the same purpose. We currently require you to make payments by direct account debit, electronic funds transfer or other similar technology we designate, you agree to deposit and maintain at all times sufficient funds to cover all fees and payments you owe to us and our affiliates in a segregated bank account (the "Bank Account") that you form and maintain for the Restaurant. The Bank Account must have the capacity to make payments through the means we designate, and you must sign all documents required by your bank, our bank and us or for approval and implementation of the debit or transfer process. You may not change the Bank Account without our advance written approval. You agree to pay all costs of direct account debit, electronic funds transfer or other similar technology we designate.

C. On or before the Monday immediately following the preceding Fee Period, we will debit the Continuing Royalty and System Advertising Contribution due for the preceding month, as specified in your weekly report, from the Bank Account.

D. You agree to pay us or our affiliates interest on any overdue amounts owed under this or any other agreement, at the maximum interest rate permitted by law. If there is no applicable legal maximum rate, interest is calculated at the rate of 10% of any returned or declined ACH payments. This provision does not constitute consent to late payments or an agreement to extend credit. If you are delinquent in any required payment, we or our affiliate may apply any payment from you to any obligation due in whatever order and for whatever purposes as we determine, whether or not you have made a contrary designation. You may not withhold, set-off or recoup payment of any amount due on the grounds of the alleged non-performance or breach of any of our or our affiliates' obligations under this or any other agreement.

E. In addition to all other payments under this Agreement, you agree to pay us or our affiliates immediately on demand: (a) all sales taxes, trademark license taxes and any other taxes, imposed on, required to be collected, or paid by us or our affiliates (excluding any corporate income taxes imposed on us or our affiliates) because we or our affiliates have furnished programs, services or services to you, collected any fee from you, licensed our Proprietary Marks to you and/or entered into this Agreement with you; (b) all amounts we advance, pay or become obligated to pay on your behalf for any reason, plus our time in curing any default for you and an administrative fee of 25% of the amount we disburse; (c) any amount to reimburse us for costs and commissions paid or due to a collection agency or for other collection

efforts; and, (d) all amounts you owe us or our affiliates for programs, products or services that you purchase from us or our affiliates.

F. If a state or local law in which your Restaurant is located prohibits or restricts in any way your ability to pay and our ability to collect the Continuing Royalty and/or System Advertising Contribution derived from the sale of alcoholic beverages at your Restaurant (an "Alcohol Restriction Law"), you must pay whatever increased percentages of all Gross Revenues not deriving from the sale of alcohol are necessary so that the Continuing Royalty and System Advertising Contribution you pay equals the Continuing Royalty and System Advertising Contribution you would make if you were not subject to an Alcohol Restriction Law.

6. SITE SELECTION, CONSTRUCTION, TRADE DRESS AND LEASE REQUIREMENTS

6.01 Restaurant Location

A. You may operate your Restaurant only from your Restaurant Location. You may use the Restaurant Location for no other purpose than the operation of the Restaurant.

B. If you have suggested a Restaurant Location that we have accepted before the signing of this Agreement, then the address of that Restaurant Location is stated on Exhibit A to this Agreement. If you have not suggested a Restaurant Location that we have accepted before the signing of this Agreement, then the following provisions will apply:

You agree to use your best efforts to find an acceptable Restaurant Location within the Territory. You must comply with all our specifications and restrictions. You may be required to use our designated approved third-party tenant representative to assist you during your site selection process. The Restaurant Location is subject to our advance written acceptance, and our determination is final. We may require you to submit a proposed site acceptance packet in which we may require you to include the following items: maps; completed checklists; photographs; diagrams of the premises with measurements; proforma and, other information and materials that we reasonably require. We will provide you with a site acceptance packet template. Our real estate committee will review proposed site approval packets on a monthly basis. In addition, we will visit your proposed site for your Restaurant.

You must select a Restaurant Location, identify it to us, obtain our advance written acceptance and sign a lease we must authorize for your Restaurant Location within 180 days following the Effective Date. If you intend to own the Restaurant Location, then you agree to furnish to us proof of ownership or a signed contract of sale within 30 days following our acceptance of the Restaurant Location. If you do not secure a Restaurant Location within the time limits and following the procedures stated in this Section 6.01, then this failure is an incurable breach of this Agreement that, unless waived by us, entitles us to terminate this Agreement immediately on notice to you, with no opportunity to cure.

You agree that any advice we or our designated or approved third party tenant representative furnishes regarding site selection and our proposal, inspection and/or acceptance of any proposed site for your Restaurant Location does not constitute our express or implied representation, warranty, guarantee or any other indication of the prospective profitability, viability or merit of the Restaurant Location, and you forever waive any claim to the contrary.

6.02 Location Lease

If you are leasing the Restaurant Location, then promptly following our written acceptance of your proposed Restaurant Location, you agree to obtain a lease or sublease for the Restaurant Location that, unless otherwise agreed to by us in advance in writing, must be accompanied by the lease rider attached as Exhibit C. You must have your lease reviewed by a real estate attorney that you retain at your expense. You agree to deliver to us a copy of any proposed lease or sublease and any related documents (collectively, the "Lease") before signing. Any Lease is subject to our advance written acceptance, which we will not unreasonably withhold or delay; provided, however, that we reserve the right to reject any Lease not

accompanied by the lease rider attached as Exhibit C. We will approve or disapprove of the Lease within 20 business days after we receive it. You may not sign your Lease until you receive our written approval.

You may not, in any Lease, create any obligations or grant any rights against us or our affiliates or agree to any term that is inconsistent with this Agreement or any related agreement. You also agree that you are bound by the terms of the Lease and that your failure to comply with the Lease is a breach of this Agreement. You may not assign, transfer or encumber your Lease or sublet all or any part of the Restaurant Location without our advance written approval.

6.03 Construction of Your Restaurant

After acquiring the Restaurant Location by lease or purchase, you must at your expense construct your Restaurant or, if applicable, convert the existing premises to become your Restaurant, in conformity with the final plans and specifications that we have approved (as provided in Section 6.04). At your expense and before beginning construction of your Restaurant, you must obtain all necessary permits, licenses, variances and approvals pertaining to the building, occupancy, signs, utilities, zoning, use, and any other permits, approvals or variances that are necessary to permit the construction and use of a Restaurant as required by federal, state and local laws, rules, regulations or ordinances. You must certify to us in writing that all permits, licenses, variances and approvals have been obtained.

You must engage a qualified, licensed and bonded general contractor to construct your Restaurant and to complete all improvements. You must obtain and maintain in force during the entire period of construction the insurance required under Section 9.01. Your indemnification of us, our affiliates and all others specified in Section 8.10 below applies to every activity arising from or related to the construction of your Restaurant. You agree, and promise never to contend or assert otherwise, that our approval of your final plans for your Restaurant does not render us liable for any defects, neglects, omissions, errors or negligence associated with the plans and must not in any fashion be construed to diminish or negate your indemnification of us, our affiliates and the others referenced in Section 8.10 nor render us liable in any fashion or to any extent for any liabilities engendered thereby.

You must use your best efforts to complete the construction or conversion of your Restaurant promptly. You must provide us with comprehensive information regarding all phases of the development process as we may require, such as weekly progress reports during conversion, in the format we designate. This information will include (without limitation and as applicable) the names, addresses and telephone numbers of your architect, civil engineer, surveyor, general contractor, subcontractors, principal vendors and environmental consultant, and the primary contact for each; copies of all permits, licenses, contractor's liability insurance certificates and other similar items; and, copies of all construction or remodeling contracts and documents, along with originals of all lien waivers and copies of all invoices. These requirements also apply to any construction, remodeling, renovation or refurbishing of your Restaurant at any time after it opens.

We are not responsible for delays in construction, conversion, remodeling, equipping or decoration or for any loss resulting from your Restaurant's plans that you furnished to us under Section 6.03 before implementing the changes. You grant us access to your Restaurant Location while work is in progress. We may require any reasonable modification to the construction of your Restaurant that we consider necessary or desirable in our reasonable business judgment. If you fail to promptly begin the design, construction, equipping and opening of your Restaurant with due diligence, we may terminate this Agreement immediately on notice to you. All signs at your Restaurant must conform to our sign criteria unless we consent in writing to a non-conformance for good cause you demonstrate.

When construction is complete and before you open your Restaurant, your architect and general contractor must provide us with a certificate stating that the as-built plans for the Restaurant fully comply with the Americans with Disabilities Act (the "ADA"); the architectural guidelines under the ADA; and, all other

laws, rules, regulations, codes and ordinances applicable to the Restaurant and the Restaurant Location, including any requirements stated in the Lease for the Restaurant Location.

We have the right, but not the obligation, to conduct a final inspection of the completed Restaurant before it opens. We may require any corrections and modifications we consider reasonable and necessary to bring the Restaurant into compliance with the plans and specifications we approved. The Restaurant will not be allowed to open if the Restaurant does not conform to the approved plans and specifications, including changes that we approve.

6.04 Specifications and Sources of Supply

We may provide you with a sample layout for the interior of a prototype Restaurant and a set of typical preliminary plans and specifications for, and approved sources of supply of, your Restaurant's furniture, fixtures, equipment, signs and/or other trade dress elements. However, you will need to engage a licensed architect to adapt our sample layout to your Restaurant, complete and finalize your plans and receive our final approval for same. We reserve the right to be (and earn a profit as) an approved source or the only approved source of certain of your Restaurant's furniture, fixtures, equipment and/or other trade dress elements and to earn a profit from this activity. If we have not specified a source of supply for any item, then you may purchase that item from any source, so long as the items purchased are in strict accordance with any specifications for the item that we have issued in the Manuals or otherwise. You must obtain our advance written consent before deviating in any fashion from our specifications.

All signs at your Restaurant must conform to our sign criteria, unless we otherwise consent in writing, for good cause you demonstrate.

The sample layout and preliminary plans we furnish you will not address the requirements of any federal, state or local law, code or regulation, including those of the ADA or similar laws or rules. You alone, working with your architect or engineer (if applicable), are responsible for ensuring that your Restaurant, as constructed, complies with all applicable laws, rules, regulations, ordinances, building codes, fire codes, permit requirements and the ADA. The sample layout and preliminary plans we furnish you will not contain the requirements of, and may not be used for, construction drawings or other documentation necessary to obtain permits or authorizations to build and/or operate a specific Restaurant. You agree, at your expense, to employ architects, designers, engineers or others, all as we specify, necessary to complete, adapt, modify or substitute the layout, plans and specifications for your Restaurant.

You must engage a licensed architect, and electrical, mechanical, plumbing, and structural engineers, and in certain cases a civil engineer to adapt the sample layout and preliminary plans to your Restaurant, to complete and finalize your construction documents, and receive our final approval before you file for permits. They must be licensed with the state in which the Restaurant is located, have casual dining restaurant experience, and errors and omissions insurance. You must submit a complete set of your proposed final plans and specifications to us and obtain our written approval of them before you seek to register them with any governmental or quasi-governmental agency or begin construction of your Restaurant. Our approval is based on our assessment of compliance with our standards for new Restaurants. We will not assess compliance with federal, state or local laws, rules or regulations, including the ADA. Your architect must certify to you in writing that the plans and specifications for your Restaurant comply with the ADA; the architectural guidelines under the ADA; all applicable federal, state and/or local laws, rules and regulations for accessible facilities; and, all other applicable federal, state or local laws, rules and regulations (including building codes, fire codes and permit requirements). You must furnish us with a copy of this certification before opening for business.

You agree that any plans and specifications you prepare and submit to us are irrevocably licensed to us in perpetuity. We, our affiliates and any other franchisees to whom we give these plans and specifications may use them without owing you any compensation or being liable to you in any way.

6.05 Maintaining Your Restaurant

You must at all times maintain at your sole expense the interior and exterior of your Restaurant, the entire Restaurant Location and any other facilities used by your Restaurant in first class condition and repair, and in compliance with all applicable laws, rules, regulations and our Manuals, except to the extent that we otherwise agree in writing.

6.06 Refurbishing Your Restaurant

We have the right to require you every 5 years during the Initial Term of this Agreement, at your sole expense, to update, remodel, refurbish, renovate, modify or redesign the Restaurant so that it reflects our then-current standards. If any direction of ours requires you to spend more than \$75,000 to affect the directed activity, then you have 6 months following your receipt of our notice to comply with our direction. In addition, we will relieve you from our direction if in our sole opinion you are unable to amortize the additional investment required during the balance of the Initial Term of this Agreement; however, under these circumstances, we may extend the term of this Agreement to allow for a new schedule of amortization, and if we do so you must comply with our direction.

6.07 Relocation of Your Restaurant

You may not relocate your Restaurant without first obtaining our written approval for the new location and reimbursing us for any reasonable costs we incur in considering your request. If you relocate the Restaurant with our approval subject to the terms of this Section, the new location is the "Restaurant Location" of the Restaurant. Any relocation is at your expense. All Leases that you enter into, all plans and specifications for your relocated Restaurant that you adduce and all construction, remodeling, renovation or other activity that you perform at and for the relocated Restaurant must be in accordance with all of the provisions of this Article and our then-current standards, specifications and requirements.

7. OUR DUTIES

7.01 Confidential Guest Experience Manuals; Policy Statements

We will lend you or provide you with online access (through "Center Court") to, one copy of our Confidential Guest Experience Manuals (the "Manuals"). The Manuals may take the form of one or more of the following: one or more loose leaf or bound volumes; bulletins; notices; videos; CD-ROMS; other electronic media; online postings or portals; e-mail and/or electronic communications; or any other now or later developed medium capable of conveying the Manuals' contents.

The Manuals will, among other things, provide our operating systems, procedures, policies, methods, standards, specifications and requirements for operating your Restaurant. You agree to operate your Restaurant in strict compliance with the Manuals.

We have the right to require additions to, deletions from or revisions of the Manuals (the "Supplements to the Manuals"), all of which are considered a part of the Manuals. All references to the Manuals in this Agreement include the Supplements to the Manuals. Supplements to the Manuals are binding on you as if originally stated in the Manuals, on being delivered to you.

You agree that we are the owner of all proprietary rights in the Manuals and all intellectual property rights connected therewith (including common law copyright) and that you are acquiring no property or other right to the Manuals other than a license to use the Manuals and comply with the Manuals during the Initial Term (and any Renewal Term) of this Agreement. You agree to ensure at all times that your copy of the Manuals is current and up to date. If there is any dispute as to your compliance with the provisions of the Manuals and any Supplements to the Manuals, the master copy of the Manuals and any Supplements to the Manuals maintained at our principal office will control.

In addition to the Manuals, we may issue policy statements designed to provide you with information and/or insight as to our current thinking about various business issues or strategies. Policy statements are not part of the Manuals, are not contracts and do not create any contractual or other binding obligation on either you or us.

7.02 Initial Training Program

After you secure a Restaurant Location and at least 90 days, but no earlier than 6 months, before the opening of the Restaurant, we will provide the initial training program (the “Initial Training Program”) for up to 6 people. While up to 6 individuals may attend the Initial Training Program, you (if the franchisee is an individual), your General Manager (as defined in Section 8.06), all of your Restaurant Managers (as defined in Section 8.06) and your Executive Kitchen Manager (as defined in Section 8.06) must attend and successfully complete the Initial Training Program. We will determine the dates, location and duration of the Initial Training Program and notify you of them; however, you may not send any trainees to our Initial Training Program until after you have signed your Lease and begun construction of your Restaurant.

If we reasonably conclude in our business judgment that either you (if an individual) or your General Manager, Restaurant Manager, or Executive Kitchen Manager have failed to attend or successfully complete our Initial Training Program to our satisfaction, then that person(s) may re-enroll in our next scheduled Initial Training Program at no additional charge. If the individual(s) fails the next scheduled Initial Training Program, this failure is an incurable breach of this Agreement which, unless we waive the breach, entitles us to terminate this Agreement immediately on notice to you, with no opportunity to cure.

You must pay an additional charge to us for providing the Initial Training Program to additional or replacement personnel. This charge will not exceed \$5,000 per person. This training is required of any General Manager, Restaurant Manager, and Executive Kitchen Manager you appoint after the opening of your Restaurant.

We reserve the right at all of our training programs to determine their duration, the subjects included in the curriculum and to train any number of individuals from any number of Restaurants, whether franchised or otherwise affiliated with us, at the same time. Under no circumstance will you be compensated for any work your trainees may perform or any services your trainees may render while participating in any of our training programs. We reserve the right to furnish our training programs by means of a company intranet or other electronic means of communication (such as web-based tutorials, video streaming, or through other now or later developed media).

You must independently ensure that all of your managers and General Managers complete any state and local required food safety training (e.g., ServeSafe Food Safety Training).

At all times during the Term, you agree to pay all the expenses your trainees or attendees incur in attending any training, conferences, conventions or other meetings they attend, including, but not limited to, their salaries, transportation costs, meals, lodging and other living expenses.

7.03 On-Site Training or Assistance

In addition to the training described in Section 7.02, we will provide you with our trained representatives (the “Opening Training Team”) to provide on-site pre-opening and opening training, supervision, support and assistance to you (the “Opening On-Site Assistance”). We will determine the length of the Opening On-Site Assistance based on your level of experience in restaurant operations and the management level of your experience. We will use the below tiers to determine the extent of the Opening On-Site Assistance.

| Tier | Qualification | Length of Opening On-Site Assistance |
|------|---|--------------------------------------|
| 1 | You have less than 3 years of relevant experience. We will administer a placement test to help focus the training. | A 40-shift program |
| 2 | You have 3 to 5 years of experience in a role at or above your position with the Walk-On's Restaurant. We will use a placement test as a secondary measure of evaluation to help focus the training. | A 30-shift program |
| 3 | You have more than 5 years of experience in a role at or above your position with the Walk-On's Restaurant. We will use a placement test as a secondary measure of evaluation to help focus the training. | A 25-shift program |

We will pay for our hotel, transportation and expenses incurred in providing the Opening Training Team.

If we determine, in our sole discretion, that you need additional on-site assistance beyond the allotted Opening On-Site Assistance, we may require that all or a portion of the Opening Training Team remain at your Walk-On's Restaurant after opening for as long as we deem necessary. If we require that all or a portion of the Opening Training Team remain beyond the allotted Opening On-Site Assistance, you must pay all expenses associated with keeping all or a portion of the Opening Training Team at your Walk-On's Restaurant after its opening, including, but not limited to, daily wages, transportation, lodging and a per diem fee. We only provide use of the Opening Training Team for your first 3 Walk-On's Restaurants. If you open more than 3 Walk-On's Restaurants and need the Opening Training Team because you do not have certified trainers on staff, you must pay all wages and expenses for the Opening Training Team.

Beginning with the opening of your fourth Restaurant, the training of your employees is your responsibility. You can fulfill this obligation by paying us to train your personnel for our then-current subsequent training fee or you can train them in one of your existing Restaurants that we have approved as a training site at no additional cost. Assuming that you train these individuals, you must confirm to us in writing that the training program was led and administered by a trainer we previously approved. The content and administration of your training program must adhere to the standards of our Initial Training Program. We or a third-party designee, may, perform audits to ensure that your management team is adhering to our standards.

Additionally, you may request on-site training or assistance at any time in accordance with guidelines we specify in the Manuals or otherwise. We are not obligated to provide on-site training or assistance, but if we elect to do so, we may impose a fee for each day of on-site training or assistance we agree to provide. The timing of all advice, consultation and training provided for in this Agreement is subject to the availability of our personnel.

7.04 On-Going Training

We may develop additional training programs that you (if an individual), your General Manager, Restaurant Managers, and/or Executive Kitchen Manager must attend and successfully complete. We will determine the duration, curriculum and location of these future additional training programs. We reserve the right to furnish any programs by means of a company intranet or other electronic means of communication (such as web-based tutorials, video streaming, or through other now or later developed media). We reserve the right to charge our then-current training fees for these programs. You also agree to pay all of the expenses your trainees or attendees incur in attending any additional training programs we develop, including their salaries, travel costs, meals, lodging and other living expenses.

In addition, we may conduct an annual conference, convention or training session. We will determine the duration, curriculum and location of these. You (if an individual), your General Manager and your Restaurant Managers must attend each annual conference, convention or training session, however, you may not attend, and may not send any attendees to, any conference, convention, or training session until after you have signed your Lease and begun construction of your Restaurant.

7.05 Field Support Services

After the opening of your Restaurant, we may from time to time offer you field support services, supervision and/or assistance that we consider advisable through on-site visits, off-site sessions, telephonic, electronic or other communication modes. You may also at any time communicate with our headquarters for consultation and guidance on the operation and management of your Restaurant. The timing of our field support and headquarter consultation services is subject to the availability of our personnel.

7.06 Walk-On's U

After the completion of the Initial Training Program and before the opening of your Restaurant, your General Manager and entire management team must attend and successfully complete a three-day Walk-On's USM training program at our headquarters ("Walk-On's USM"). You agree to pay all expenses incurred in connection with your General Manager's and management team's attendance at Walk-On's USM, including, but not limited to, salary, transportation costs, meals, lodging and other living expenses.

7.07 Store Opening Participation

Before opening your Restaurant, we may request that you or your General Manager and your management team participate in the opening of another Restaurant (the "Store Opening Participation"). You agree to pay all expenses your attendees incur for Store Opening Participation, including, but not limited to, salary, transportation costs, meals, lodging and other living expenses.

7.08 Accounting and MIS Systems

We will specify the electronic and/or written accounting and management information system ("MIS"), procedures, formats and reporting requirements that you will use to account for your Restaurant; maintain your financial records and data; and generate reports for both you and us. In addition to operating reports, payroll, cash management and general ledger accounts, these systems may be tailored to provide computerized point-of-sale ("POS") scanning and invoice entry. You are solely responsible for performing all bookkeeping, recordkeeping and accounting duties required under this Agreement or in the Manuals and for bearing the costs of these activities.

7.09 Pricing

Because enhancing Restaurant interbrand competitive position and consumer acceptance for Restaurant programs, products and services is a paramount goal of ours and our franchisees, and because this objective is consistent with the long term interest of the System overall, we may exercise rights regarding the pricing of programs, products and services to the fullest extent permitted by then-applicable law. These rights may include (without limitation) requiring maximum and/or minimum retail prices that you may charge customers for the programs, products and/or services offered and sold at your Restaurant; recommending retail prices; advertising specific retail prices for some or all programs, products or services sold by your Restaurant, which prices you are compelled to observe (referred to as "price point advertising campaigns"); engaging in marketing, promotional and related campaigns that you must participate in and that may directly or indirectly impact your retail prices (such as "buy one, get one free"); and, otherwise mandating, directly or indirectly, the maximum and/or minimum retail prices that your franchised Restaurant may charge the public for the programs, products and services it offers. We may engage in this activity either periodically or throughout the Term. We may engage in this activity only in certain geographic areas (cities, states, regions) and not others, or with regard to certain subsets of franchisees and not others. You agree that any maximum, minimum or other prices we require or suggest may or may not optimize the revenues or profitability of your Restaurant and you irrevocably waive all claims arising from or related to our requiring or suggestion of your Restaurant retail prices.

7.10 Nature of Obligations

All our obligations under this Agreement are to you alone. No other party is entitled to rely on, enforce or obtain relief for breach of any of our obligations under this Agreement, either directly or by subrogation.

8. YOUR DUTIES

8.01 Opening Date

You must fulfill all of your pre-opening obligations stated in this Agreement, the Manuals and in other written notices from us, and open your Restaurant to the general public no later than 20 months after the Effective Date (the "Opening Deadline"). You may not open your Restaurant without our written approval, which we will not unreasonably withhold. To obtain our approval to open, you must: obtain all required state, local and other required government certifications, permits and licenses; furnish to us copies of all required permits and licenses; furnish to us copies of all insurance policies required under this Agreement; attend and successfully complete our Initial Training Program to our satisfaction (as provided in this Agreement); pay us or our affiliates any amounts due through the date that you request our approval to open; not be in default under any agreement with us or any affiliate of ours; not be in default under any contracts or agreements with your principal vendors, suppliers and other business creditors (including the lessor or sublessor of your Restaurant Location, us and our affiliates); and, otherwise comply in all respects with the pre-opening obligations stated in this Agreement, the Manuals or other written notices we furnish to you.

8.02 Manner of Operation

Your Restaurant must comply at all times with every provision of this Agreement, the System and the Manuals. You may not use the System or the Proprietary Marks for the benefit of any business other than your Restaurant. You may not conduct (or permit anyone else to conduct) any business at your Restaurant Location other than the Restaurant business embraced by this Agreement without first obtaining our written consent, which we may withhold for any reason or no reason. You agree that your strict compliance with the System, this Agreement and the Manuals are of the essence to this Agreement and are critically important to you, us and all other franchisees, since your failure to adhere to the System, this Agreement and/or the Manuals may damage the reputation and goodwill enjoyed by the Walk-On's restaurant network and the Proprietary Marks.

8.03 Modifications to the System

In the exercise of our sole business judgment, we may modify any components of the System and requirements applicable to you by means of Supplements to the Manuals or otherwise, including, but not limited to, altering the programs, products, services, methods, standards, accounting and computer systems, forms, policies and procedures of the System; adding to, deleting from or modifying the programs, products and services that your Restaurant is authorized and required to offer; modifying or substituting the equipment, signs, trade dress and other characteristics that you must adhere to (subject to the limitations in this Agreement); and, changing, improving, modifying or substituting for the Proprietary Marks. You agree to implement any System modifications as if they were part of the System when you signed this Agreement. You agree that because uniformity under many varying conditions may not be possible or practical, we reserve the right to materially vary our standards or franchise agreement terms for any Restaurant, based on the timing of the grant of the franchise, the peculiarities of the particular territory or circumstances, business potential, population, existing business practices, other non-arbitrary distinctions or any other condition that we consider important to the successful operation of the Restaurant. You have no right to require us to disclose any variation or to grant the same or a similar variation to you.

8.04 Compliance with Laws, Rules and Regulations

You agree to adhere to the highest standards of honesty, integrity and fair dealing in all dealings with the public and to operate your Restaurant in strict compliance with all laws, rules, regulations, ordinances, policies and procedures of any federal, state, county, municipal or local governmental or quasi-governmental agency, commission and/or authority that govern the construction or any element of the operation of your Restaurant. You also agree to obtain and keep in good standing all licenses, permits and other governmental consents and approvals that are now or later required to operate your Restaurant.

You represent and warrant to us that, as of the date of this Agreement and at all times during the Term, and to your actual or constructive knowledge, neither you nor any affiliate of yours, any individual or business entity having a direct or indirect ownership interest in you or any affiliate (including any shareholder, general partner, limited partner, member or any type of owner), any officer, director or management employee of any of the foregoing, nor any funding source you use is or will be identified on the list of the U.S. Treasury's Office of Foreign Assets Control (OFAC); is directly or indirectly owned or controlled by the government of any country that is subject to an embargo imposed by the United States government or by any individual that is subject to an embargo imposed by the United States government; is acting for any country or individual that is subject to an embargo; or, is involved in business arrangements or other transactions with any country or individual that is subject to an embargo. You agree that you will immediately notify us in writing immediately on the occurrence of any event that would render these representations and warranties incorrect. You may not allow, effect or sustain any transfer, assignment or other disposition of this Agreement to a "Specially Designated National or Blocked Person" (as defined below) or to an entity in which a "Specially Designated National or Blocked Person has an interest. For the purposes of this Agreement, "Specially Designated National or Blocked Person" means: (i) a person or entity designated by OFAC (or any successor agency of the U.S. government) as a "specially designated national or blocked person" or similar status; (ii) a person or entity described in Section 1 of U.S. Executive Order 13224, issued on September 23, 2001; or, (iii) a person or entity otherwise identified by any government or legal authority as a person with whom you (or any of your owners or affiliates) or we (or any of our owners or affiliates) are prohibited from transacting business.

You agree that you will not hire, retain, employ or otherwise engage the services of any individual or entity in contravention of the Patriot Act; any law, rule or regulation pertaining to immigration or terrorism; or any other legally prohibited individual or entity.

8.05 Health, Safety and Cleanliness

You must meet (or exceed) and maintain the highest health, safety and cleanliness standards and ratings applicable to the operation of your franchised Restaurant. You must furnish to us, within 5 days following your receipt, a copy of all inspection reports, warnings, citations, certificates, or ratings resulting from inspections of your Restaurant that are conducted by any federal, state, county, local or other governmental agency, commission and/or authority.

You must comply with our requirements and specifications concerning the quality, service and cleanliness of your Restaurant; the programs, products and services sold, offered for sale and/or provided at your Restaurant; and, the operation of your Restaurant under the System, as we specify these requirements in this Agreement, in the Manuals or otherwise in writing.

You must permit us or our agents, at any reasonable time and with or without notice, to remove samples of items from your Restaurant inventory, or from your Restaurant, without payment therefor, in amounts reasonably necessary for testing either by us or an independent laboratory to determine whether the samples meet our then-current specifications. We may require you to bear the costs of testing if the supplier of the item has not previously been approved by us or if the sample fails to conform with our specifications.

You must at all times maintain your Restaurant in the highest degree of sanitation, repair and condition.

8.06 Your Participation in the Operation of the Restaurant; General Manager, Restaurant Managers and Executive Kitchen Manager

Unless we otherwise permit in writing, you agree to personally supervise and participate in the day-to-day operation of the Restaurant and to devote your time, attention and best efforts to the performance of your obligations under this Agreement, all ancillary documents relating to this Agreement and all other agreements that may now or later be in effect between us (or any affiliate) and you (or any affiliate). If you are licensed to operate more than one Restaurant, then you agree to devote your time and attention to the performance of your duties as is necessary for the proper and effective operation of each Restaurant.

You must designate an individual as the “General Manager” of your Restaurant in accordance with the requirements stated in this Agreement. If you are an individual, then you must serve as the General Manager. Your General Manager must have complete decision making authority with regard to your Restaurant. Your General Manager must have authority to act on your behalf under this Agreement. Your General Manager is the only person who we will communicate with when we seek to communicate with you. If you desire to designate a successor or replacement General Manager, then you must notify us in writing; identify your proposed successor General Manager and the reason that your predecessor General Manager ceased to serve; and furnish us with all information we may reasonably request regarding the proposed successor. Your General Manager must complete the Initial Training Program to our satisfaction.

If you are an individual, you must also either serve as or designate a Restaurant Manager. If you are a business entity, you must designate a Restaurant Manager. The Restaurant Manager will have day-to-day management responsibility for your Restaurant, will exercise on-premises supervision and personally participate in the direct operation of the Restaurant. The Restaurant Manager must attend and successfully complete our Initial Training Program. If you are an individual, then we recommend that you personally serve as your own Restaurant Manager.

You also must designate an Executive Kitchen Manager. The Executive Kitchen Manager will have day-to-day management responsibility for the kitchen operations in your Restaurant. The Executive Kitchen Manager must attend and successfully complete our Initial Training Program.

On the death, disability or termination of employment of your General Manager, a Restaurant Manager, or Executive Kitchen Manager for any cause or reason, you must immediately notify us. You must designate a successor or acting General Manager, Restaurant Manager, or Executive Kitchen Manager promptly and, in any event, no later than 10 days following the death, disability or termination of the predecessor General Manager, Restaurant Manager, or Executive Kitchen Manager. The above protocols and procedures for your initial General Manager, Restaurant Managers, or Executive Kitchen Manager also apply to any successor General Manager, Restaurant Manager, or Executive Kitchen Manager you may propose. Any successor General Manager, Restaurant Manager, or Executive Kitchen Manager must possess those credentials stated in our Manuals, must attend and successfully complete our next scheduled Initial Training Program and must attend and successfully complete any other reasonable training at the times we specify, all at your expense. The failure to employ and train a successor General Manager, Restaurant Manager, or Executive Kitchen Manager is a breach of this Agreement.

8.07 Requirements Concerning Programs, Products and Services

A. Programs, Products and Services You Sell

You agree to sell all programs, products and services that are now or in the future part of the System unless, as to any one or more items, sale is prohibited by local law or regulation, or we have granted you our advance written approval to exclude certain programs, products, or services. You may not sell any program, product or service that is not a part of the System or that we delete from the System.

You must maintain in sufficient supply products, materials, supplies and paper goods as conform to our then-current written specifications (as stated in the Manuals or otherwise) and must refrain from deviating therefrom by the use of any non-conforming items without our prior written consent. Your Restaurant must prepare all products using the preparation standards, procedures and techniques we specify and must refrain from any deviation from our specifications without our prior written consent.

You may not create, offer or sell any menu item that is not part of the System. If you desire to sell any program, product, or service that is not a part of the System, then you must obtain our advance written permission, which we may deny for any or no reason. If we grant written approval, then the program, product or service in question will become a part of the System; we may, but will not be required to, authorize the program, product or service for sale at one or more other Restaurants; we may later revoke our approval for any or no reason; we will own all rights associated with the program, product, or service; and, you will not be entitled to any compensation therefor.

B. Proprietary Programs, Products and Services

You must purchase or lease all proprietary programs, products, supplies, equipment, materials and services used, offered or sold at the Restaurant that now comprise, or in the future may comprise, a part of the System and that were developed by, are proprietary to or kept secret by us or our affiliates, only from us, an affiliate of ours that we designate or an independent distributor whom we authorize. We impose this requirement to advance uniformity of the Walk-On's concept and quality and to protect our trade secrets, which are of the essence to the System and this Agreement. Proprietary products may include select food and beverage items, loyalty and app programs and any other category of programs, products, services or equipment. We (or our affiliates or designees) will sell to you all proprietary products under terms we develop and advise you of periodically. We reserve the right to earn a profit from the sale of proprietary products to you. You must participate, at your expense, in all marketing programs pertaining to the Restaurant loyalty app and eCommerce, including but not limited to the loyalty rewards programs, third-party delivery programs, and online ordering programs.

C. Sources of Supply and Specifications

You must purchase certain required non-proprietary programs, products, supplies, equipment, materials and services from suppliers we designate in writing; from suppliers you propose and we approve; and/or, in accordance with our written specifications. All designated sources must demonstrate, to our continuing reasonable satisfaction, the ability to meet our then-current specifications for the items; that they possess adequate quality controls and capacities to supply your (and other Restaurants') needs promptly and reliably; and, must be approved in writing by us (and have not later been disapproved) before any purchases by you from any the supplier. All designated sources and specifications are subject to addition, modification, revocation and/or deletion by us on notice to you. If we revoke or delete any product, supply, equipment, component or any approved supplier, then you must cease using the disapproved item (or any items purchased from a revoked source of supply) that are inventoried by your Restaurant within 10 days following your receipt of written or electronic notice from us, unless the item or source of supply poses a threat to the health or safety of the public, in which case you must cease using the item or source of supply immediately on notice from us orally, electronically, or in writing.

We may provide you with specifications governing the minimum standards of programs, products, services and/or equipment required to be used in or sold by your Restaurant, for which we do not designate a required source of supply. We will provide these specifications in our Manuals or in other written or electronic notices we transmit to you. We may add to, modify or revoke our specifications in writing at any time.

If we specify any particular source of supply for any particular non-proprietary program, product, service, supply, equipment and/or material and you wish to propose an alternative source of supply, we will exercise our approval of your proposed alternative supply reasonably, in accordance with the following procedure: (1) you must submit a written request to us for approval of the supplier and then furnish us with the

information, data and samples that we reasonably request; (2) the supplier must demonstrate to our reasonable satisfaction that it is able to supply the program, product, service or equipment to you meeting our specifications; (3) we or our agents must have the right, and must be permitted, to inspect the proposed supplier's facilities and to have samples from the supplier delivered either to us, an independent laboratory or another designee for testing, all at your and/or the proposed supplier's expense; (4) the proposed supplier must demonstrate to our reasonable satisfaction, following our inspection or other review, that it is in good standing in the business community in all respects; that the program, product, supply, equipment, material or service meets or exceeds our specifications and standards for same in all respects; and, that the proposed supplier's manufacturing and distribution capabilities are sufficient to furnish you (and other Restaurants) with the subject program, product, supply, equipment, material or service in a consistently timely, sanitary, hygienic and cost-efficient fashion; (5) we may require that the proposed supplier also agree to comply with all other requirements we deem appropriate, including our ability to conduct continuing inspections and charge reasonable continuing inspection fees and administrative costs; and, (6) nothing in the foregoing is deemed to require us to approve any particular supplier or to require us to make available to prospective suppliers any standards, specifications, procedures or protocols that we, in our business judgment, deem confidential.

We, our affiliate or our designee may be an approved source of supply for any program, product, supply, equipment, material or service that you must purchase. However, you will not be obligated to purchase any non-proprietary items solely from us or our affiliate. We will determine the prices we charge for any item and will notify you of prices at the time of sale, in our Manuals or otherwise. We reserve the right to earn a profit from selling non-proprietary items to you and other Walk-On's franchisees.

We also reserve the right to direct that any supplier rebates, refunds, advertising allowances or other consideration payable or paid as a result of your purchases of non-proprietary goods, services or equipment be paid until further notice to the System Advertising Fund (to be spent as provided in this Agreement). If we do so, then you agree that you will not assert any interest in these monies.

D. Systemwide Supply Contracts

We may, in the exercise of our business judgment, enter into supply contracts either for all Restaurants or a subset of Restaurants situated within one or more geographic regions (each, a "systemwide supply contract"). We may enter in systemwide supply contracts with one or more vendors for programs, products, supplies, equipment, materials and services that all company-owned and franchised Restaurants in the United States, or company-owned and franchised Restaurants in a designated geographic area, must purchase, use and sell. If we do so, then immediately on notification, you, we and all other Restaurants (or, as applicable, those in the designated geographic area) must purchase the specified program, product, supply, equipment, material or service only from the designated supplier. However, if at the time of our notification you are already a party to a non-terminable supply contract with another vendor or supplier for the item in question, then your obligation to purchase from our designated supplier under the systemwide supply contract will not begin until the scheduled expiration (or earlier termination) of your pre-existing supply contract. We make no representation that we will enter into any systemwide supply contracts or other exclusive supply arrangements or, if we do so, that you would not otherwise be able to purchase the same programs, products and/or services at a lower price from another supplier. We may add to, modify, substitute or discontinue systemwide supply contracts or exclusive supply arrangements in the exercise of our business judgment.

8.08 Computer and Point of Sale Systems

Before opening your Restaurant, you agree to procure and install, at your expense, the computer hardware, software, wired and/or wireless internet connections and service, required dedicated telephone and power lines and other computer-related accessories, peripherals and equipment that we specify in our Manuals or otherwise (the "computer and Point of Sale systems"). You agree to obtain and maintain high-speed communications access, such as broadband, DSL or other high-speed capacity that we require for your

computer and Point of Sale systems. You also agree to maintain at all times a functioning e-mail address for your Restaurant.

You agree to provide all assistance we require to bring your computer and Point of Sale systems online with our computers at the earliest possible time and to maintain these connections as we require. You agree to input and maintain in computer and Point of Sale systems all data and information that we require in our Manuals, in our proprietary software (if any) and its manuals, and otherwise, including to provide us with the state sales tax percentage applicable in the state where your Restaurant is located. We have independent access to your computer and Point of Sale systems and we may retrieve from your computer and Point of Sale systems all information that we consider necessary, desirable or appropriate. You must accurately, consistently and completely record and provide through the computer and Point of Sale systems all information concerning the operation of the Restaurant that we require, in the form and at the intervals that we require.

If and when we develop proprietary software, programs and support services, you must purchase same from us or from any third party supplier we designate, and you must sign any standard form software license agreement reasonably necessary to do so. You agree to purchase from us or our designee, as applicable, new, upgraded or substitute proprietary software whenever we determine to adopt them systemwide, at the prices and on the terms that we or a third-party vendor establish, but you will not be required to do so more than once in any calendar year. You will pay for new or updated programs and materials when you order them.

You agree, at your expense, to keep your computer and Point of Sale systems in good maintenance and repair. We may mandate that you add memory, ports, accessories, peripheral equipment and additional, new or substitute software. Following our testing and determination that it will prove economically or systemically beneficial to you and to us, you agree to install at your own expense the additions, modifications, substitutions and/or replacements to your computer and Point of Sale hardware, software, telephone and power lines and other computer and Point of Sale facilities as we direct, on the dates and within the times we specify in our Manuals or otherwise.

You agree that modes of computerization and communication are rapidly evolving and that, accordingly, we may require you at your expense to purchase, install and use at your Restaurant all later developed modes of computerization, communication, media and/or interfaces as we, in our sole business judgment, determine to incorporate into the System. You must do so when and how we designate, in our Manuals or other written notices.

On termination or expiration of this Agreement, you must return all software, disks, tapes and other magnetic storage media to us in good condition, allowing for normal wear and tear.

You will provide to us all user ID's and passwords required to access files and other information stored on your Restaurant computer and Point of Sale systems. You will at all times ensure that the only personnel conducting transactions on your computer or Point of Sale systems are those who have been trained and qualified in accordance with the requirements of our Manuals.

8.09 Web Sites/Social Media

We alone may establish, maintain, modify or discontinue all internet, worldwide web and electronic commerce activities pertaining to the System, including through the use of a page or profile on a social media website such as Facebook, Instagram, Twitter, etc. We may establish one or more websites accessible through one or more uniform resource locators ("URL's") and, if we do, we may design and provide for the benefit of your Restaurant a "click through" subpage at each website for the promotion of your Restaurant. If we establish one or more websites or other modes of electronic commerce and if we provide a "click through" subpage at each website for the promotion of your Restaurant, you agree to routinely provide us with updated copy, photographs and news stories about your Restaurant suitable for posting on your Restaurant "click through" subpage, the content, frequency and procedure of which will be specified.

Any websites or other modes of electric commerce that we establish or maintain may – in addition to advertising and promoting the programs, products, or services available at your Restaurant – also be devoted in part to offering Walk-On’s franchises for sale and be used by us to exploit the electronic commerce rights that we alone reserve (as provided in Section 3.04 above). You may not maintain your own website or social media page; otherwise maintain a presence or advertise on the internet, through social media or in any other mode of electronic commerce for your Restaurant, including through the use of a page or profile on a social media website such as Facebook, Instagram or Twitter; establish a link to any website we establish at or from any other website or page; or, at any time establish any other website, social media or electronic commerce presence, that in whole or in part incorporates the “Walk-On’s” name or any name confusingly similar thereto. We alone are, and at all times will remain, the sole owner of the copyrights to all material that appears on any Walk-On’s website we establish and maintain, including all material you furnish to us as provided above. Notwithstanding the foregoing and subject to our prior written approval, we may allow you to maintain a local Facebook page for your Restaurant so long as it is developed and maintained in accordance with the Manuals and the System.

8.10 Indemnification

You agree that you will, at your sole cost, at all times defend, indemnify and hold harmless us, any affiliate of ours, the affiliates, subsidiaries, successors, assigns and designees of each; and, the officers, directors, managers, employees, agents, attorneys, shareholders, owners, members, designees and representatives of all of the foregoing (we and all others referenced above being the “Franchisor Parties”) to the fullest extent permitted by law, from all demands, claims, losses, liabilities and costs (as defined below) incurred in connection with any action, suit, proceeding, claim, demand, investigation, or formal or informal inquiry (regardless of whether any of the foregoing is reduced to judgment) or any settlement of the foregoing, that actually or allegedly, directly or indirectly, arises out of, is based on, is a result of or is related to any of the following:

1. Your establishment, construction, opening and operations of your Restaurant;
2. Any claims by your creditors; any personal injury or death suffered by any customer, visitor, employee or guest of the Restaurant;
3. Claims of any type or nature advanced by or against you or any of your officers, directors, shareholders, partners, proprietors, management, agents, employees, affiliates representatives and contractors (or any third party acting on your behalf or at your direction) by a third party (or, as applicable, against a third party) or between or among themselves;
4. All acts, errors, neglects or omissions engaged in by you, your contractors or subcontractors, as well as any third party, arising out of or related to the design, construction, conversion, build-out, outfitting, remodeling, renovation or upgrading of your Restaurant;
5. Crimes committed on or near the premises or facilities of the Restaurant;
6. Claims of liability for food or beverage products served or sold at and from the Restaurant, such as food borne and other illnesses;
7. Claims of liability for products manufactured or services performed by third parties that are offered, sold or used by you or your Restaurant;
8. Your sale of alcoholic beverages from or at the Restaurant (including, without limitation, claims of liability under “dramshop” or “host/guest” laws rules or regulations);
9. Your alleged or actual infringement or violation of any patent, mark or copyright or other proprietary right owned or controlled by third parties;

10. Your alleged or actual violation or breach of any contract, federal, state, local, foreign or other law, regulation, ruling, standard or directive applicable to your Restaurant, whether within or without the Territory, or of any industry standard;
11. Libel, slander or any other form of defamation by you;
12. Your alleged or actual violation or breach of any warranty, representation, agreement or obligation stated in this Agreement;
13. Any acts, errors, neglects or omissions by you or the Restaurant, and/or the officers, directors, shareholders, management, employees, agents, servants, contractors, partners, proprietors, affiliates or representatives of you or the Restaurant (or any third party acting on your behalf or at your direction), whether in connection with the Restaurant or otherwise, including (without limitation) injury or death suffered or caused by any person or vehicle serving the Restaurant;
14. All liabilities arising from or related to your offer, sale and delivery of products, and/or services as contemplated by this Agreement;
15. Latent or other defects in the Restaurant, whether or not discoverable by us or by you;
16. Any service or product you provide at, from or related to the operation of the Restaurant;
17. Any action by any customer of yours or visitor to the Restaurant;
18. Any damage to the property of you, us, any of our affiliates, or their, our or your officers, directors, management, agents, employees and contractors;
19. Any claim, action or decree that we and/or our affiliates are the employer, joint employer and/or co-employer of you and/or any of your employees, agents, servants, contractors, affiliates or representatives.

As used above, the phrase “demands, claims, losses, liabilities and costs” includes all claims; causes of action; fines; penalties; liabilities; losses; compensatory, exemplary, statutory or punitive damages or liabilities; costs of investigation; lost profits; court expenses; reasonable attorneys’ and experts’ fees and disbursements; settlement amounts; judgments; compensation for damage to our reputation and goodwill; costs of or resulting from delays; travel, food, lodging and other living expenses necessitated by the need or desire to appear before (or witness the proceedings of) courts or tribunals (including arbitration tribunals), or government or quasi-governmental entities (including those incurred by Franchisor Parties’ attorneys and/or experts); all expenses of recall, refunds, compensation and public notices; and, other amounts incurred in connection with the matters described. All losses and expenses incurred under this indemnification provision will be chargeable to and paid by you, regardless of any actions, activity or defense undertaken by us or the later success or failure of the actions, activity or defense.

Specifically excluded from the indemnity you give is any liability associated with our or the other Franchisor Parties’ gross negligence, willful misconduct or criminal acts, except to the extent that joint liability is involved, in that event the indemnification must extend to any finding of comparative or contributory negligence attributable to you.

You agree to give us written notice of any action, suit, proceeding, claim, demand, inquiry or investigation that could be the basis for a claim for indemnification by any Franchisor Party within 3 days of your actual or constructive knowledge of it. At your expense and risk, we may elect to assume (but under no circumstance are we obligated to undertake) the defense and/or settlement of the action, suit, proceeding, claim, demand, inquiry or investigation. However, we will seek your advice and counsel and keep you informed on the defense or contemplated settlements. Our undertaking of defense and/or settlement will in

no way diminish your obligation to indemnify us and the other Franchisor Parties and to hold us and them harmless.

We have the right, at any time we consider appropriate, to offer, order, consent or agree to settlements or take any other remedial or corrective actions we consider expedient with respect to the action, suit, proceeding, claim, demand, inquiry or investigation if, in our sole judgment, there are reasonable grounds to do so. All losses and expenses incurred under this Section are chargeable to and paid by you under your indemnity obligations under this Section, regardless of any actions, activity or defense undertaken by us or the later success or failure of the actions, activity or defense. Under no circumstance will we or the other Franchisor Parties be required to seek recovery from third parties or otherwise mitigate our or their losses to maintain a claim against you. You agree that any failure to pursue recovery from third parties or mitigate loss will in no way reduce the amounts recoverable by us or the other Franchisor Parties from you.

The indemnification obligations of this Section survive the expiration or sooner termination of this Agreement.

8.11 Inspection

We (and any of our authorized agents or representatives, including outside accountants, auditors and/or inspectors) may enter your Restaurant and any premises of your Restaurant business, and/or visit any locations at that you have provided or are providing programs, products or services to customers or maintain business records, and inspect and audit the programs, products, and services provided from or at these locations; the products and supplies contained at these locations and their condition; confer with your employees and customers; and, assess your operating systems and compliance with this Agreement. We may conduct inspections with or without prior notice to you. You must cooperate with us or our representatives in conducting inspections by rendering all assistance as reasonably requested. Following any inspection, you agree to take all steps necessary to incorporate into your Restaurant any reasonable corrections and modifications we require to maintain the standards of quality and uniformity we require, as quickly as is reasonably possible and using all resources at your disposal. If we must re-inspect your Restaurant due to your failure to pass our quality assurance inspection, you must pay us our expenses in repeating the quality assurance inspection to determine if you have cured the deficiencies under the previous inspection.

8.12 Intellectual Property You Develop

You permanently and irrevocably assign to us all rights and interests (including intellectual property rights and interests) to all of the following that may be developed by you, or on your behalf, if developed in whole or in part in connection with your Restaurant: all programs, products or services; all variations, modifications and/or improvements on programs, products or services; your means, manner and style of offering and selling programs, products and services; management techniques or protocols you may develop (or have developed on your behalf); all sales, marketing, advertising and promotional programs, campaigns or materials developed by you or on your behalf; and, all other intellectual property developed by you or for your Restaurant. We may authorize ourselves, our affiliates and/or other Restaurants to use and exploit any rights that are assigned to us under this Section. The sole consideration for your assignment to us of all of the foregoing rights will be our grant of the franchise conferred on you by this Agreement.

8.13 Adequate Reserves and Working Capital

You must at all times maintain adequate reserves and working capital sufficient for you to fulfill all your obligations under this Agreement and to cover the risks and contingencies of the Restaurant for at least 3 months. These reserves may be in the form of cash deposits or lines of credit.

8.14 Credit Cards and Other Modes of Payment

You agree to become and remain a merchant for any credit cards and/or debit cards that we specify in our Manuals or otherwise. You agree to maintain the creditworthiness required of each of these credit card or debit card issuers; to honor these cards for credit purposes; and, to abide by all related regulations and procedures that we and/or the credit card and/or debit card issuer requires. You agree that, at your sole expense, you must at our direction and by the time we specify purchase, install and use all equipment, facilities and personnel necessary to enable now or later developed alternative modes of customer payments (beyond cash, credit cards and debit cards). Alternative modes of payment may include, by way of example only, “smart phone” payment transactions. You may not pass credit card surcharges onto customers of your Restaurant.

8.15 Compliance with Security Protocols

You agree to assure all communication connections (of whatever form, wireless, cable, internet, broadband or other) and access to financial information, especially credit card information, is at all times kept secure in a manner that is in compliance with all legal requirements and, particularly, with all security requirements of the issuing credit card companies. You agree to hold us and the other Franchisor Parties (as defined in Section 8.10) harmless from all claims and liabilities related to same. In addition, at your cost, you agree to provide us with a written report of verification from a specialist approved by us confirming compliance with the obligations imposed by this Section and any other proof of compliance that we reasonably require.

8.16 Hours of Operation

You agree to continuously operate your Restaurant on the days and during the minimum hours that we may specify in our Manuals or otherwise. Unless notified otherwise, all Restaurants are permitted but not required to close on Thanksgiving, Christmas Day and Easter Sunday. You may establish hours of operation in addition to the required minimum hours, subject to applicable laws, rules or regulations.

8.17 Business Entity Requirements and Records

If you are a corporation, limited liability company, limited partnership or any other type of business entity (each, a “business entity”), you must comply with the following requirements (that will also apply to any assignee of this Agreement that is a business entity):

- A. Furnish us with all of your formation, organizational and governing documents; a schedule of all owners (indicating as to each its percentage ownership interest); any shareholder, partnership, membership, buy/sell or equivalent agreements and documents; and a list of all of your officers, directors and managers (as applicable).
- B. Unless we otherwise consent in writing, your business entity’s formation and governing documents must provide that its activities will be confined exclusively to the operation of the Restaurant.
- C. You must promptly notify us in writing of any change in any of the information specified, or in any document referred to, herein.

Without our prior written consent (which will not be unreasonably withheld, delayed or denied), you may not permit any mortgage, lien, pledge or other security interest in respect of any of your business entity’s shares, equity interests or other ownership interests. Any violation of the preceding restriction gives us the right to terminate this Agreement immediately on notice to you.

8.18 Testimonials and Endorsements

You agree to permit us (or any of our authorized agents or representatives) to communicate in any manner with your customers to procure customer testimonials and endorsements of the programs, products or services furnished by your Restaurant and any related programs, products or services. You agree to cooperate with us in procuring testimonials and endorsements. You agree that we are free to make whatever

use of testimonials and endorsements that we determine, and that we owe you absolutely no direct or indirect compensation or other duty as a consequence of our use.

8.19 Trade Accounts

You agree to maintain your trade accounts in a current status and to seek to promptly resolve any disputes with trade suppliers. If you do not maintain your trade accounts in a current fashion, we may pay any or all of the accounts on your behalf, but we have no obligation to do so. If we pay any accounts on your behalf, then you agree to immediately repay us as provided by Section 5.07E. If you do not keep your trade accounts current or make immediate repayment to us, this is a breach of this Agreement entitling us to terminate this Agreement following our giving you notice and an opportunity to cure your breach.

8.20 No Conflicting Agreements

During the Term, you may not be a party to any contract, agreement, business entity formation or governance document, mortgage, Lease or restriction of any type that may conflict with, or be breached by, the signing, delivery, consummation and/or performance of this Agreement.

8.21 Taxes

You must promptly pay when due all taxes levied or assessed on your Restaurant including, without limitation, all employment, workers' compensation and sales taxes. If you have any bona fide dispute as to your liability for taxes assessed, you may contest the validity of the amount of the tax in accordance with the procedures of the taxing authority or applicable law. However, you may not permit a tax sale or seizure by levy of execution or similar writ or warrant, to occur against the premises of your Restaurant Location or any improvements thereon.

8.22 Government Actions

You must notify us in writing within 5 days of the beginning of any action, suit or proceeding and/or the issuance of any citation, order, writ, injunction, award or decree of any court, agency or other governmental or quasi-governmental instrumentality, that may adversely affect the operation or financial condition of your Restaurant.

8.23 Privacy and Data Protection

You will: (i) comply with all applicable international, national, federal, provincial, state, or local laws, codes or regulations that regulate the processing of information that can be used (alone or when used in combination with other information within your control) to identify, locate or contact an individual or pertains in any way to an identified or identifiable individual ("Personal Information") in any way, including, but not limited to, national data protection laws, laws regulating marketing communications and/or electronic communications, information security regulations and security breach notification rules ("Privacy Laws"); (ii) comply with all standards, specifications, requirements, criteria, and policies that have been and are in the future developed and compiled by us that relate to Privacy Laws and the privacy and security of Personal Information; (iii) refrain from any action or inaction that could cause us to breach any Privacy Laws; (iv) do and sign, or arrange to be done and signed, each act, document and thing we deem necessary in our business judgment to keep us in compliance with the Privacy Laws; and (v) immediately report to us the theft or loss of Personal Information (other than the Personal Information of your own officers, directors, shareholders, employees or service providers). You must maintain Payment Card Industry (PCI) compliance in accordance with the rules specified at <https://pcisecuritystandards.org>. You also must use certified ASV and QSA services for network scanning and PCI certification services and you must be in compliance and in good standing with all Privacy Laws, PCI standards and all other related standards as we determine in our sole discretion. If you are unable to maintain PCI compliance independently, you can use a PCI Managed Service partner.

8.24 Required Charitable Donation.

You agree, at your sole expense, to cause your Restaurant to participate in philanthropic, community, and charitable causes that we require for the purpose of enhancing the goodwill, presence and reputation of the Proprietary Marks and the System, including as a part of marketing promotions or otherwise. Currently, we require that you donate at least \$5,000 to a local charity of your choosing in conjunction with opening your Restaurant; provided, however, you must receive our prior written approval of the local charity before making any donation.

9. INSURANCE

9.01 Your Required Insurance Coverage

A. Within 10 days following our signing of this Agreement, and thereafter at all times throughout the Term of this Agreement, you agree to purchase at your own expense, and maintain in effect at all times, at least the following categories of insurance coverage in forms and through insurance companies satisfactory to us. You agree that your Lease may require other or greater insurance coverages than those stated in this Section. Your insurance coverage must extend to and embrace your Restaurant; all activities conducted in, at or from your Restaurant Location; all facilities that may be situated on your Restaurant Location; and, all activities arising from or related to the construction, operation or occupancy of your Restaurant and any other facilities situated on the premises of your Restaurant. Your required coverages, policy limits, limitations on deductibles and limitations on self-insured retentions are required by us in our Manuals or otherwise in writing and, as noted below, are subject to change:

1. Comprehensive General Liability with limits no less than \$1,000,000 Per Occurrence, and \$2,000,000 General Aggregate, including Personal & Advertising Injury and Products & Completed Operations.
2. Liquor liability coverage of at least \$1,000,000 Each Common Cause.
3. Special form Commercial Property Insurance on a 100% Replacement Cost Basis.
4. Business interruption insurance in sufficient amounts to cover your Restaurant rental expenses, previous profit margins, maintenance of competent personnel and other fixed expenses for a minimum of 120 days.
5. Hired & Non-Owned Automobile Liability with limits no less than \$1,000,000 Combined Single Limit for Bodily Injury & Property Damage. If a vehicle is owned or leased to be used in the operation of your Restaurant, Owned or Scheduled Auto Liability is required with a \$1,000,000 Combined Single Limit.
6. Workers Compensation insurance including Employers Liability with limits no less than \$1,000,000 Each Accident, \$1,000,000 Disease – Each Employee and \$1,000,000 Disease – Policy Limit.
7. In connection with the construction, refurbishment, renovation or remodeling of your franchised Restaurant, Builders' Risk insurance to cover 100% Replacement Value of the completed construction value or renovations and Performance and Completion Bonds in amounts acceptable to us.
8. Insurance coverage of the types, nature and scope sufficient to satisfy your indemnification obligations under this Agreement.
9. Commercial Umbrella with a limit no less than \$1,000,000 per occurrence.
10. Employment Practices Liability Insurance with a limit no less than \$1,000,000 per occurrence. Coverage must include first and third-party coverage.

B. The insurance coverage that you acquire and maintain under this Article must:

1. For General Liability, Liquor Liability and Automobile Liability, contain endorsements naming us and the other Franchisor Parties identified in Section 8.10 as Additional Insured – Franchisor, with a Waiver of Subrogation and Primary and Non-Contributory wording.
2. Contain no provision that in any way limits or reduces coverage for you if there is a claim by one or more of the Franchisor Parties.
3. Extend to and provide indemnity for all obligations you assume under this Agreement and all other items for which you must indemnify us under this Agreement.
4. Contains endorsements as we specify from time to time in the Manuals.
5. Be written on a Primary and Non-Contributory basis.
6. Provide by endorsement, that we are entitled to receive at least 10 days prior written notice of any intent to cancel, not renew or otherwise alter or amend the policy.
7. Contain a Specific Waiver of Subrogation in favor of us, the other Franchisor Parties identified in Section 8.10 and any of successors and /or assigns.
8. Be placed with insurance companies carrying a Best's Financial Strength Rating no lower than A- and Financial Size Category no lower than XIII (\$1.25 Billion to \$1.5 Billion).

C. You agree not to reduce the policy limits, restrict coverage, cancel or otherwise alter or amend any required insurance policy without our specific advance written consent, which may be denied for any or no reason.

D. If there is a claim by any one or more of the Franchisor Parties against you, you must, on our request, assign to us all rights that you then have or later may have with respect to the claim against the insurer(s) providing the coverages described in this Section.

E. You agree that we may periodically add to, modify or delete the types and amounts of insurance coverage that you must maintain under this Agreement, and all features and elements thereof, by written notice to you (through a Supplement to our Manuals, or otherwise). On delivery or attempted delivery of this written notice, you agree to immediately purchase insurance conforming to any newly established standards and limits.

9.02 Certificates of Insurance

You agree to promptly provide us with certificates of insurance evidencing the coverages required by this Agreement at least 10 days before you begin any of the activities or operations contemplated by this Agreement and, thereafter, at least 30 days before the expiration of any policy. All certificates must evidence proper coverage as required by this Agreement and the Manuals. Attached to each certificate must be a copy of the endorsement amending any clause in the subject policy that relates to other insurance and confirming that all coverage is primary insurance and that our insurance (and the insurance of the other Franchisor Parties identified in Section 8.10 above) is applicable only after all limits of your policy(ies) are exhausted.

You agree to renew all insurance policies and documents and to furnish renewal certificates of insurance to us before the expiration date of the expiring policy in question. We may at any time require you to forward to us full copies of all insurance policies.

9.03 Purchase of Insurance on Your Behalf

If you fail to purchase insurance conforming to the standards and limits we require, we may (but we are not required to) obtain on your behalf the insurance necessary to meet these standards, through agents and insurance companies that we choose. If we do this, then you must immediately pay the required premiums or reimburse us for the premiums we advanced and must also pay us a reasonable fee for the efforts we undertake to obtain insurance for you. Nothing in this Agreement imposes any duty or obligation on us to obtain or maintain any specific forms, kinds or amounts of insurance on your behalf.

9.04 No Undertaking or Representation

Nothing in this Agreement may be considered our undertaking or representation that the insurance that you must obtain or that we may obtain for you will insure you against all insurable risks of loss that may arise out of or in connection with the operation of the Restaurant. We advise you to consult with your insurance agent and other risk advisors regarding any types, amounts or elements of insurance coverage beyond those specified in this Agreement that may be prudent to obtain.

9.05 Failure To Purchase Insurance or To Reimburse

If you fail to purchase or maintain any insurance required by this Agreement or you fail to reimburse us for our purchase of any required insurance on your behalf, your failure is an incurable breach of this Agreement that, unless we waive the breach, entitles us to terminate this Agreement immediately on notice to you, with no opportunity to cure.

10. ADVERTISING

10.01 Administration of the System Advertising Fund

We have established the System Advertising Fund (the "Fund") for advertising, marketing, public relations programs and materials as we deem necessary or appropriate in our sole discretion. We and/or our affiliate or designee will administer the Fund as follows:

- A. As provided in Section 5.04, you agree to pay us a System Advertising Contribution.
- B. We and/or our affiliate or designee will direct all advertising programs, with sole control over the creative concepts, materials and media used in the programs, and the placement and allocation of Fund advertising. You agree that the Fund is intended to further general public recognition and acceptance of the Proprietary Marks for the benefit of the System. You agree that we and our designees undertake no obligation in administering the Fund to make expenditures for you that are equivalent or proportionate to your contributions, to ensure that any particular franchisee benefits directly or pro rata from the placement of advertising or to ensure that any advertising impacts or penetrates your Territory. The Fund is not a trust and we and/or our affiliate or designee are not fiduciaries with respect to the Fund.
- C. The Fund may be used to meet any and all costs of administering, directing, preparing, placing and paying for national, regional or local advertising. This includes: television, radio, magazine, newspaper and worldwide web/internet advertising campaigns; other advertising, marketing and public relations materials; point-of-purchase materials; consumer research, interviews and related activities; the creation, maintenance and periodic modification of the Walk-On's website; reviewing any advertising material you propose to use (as provided below); search engine optimization; loyalty platform and 1:1 marketing campaigns; establishing a third party facility for customizing local advertising materials; accounting for Fund receipts and expenditures; attendance at industry related conventions, shows or seminars; organizing Walk-On's franchise conventions, shows or seminars; advertising at sports events; mailers, freestanding inserts/coupons, brochures and sponsorships; mystery shoppers (both for the System and for competitive networks or units); celebrity endorsements; crew incentives; franchisee incentives and/or promotional programs; up-sell programs; guest response programs; manager/employee recognition programs; paying administrative costs, accounting fees, and overhead (including allocating our employees' salaries and benefits and our overhead expenses to the Fund to the extent that any employee performs

services for the Fund or overhead expenses benefit the Fund); other activities that we believe are appropriate to enhance, promote and/or protect the System; and, engaging advertising agencies to assist in any or all of the above activities, including fees to have print, broadcast and/or internet advertising placed by an agency, and all other public relations and advertising agency fees.

D. We and/or our affiliate or designee need not maintain the sums paid by franchisees to the Fund, or income earned from the Fund, in a separate account from our other funds, but we and/or our affiliate or designee may not use these amounts under any circumstance for any purposes other than those provided for in this Agreement. We and/or our affiliate or designee may, however, expend monies from the Fund for any reasonable administrative costs and overhead that we and/or our affiliate or designee may incur in activities reasonably related to the administration or direction of the Fund and advertising programs for franchisees including, without limitation, preparing marketing and advertising materials; working with advertising agencies, advertising placement services and creative talent; preparing an accounting of contributions to the Fund and the annual statement of Fund contributions and expenditures provided for below; and, otherwise devoting our personnel, resources and/or funds for the benefit of the Fund.

E. Within 60 days following the close of our fiscal year, we and/or our affiliate or designee will prepare (but not audit) a statement detailing Fund income and expenses for the fiscal year just ended, a copy of which statement will be sent to you on request.

F. We and/or our affiliate or designee expect to spend most contributions to the Fund for advertising during the fiscal year when the contributions are made. If we and/or our affiliate or designee spend less than the total sum available in the Fund during any fiscal year, we and/or our affiliate or designee may either spend the unused sum during the following fiscal year or rebate all or a portion of the unused sum to franchisees on a pro rata basis for them to spend on local advertising and promotion (as provided for in subsection G). If we and/or our affiliate or designee advance and spend an amount greater than the amount available in the Fund in any fiscal year (in addition to any sum required to be spent because we and/or our affiliate or designee did not spend all the sums in the Fund during the preceding year), we and/or our affiliate or designee are entitled to reimburse ourselves from the Fund during the following fiscal year for all advanced sums, with interest payable on the advanced sums at the lesser rate of 1.5% per month or the maximum commercial contract interest rate permitted by law (with interest accruing the first calendar day following the day on which we and/or our affiliate or designee advance and spend any sum).

G. We reserve the right to use any media, create any programs and allocate advertising funds to any regions or localities in any manner we consider appropriate in our business judgment. The allocation may include rebates to individual franchisees of some or all of their System Advertising Contributions for local advertising expenditures if, in our judgment, our national or regional advertising program or campaign cannot effectively advertise or promote in certain regions or communities. If we and/or our affiliate or designee determine that the total System Advertising Contributions collected is insufficient to sustain a meaningful regional or national advertising campaign, we and/or our affiliate or designee may rebate all or a portion of these contributions to franchisees and our (or our affiliates') company-owned Restaurants on a pro rata basis. Franchisees must spend any rebate on the types of local advertising and media that we and/or our affiliate or designee determine. All rebate advertising expenditures must be documented to us in a monthly rebate advertising expenditure report form that we will furnish in our Manuals or otherwise.

H. The Fund will not be used for any activity whose sole purpose is the sale of franchises. However, the design and maintenance of our website (for which Fund monies may be used) may, without violating the provisions of this Agreement, include information and solicitations for prospective franchisees and public relations and community involvement activities that may result in greater awareness of the Walk-On's brand and the franchise opportunity.

I. Although the Fund is intended to be of perpetual duration, we maintain the right to terminate the Fund, but will not do so until all of the monies in the Fund have been spent for advertising and promotional purposes.

J. Each Restaurant that we or our affiliates operate will contribute a percentage of Gross Revenues to the Fund identical to the System Advertising Contribution percentage contributed by franchisees.

10.02 Advertising Standards You Must Comply With

You may only use advertising that we have either furnished or approved in writing in advance. You agree to conduct all advertising that uses the Proprietary Marks or refers in any way to your Restaurant in a dignified manner and in a fashion calculated to avoid fraud, illegality, deception, misrepresentation, embarrassment, shame, ridicule, disparagement or liability of any type or nature accruing to you, us, your Restaurant, the System, or other Walk-On's franchisees. You agree to conform all of your advertising to the standards, specifications and requirements specified in writing by us, in our Manuals or otherwise.

Under this Agreement, the term "advertising" is defined to mean all advertising, identification and promotional materials and programs of any type or nature whatsoever including print and broadcast advertisements; direct mail materials; brochures; advertising specialties; electronic commerce communications and "bulletin boards"; any advertising on the internet/worldwide web; any advertising or promotion on social media; public relations and brand awareness programs; direct mail; door hangers; freestanding inserts and coupons; sponsorships; point of sale materials; press releases; business cards; displays; leaflets; telephone and computer greetings; messages and voice-mail/e-mail sent to or accessible by customers or other third parties; promotional material captured in any electronic medium; any advertising through any later developed media, platforms, devices or modes of communication; and, any other material or communication that we identify as "advertising" in our Manuals or otherwise.

You agree to submit to us for approval, before use or dissemination, copies of all proposed advertising you intend to use (except for advertising that we furnish to you under this Agreement or advertising you have previously submitted and we have approved). Our approval of your proposed advertising may be withheld for any or no reason. If we do not respond within 10 business days following our documented receipt of your proposed advertising material, then our approval will be deemed withheld, and the proposed advertising material not approved. You agree that our grant or denial of our approval of your proposed advertising does not give rise to any liability on our part and you waive any possible claims against us to the contrary.

10.03 Grand Opening Marketing Funds, Local Advertising and Promotion

When you sign your Franchise Agreement, you must pay us \$20,000 for your grand opening marketing efforts (the "Grand Opening Marketing Funds"). At least 120 days before your Restaurant's opening, we will provide you with a marketing plan detailing how and when we propose to spend the Grand Opening Marketing Funds. We will then spend the Grand Opening Marketing Funds on your behalf in support of your Restaurant's opening. You are not required to spend any particular amount on local advertising; however, we strongly encourage you to engage in local advertising around your Restaurant.

10.04 Regional Advertising Cooperatives

We may, from time to time, establish, change, merge or dissolve regional advertising cooperatives for any geographic area that encompasses 2 or more Restaurants (each a "Regional Advertising Cooperative"). We will furnish to you written notice of the establishment of any Regional Advertising Cooperative for your Territory. The notice will specify the date you are to begin contributions and the amount of the contributions. Contributions are calculated as a percentage of Gross Revenues as defined in Section 5.06 above. Your contributions to a Regional Advertising Cooperative will not be less than 1% nor more than 3% of your Gross Revenues, unless the maximum contribution is changed by franchisee members of the Regional Advertising Cooperative in accordance with the terms of its Bylaws.

Restaurants that are owned and operated by us or an affiliate of ours and are within the geographic area of a Regional Advertising Cooperative will participate in and contribute to the Regional Advertising Cooperative on the same basis as required of franchisee members of the Regional Advertising Cooperative.

A Regional Advertising Cooperative may spend its funds for all of the following purposes: (i) development of advertising ideas and concepts; (ii) development of market research and merchandising programs; (iii) preparation of advertising campaigns; (iv) development of promotional ideas and strategies; (v) preparation of collateral creative materials; (vi) preparation of advertisements; (vii) placing and paying for regional marketing and advertising; (viii) planning, negotiating, contracting and trafficking all media programs; (viii) employing advertising agencies to assist in these activities and securing other technical and professional advice in connection with the above; (x) other public relations; and, (xi) administration of the Regional Advertising Cooperative, including legal and accounting services. It is not a requirement that expenditures made by a Regional Advertising Cooperative be proportionate to your contributions or those of any other franchisee.

Your failure to make any required payments to any Regional Advertising Cooperative is a breach of this Agreement that, unless cured as provided in Section 17.03, may result in this Agreement being terminated.

11. RECORDS, AUDITS, REPORTING REQUIREMENTS AND PRIVACY

11.01 Financial Statements

A. No later than 30 days following the end of each calendar quarter during the Term of this Agreement, you agree to furnish to us, in a form we require, a statement of the Restaurant's profit and loss for the quarter and a balance sheet as of the end of the quarter. You must certify these statements to be true and correct.

B. No later than 90 days following the end of each of your fiscal years during the Term of this Agreement, you agree to furnish to us, in a form we approve, a statement of the Restaurant's profit and loss for the fiscal year and a balance sheet as of the end of the fiscal year, prepared on a compilation basis and certified to be true and correct by you. We reserve the right to require these annual financial statements to be audited by an independent certified public accountant.

C. The financial statements required above must be prepared in a form that we require.

D. No later than 30 days following your filing of the annual tax returns of the Restaurant, you agree to furnish to us exact copies of the tax returns, including federal, state and any local income tax returns, together with a certificate from an independent certified public accountant that all Social Security payments, taxes and fees required to be paid by you to any governmental agency or entity have been paid, and that if you are a business entity, there is no reason to believe that your business entity's status has been impaired.

E. If you do not timely furnish to us any of the financial statements or tax returns required above in this Article then you agree to pay us a late charge of \$50 per month that each financial statement or tax return is overdue. We may also elect to terminate this Agreement on giving you notice and an opportunity to cure your default.

F. You authorize us to incorporate in our franchise disclosure document and/or promotional literature information derived from the above financial statements, provided that you or your Restaurant are not individually identified.

G. You agree to complete weekly inventories and cost accounting as required in our Manuals and submit this information to us. We will own this information and, accordingly, have the right to share this information in any manner we deem fit.

11.02 Financial Records and Audit

A. You agree to record all Gross Revenues received by and all expenditures made by you or your Restaurant. You agree to keep and maintain adequate records of all Gross Revenues and expenditures and to maintain accurate books, records and tax returns, including related supporting material (such as cash receipts, and credit and charge records) for your Restaurant. We may specify, in our Manuals or otherwise, the forms and media that you must use in recording your Restaurant's Gross Revenues and expenditures. You agree to keep and preserve for 7 years (or such longer period as may be required by any law, rule or regulation) the types and classes of electronic and/or other books, records and tax returns that we specify in our Manuals or otherwise, along with all business, personnel, financial and operating records, in any media, relating to your Restaurant. If you do not maintain the required records, this is an incurable breach of this Agreement that, unless we waive the breach, entitles us to terminate this Agreement immediately on notice to you, with no opportunity to cure.

B. We and/or our agents (who may be outside accountants and auditors), designees and/or employees have the right, at any time, with or without written notice, during normal business hours, to enter your Restaurant and any other offices at which its activities are administered, in a fashion calculated not to disrupt the operations of your Restaurant, to inspect, audit and make copies of all records including, but not limited to, the following: books of accounts; bank statements; cash or other receipts; checkbooks; documents; records; sales and income tax returns (federal, state, foreign and, if applicable, city); and, your files relating to programs, services and products sold, business transacted and expenditures relating to the Restaurant. These files must include (without limitation) your operating records; bookkeeping and accounting records; operating records; operating reports; correspondence; general business records; your copy of the Manuals (as amended); invoices; payroll records; journals; ledgers; files; memoranda and other correspondence; contracts; and, all sources and supporting records used to prepare the reports and forms that you must submit to us under this Agreement, including the books or records of any business entity that owns the Restaurant. You agree to make all of these materials available for examination at your offices. Alternatively, we may determine to conduct any audit either at our offices or at the office of a designee of ours and, if we do, you must transmit some or all of the foregoing books and records to us or our designee. In addition to the foregoing, we may require you to scan and electronically transmit to us the volume of the above-referenced records, files and documents as will not unreasonably burden the licensed business.

C. If an audit reveals that you understated the Gross Revenues on your weekly reports to us by any amount for any month within the period of examination, or for the entire period of examination, when compared to your actual Gross Revenues, then you agree to immediately pay us the additional amount payable as shown by the audit, plus interest calculated as provided in subsection 5.07D. If an audit reveals that you understated the Gross Revenues on your weekly reports to us by 2% or more for any month within the period of examination, or for the entire period of examination, then in addition to paying the additional amounts due and interest calculated as provided in subsection 5.07(D), you agree to immediately pay us the full cost of the audit for the entire period of examination. If an audit reveals an understatement by you of 8% or more for any month within the period of examination, or for the entire period of examination, then in addition to paying the additional amounts due, interest calculated as provided in subsection 5.07(D) and the full cost of the audit for the entire period of examination, your understatement is a material and incurable breach of this Agreement that, unless we waive the breach, entitles us to terminate this Agreement immediately on notice to you, with no opportunity to cure.

12. CONFIDENTIAL INFORMATION AND COVENANTS NOT TO COMPETE

12.01 Restriction on Use of Confidential Information

You agree to use and permit the use of our Confidential Information (as defined below) solely in connection with the operation of your Restaurant. You agree that you will never – during the Initial Term or any Renewal Term of this Agreement, or any time after this or any Renewal Agreement expires or terminates, or your rights under this Agreement or any Renewal Agreement are assigned or terminated – divulge or use

any of our Confidential Information for the benefit of yourself, your owners (if you are a business entity) any third party (including any person, business entity or enterprise of any type or nature), nor will you directly or indirectly aid any such third party to imitate, duplicate or “reverse engineer” any of our Confidential Information.

“Confidential Information” means all information, knowledge, trade secrets or know-how used or embraced by the System or that otherwise concerns your or our systems of operation, programs, services, products, customers, practices, materials, books, records, Manuals, computer files, databases or software. Confidential Information includes (without limitation): all elements of the System and all programs, products, services, equipment, technologies, recipes, food and beverage preparation techniques, policies, standards, requirements, criteria and procedures that now or in the future are a part of the System; our Manuals (including Supplements to the Manuals); all specifications, procedures, systems, techniques and activities employed by us or by you in the offer and sale of programs, products and/or services at or from your Restaurant; all pricing paradigms established by us or by you; all of our and/or your sources (or prospective sources) of supply and all information pertaining to same (including the contents of sourcing agreements and the identity of suppliers); our specifications, and your final plans, for the construction, buildout, design, renovation, décor, equipment, signage, furniture, fixtures and trade dress elements of your Restaurant; the identify of, and all information relating to, the computer and point of sale hardware and software used by us and you; all information pertaining to our and/your advertising, marketing, promotion and merchandising campaigns, activities, materials, specifications and procedures; all customer lists and records generated and/or otherwise maintained by your Restaurant; our (and, if in the future we permit, your) internet/web protocols, procedures and content; our training and other instructional programs and materials; all elements of our recommended staffing, staff training and staff certification policies and procedures; all communications between us (including the financial and other reports you must submit to us under this Agreement); additions to, deletions from and modifications and variations of the components of the System and the other systems and methods of operations that we employ now or in the future; and, all other information, knowledge and know-how that either we or our affiliates, now or in the future, designate as confidential.

Confidential Information will not, however, include information that you can demonstrate came to your attention before we disclosed it to you (unless illegally or improperly procured by you before our disclosure) or that, at or after the time of disclosure, has become a part of the public domain through publication or communication by others, but not through any act of yours.

Except as authorized in this Agreement, you agree never to copy, duplicate, record or otherwise reproduce any of the Confidential Information, in whole or in part; otherwise share it with any other third-party individual or business entity; store it in a computer or other electronic format; or, otherwise make it available to any third party by any other means whatsoever. On the expiration or termination of this Agreement, you agree to return to us such Confidential Information as we request (including customer lists and records; all training materials and other instructional content; financial and non-financial books and records; the Manuals; and, computer databases, software and Manuals) that is then in your possession or, on our request, destroy all or certain such Confidential Information and certify such destruction to us. It is specifically understood that all customer lists or information adduced by your Restaurant is our property, not yours, and you will never contend otherwise.

You must only divulge such Confidential Information to your operational personnel as is necessary for each to perform his/her functions and then only on a “need to know” basis. You agree to take all necessary precautions to ensure that these individuals maintain the Confidential Information in confidence and comply with the confidentiality provisions of this Agreement. Your agreement to procure signing of a form of Confidential Information Protection Agreement that we have approved from certain of your owners, management and staff is stated below in Section 12.05.

12.02 Covenant Not to Compete

You agree that during the Initial Term and any Renewal Term of this Agreement, you will not directly or indirectly own, manage, operate, engage in, aid, consult with, participate in, work for, lease property to or loan money to, any business or facility owning, operating or managing or granting franchises or licenses to others to own, operate or manage, any bar or restaurant that: 1) serves alcohol, 2) offers hamburgers, sandwiches or salads; and 3) either (i) has Louisiana theme or specialty offerings or (ii) has televisions, monitors and/or other displays for customer entertainment (a “Competitive Business”). “Competitive Business” does not include a Restaurant operated under a Franchise Agreement with us.

You agree that for 2 years following the expiration, transfer or termination of this Agreement (regardless of the reason) (the “Restrictive Period”), and within your Territory, within 10 miles of the perimeter of your Territory, and within 10 miles of any other franchise or company-owned Restaurant then operating or under development, you will not directly or indirectly own, manage, operate, engage in, aid, consult with, participate in, work for, lease property to or loan money to, any business or facility owning, operating or managing or granting franchises or licenses to others to own, operate or manage, any Competitive Business. If you violate the terms of this covenant not to compete during the Restrictive Period and provided we take legal action to enforce the covenant not to compete during the Restrictive Period, then the Restrictive Period will be extended by the amount of time you were not in compliance with the covenant not to compete.

You agree during the Initial Term, any Renewal Term, and the Restrictive Period, not to divert any business that should be handled by the Restaurant to any other person or business entity. It is the intention of these provisions to preclude not only direct competition but also all forms of indirect competition, such as consultation for Competitive Businesses, service as an independent contractor for Competitive Businesses, or any assistance or transmission of information of any kind that would be of any material assistance to a Competitive Businesses. Nothing in this Agreement will prevent you from owning for investment purposes only up to an aggregate of five percent (5%) of the capital stock of any Competitive Business you do not control, so long as the Competitive Business is a publicly held corporation whose stock is listed and traded on a national or regional stock exchange.

During the Initial Term, any Renewal Term, and the Restrictive Period, you agree not to sell, assign, lease, sublease or otherwise grant possession of your Restaurant or your Restaurant Location to any individual or business entity that intends to use same to conduct a Competitive Business (and it must be your affirmative duty in connection with any such sale, assignment or other disposition of your Restaurant or Restaurant Location to secure a written memorialization from the purchaser, assignee, lessee, sublessee or permittee that it has no intent to conduct a Competitive Business, as herein defined, following the subject transaction).

It is the intention of these provisions that any person or business entity within a legal or beneficial interest in or traceable to, down or through you be bound by the provisions of this covenant, including (without limitation) your spouse, brother, brother-in-law, sister, sister-in-law, parents, parents-in-law, child, son-in-law or daughter-in-law; any direct or indirect beneficiary of yours; and, any other related person or business entity, regardless of how many levels or tiers there may be between you and the person or business entity.

If you are a business entity, you agree to cause your (as applicable) owners, members, shareholders, directors, officers, partners, general partners, proprietors and/or other beneficial owners to refrain from any of the competitive activities described above in any manner we reasonably request.

12.03 Lesser Included Covenants Enforceable At Law

If all or any portion of the covenants not to compete stated in this Article are held unreasonable, void, vague or illegal by any court or agency with competent jurisdiction over the parties and subject matter, the court or agency is empowered to revise and/or construe the covenants to fall within permissible legal limits, and should not by necessity invalidate the entire covenants, it being the express intention of the parties that the covenants stated in this Article be enforced to the maximum extent permitted. You agree to be bound by

any lesser covenants subsumed within the terms of this Article as if the resulting covenants were separately stated in and made a part of this Agreement.

12.04 Enforcement of Covenants Not To Compete

You acknowledge that any violation of the covenants not to compete contained in this Agreement would result in immediate and irreparable injury to us for which no adequate remedy at law will be available. Accordingly, you consent to the entry of an injunction prohibiting any conduct by you in violation of the terms of the covenants not to compete stated in this Agreement. You agree that any violation of the covenants not to compete will conclusively be deemed to have been accomplished by and through your unlawful use of our Confidential Information, know-how, methods and procedures. You agree that any claims you may have against us, whether or not arising from this Agreement, will not constitute a defense to our enforcement of the covenants not to compete in this Agreement. You agree to pay all expenses, including reasonable attorneys' and experts' fees that we incur in connection with the enforcement of the covenants not to compete stated in this Agreement.

12.05 Procurement of Additional Covenants

You agree to require and obtain the signing of a Confidential Information Protection Agreement in a form that we approve from all of the following persons:

- A. Before employment or any promotion, your General Manager, Restaurant Manager, Executive Kitchen Manager and all other managerial personnel; and,
- B. If you are a business entity, and as applicable, all of your owners, equity holders, control persons, shareholders, members, partners and general partner(s); all of your officers, directors and managers; and all persons possessing equivalent positions in any business entity that directly or indirectly owns and/or controls you. You must procure all such Confidential Information Protection Agreements no later than 10 days following the Effective Date (or, if any individual or business entity attains any status identified above after the Effective Date, within 10 days following such individual or business entity's attaining such status) and must furnish to us copies of all signed Confidential Information Protection Agreements within 10 days following their signing.

12.06 Your and Our Enforcement of Confidential Information Protection Agreements

You agree to vigorously and vigilantly prosecute to the fullest extent permitted by law breaches of any Confidential Information Protection Agreement signed by any of the individuals referenced in Section 12.05, and you acknowledge our right, to be exercised as we alone determine, to ourselves and enforce the terms of any such signed Confidential Information Protection Agreement. If the substantive provisions of the approved form of Confidential Information Protection Agreement have been breached by an individual employed, engaged or otherwise serving your Restaurant who has not signed a Confidential Information Protection Agreement, you must nevertheless vigorously and vigilantly prosecute such conduct to the fullest extent permitted by law.

13. CONDITIONS TO AND PROCEDURES GOVERNING RENEWAL

13.01 Conditions to Renewal

Your right to enter into a Renewal Franchise Agreement is conditioned on the following:

- A. You must notify us in writing no more than nine (9) months and no less than six (6) months before the expiration of the Initial Term of this Agreement of your intent to enter into a Renewal Franchise Agreement;
- B. Throughout the Initial Term and at the time of renewal you must have performed all of your obligations and been in compliance with the terms of this Agreement, the Manuals and other agreements between you and us or our affiliates;

- C. At the time of renewal you must be current on the payment of all monetary obligations under your Restaurant, to us, our affiliates, the lessor or sublessor of your Restaurant Location and any material third party supplier of yours;
- D. Before the beginning of the applicable Renewal Term, you must refurbish, redesign and/or remodel your Restaurant as we reasonably require to meet our then current standards (in an amount that, for your first Renewal Term, will not exceed \$250,000 and for any subsequent Renewal Term, will not exceed \$200,000);
- E. You, your General Manager, Restaurant Manager, and Executive Kitchen Manager, and any other management and staff we designate, must attend and successfully complete any training that we reasonably require, at your expense;
- F. You must pay us a renewal fee of 25% of our then-current Initial Franchise Fee for similarly situated franchisees, but the renewal fee for the first Renewal Term will be no greater than the Initial Franchise Fee that you paid under this Agreement;
- G. You must be able to renew the Lease for your Restaurant Location on terms acceptable both to you and us, or lease a substitute location acceptable to and approved by us, without any interruption of business in compliance with the terms of Section 6.02; and,
- H. You must have signed a General Release in the form of Exhibit G to our franchise disclosure document. This General Release will not release us from any future claims related to any Renewal Franchise Agreement but will release us from all claims you may have related to this Agreement.

If you have satisfied these conditions, then we will provide you with a Renewal Franchise Agreement in the manner specified in the following section.

13.02 Renewal Procedures

You must exercise your renewal right under this Agreement in the following manner:

- A. You must notify us in writing no more than nine (9) months and no less than six (6) months before the expiration of the Initial Term of this Agreement of your desire to enter into a Renewal Franchise Agreement.
- B. Within 30 days after our receipt of your notice, we will deliver to you a copy of our then-current franchise disclosure document (if we are then legally required to do so) and a copy of your Renewal Franchise Agreement in a form ready to be signed by you (together, the “Renewal Package”). You must acknowledge receipt of the Renewal Package in any fashion that we reasonably specify.
- C. No sooner than 15 days, but no later than 25 days, after you receive our Renewal Package, you must sign the Renewal Franchise Agreement and return it to us.
- D. If you have exercised your renewal right as described above and have complied with all of the procedures stated herein, and on the date of expiration of the Initial Term you satisfy all of the conditions to renewal identified in Section 13.01 of this Agreement, then we will signed the Renewal Franchise Agreement previously signed by you and will, deliver one (1) fully signed copy of your Renewal Franchise Agreement to you.
- E. If you do not perform any of the acts or deliver any of the writing required herein in a timely fashion, this will be considered your conclusive election not to exercise your right to enter into a Renewal Franchise Agreement and this right will then automatically lapse and expire without further notice or action by us. If this occurs, this Agreement will terminate at the end of the Initial Term, except for the post-termination and post-expiration provisions of this Agreement that by their nature will survive.

13.03 Notice of Expiration

If applicable law requires us to give you notice of expiration of this Agreement at a specified time before such expiration, and we have not done so, then the term of this Agreement will be extended to the date following which our notice has been given and the legally required notice period has expired.

14. ASSIGNMENT

14.01 Assignment By Us

We have the right to assign all of our rights and privileges under this Agreement to any person or business entity. If we assign this Agreement, you agree that immediately on and following such assignment, we will no longer have any obligation, directly, indirectly or contingently, to perform or fulfill the duties or obligations imposed on “Franchisor” hereunder. Instead, all such duties and obligations will be performed solely by our assignee, and you will never assert, contend or complain otherwise.

You agree and affirm that we may undertake a refinancing, recapitalization, securitization, leveraged buyout or other economic or financial restructuring. You waive all claims, demands or damages arising from or related to such activities.

You also agree that we may purchase, merge, acquire, be acquired by or affiliate with an existing competitive or non-competitive franchise or non-franchise network, chain or any other business regardless of the location of that other business’ facilities, and that following such activity we may operate, franchise or license those other businesses and/or facilities, regardless of their location, under any names or marks, excluding the Proprietary Marks within the Territory and including the Proprietary Marks outside of the Territory.

14.02 Assignment By You – General

You understand and acknowledge that we have entered into this Agreement in reliance on and in consideration of your singular personal skills and qualifications (or, if you are a business entity, the personal skill and qualifications of your owners and managers), and the trust and confidence that we repose in you (or your owners and managers, if you are a business entity), and that this Agreement and the franchise conveyed hereunder are therefore personal to you and are your personal obligation. Accordingly, except as provided below, neither all nor any part of your interest in this Agreement; the franchise conveyed ; your rights, privileges or obligations under this Agreement; your Restaurant; the ownership of your Restaurant; your Lease or the real estate your Restaurant is located (including any transaction under which you sell the real estate or Lease for your Restaurant, which is then leased back to you by the purchaser); or, your rights to use the System, Proprietary Marks, Confidential Information and/or Manuals may in whole or in part be assigned, sold, transferred, pledged, encumbered, shared, sublicensed or divided, voluntarily or involuntarily, directly or indirectly, by operation of law or otherwise, in any fashion without first obtaining our written consent in accordance with this Article (which consent must not be unreasonably withheld) and without first complying with our right of first refusal under Section 14.06 below.

Any actual or attempted assignment, transfer or sale of this Agreement, the franchise conveyed hereunder, your Restaurant, any ownership interest in you (if you are a business entity), any of the other interests, rights or privileges identified in the preceding paragraph, or any interest in any of these, in violation of the terms of this Article, will be null, void and of no effect, and will be a material and incurable breach of this Agreement that, unless we waive to the breach, will entitle us to terminate this Agreement immediately on notice to you, with no opportunity to cure.

If you are a business entity, then for the purposes of this Agreement, “assignment” includes (without limitation) the transfer, issuance or redemption in the aggregate of more than 25% of the voting power or (as applicable) the capital stock, partnership interest, membership interest or any other species of ownership interest in you (or any lesser percentage sufficient to control your business entity or the Restaurant, as the term “control” is most broadly defined by any United States or state securities and/or corporate and/or

partnership law) to any person or business entity who is not (i) already a (as applicable) shareholder, member, partner or other category of owner of your Restaurant; (ii) the spouse of such individual; (iii) a trust controlled by such individual; or, (iv) a business entity owned, controlled and composed solely of such individuals in the same proportionate ownership interest as each such individual had in you before the assignment, as provided below. You agree to immediately report to us all such transfers or assignments of ownership in your business entity, even if less than 25%, in accordance with the procedure stated in our Manuals or otherwise.

14.03 Assignment By You – To A Business Entity You Form

If you are an individual and would like to transfer your interest in this Agreement to a business entity you form solely for the convenience of business entity ownership, you must obtain our prior written consent. We will not unreasonably withhold consent if all of the following conditions are met:

- A. The business entity must be newly organized and duly formed, and its activities must be confined exclusively to serving as “Franchisee” under this Agreement (unless we otherwise consent in writing).
- B. You must be the sole owner of all ownership interests in the business entity and its principal officer or manager (as applicable) (or the sole owner of 75% or more of all ownership interests in the business entity, with the remaining owners being your spouse and/or adult children).
- C. If more than 2 individuals serve as “Franchisee” hereunder, each individual must have the same proportionate ownership interest in the business entity as he or she had in the Restaurant before the transfer.
- D. You and the business entity must sign an agreement with us under which you and the business entity agree to be jointly and severally liable for all duties, responsibilities and obligations to us under this Agreement and agree to be bound by all of the terms, conditions and covenants of this Agreement. Each then-current and future owner of any interest in the business entity must agree in writing to personally guarantee the performance by the business entity of your obligations under this Agreement, and to be individually bound by all of the terms of this Agreement and any other agreements between you and us, substantially in the form of Exhibit D to this Agreement.
- E. Each present and future owner of any interest in the business entity must sign a form of Confidential Information Protection Agreement that we have approved.
- F. The name of the business entity you form may not include the Proprietary Mark “Walk-On’s”, any variant thereof or any word confusingly similar thereto.
- G. The business entity must comply in all respects with the requirements and prohibitions stated in Section 8.17 of this Agreement (“Business Entity Requirements and Records”).

Any transfer under this Section will not be subject to our right of first refusal below and will not require you to pay to us any transfer fee.

14.04 Assignment By You – Sale To Third Party

If we do not elect to exercise our right of first refusal (as provided in Section 14.06 below), then we will not unreasonably withhold consent to your sale, transfer or assignment of any interest in you (if you are a business entity), the franchise conveyed by this Agreement, your Restaurant, your Lease and your right to use the System, or any interest in any of these, to a third party. You agree that it will not be unreasonable for us to impose, among other requirements, the following conditions to granting consent to your proposed sale, assignment or transfer of any of the foregoing:

- A. That the proposed assignee (meaning the individual and business entity that, after the proposed sale, transfer or assignment, will be a franchisee under this Agreement or under any successor agreement) applies to us for acceptance as a franchisee and demonstrates to our satisfaction that the proposed assignee (and, if it is a business entity, every owner and guarantor of the proposed assignee) possesses the skills, qualifications, financial condition, background and history, reputation, economic resources, education, managerial and business experience, moral character, credit rating and ability to assume the duties and obligations under this Agreement and/or any successor and related agreement. You must pay the costs of any such investigation conducted by us.
- B. That, on our request, the proposed assignee (or, if the proposed assignee is a business entity, every owner or guarantor of the proposed assignee) presents itself for a personal interview at our corporate office, or any other location we designate, at the date and time we reasonably request, without expense to us. We may determine to meet with the proposed assignee at his, her or its principal place of business or residence and, if we do, you will reimburse us for all travel, lodging, meal and personal expenses related to such meeting.
- C. That the proposed assignee has the organizational, managerial and financial structure and resources required to conduct the Restaurant properly, taking into account such factors (among others) as the number of Restaurants and market areas involved and their geographic proximity.
- D. That the proposed assignee complies with our ownership requirements relative to the control of the proposed assignee and the Restaurant.
- E. That the proposed assignee (and, if the proposed assignee is a business entity, every owner or guarantor of the proposed assignee) complies with our restrictions relative to involvement in a Competitive Business.
- F. That the proposed assignee has the financial resources and capital necessary to operate the Restaurant in accordance with such standards and the satisfaction of such conditions as we indicate from time to time.
- G. That the proposed assignee; his, her or its proposed General Manager, Restaurant Manager, and Executive Kitchen Manager; and, such other post-transaction employees of the Restaurant attend and successfully complete our Initial Training Program before the assignment, and any other training that we reasonably require, at the assignee's expense (which will include our then-current training fee and the cost of the trainees' transportation, lodging, food and other living expenses). Each individual undergoing such training must first sign a form of Confidential Information Protection Agreement that we have approved. We may waive these requirements if the proposed assignee is one of our existing franchisees in good standing.
- H. That, if required, the lessor or sublessor of your Restaurant Location consents in writing to the assignment to the proposed assignee, and if applicable in connection with a lease back transaction, agree to enter into our Required Lease Rider.
- I. That, as of the date of the assignment, you have cured any existing defaults under this Agreement or any other agreement or arrangement with us or our affiliates, and have fully satisfied in all respects all of your accrued and/or then-current monetary and other obligations to us and our affiliates (under this Agreement or otherwise), all sources of financing of your Restaurant and all material sources of supply of your Restaurant.
- J. That the assignee signs a new franchise agreement with us, and all other agreements required of new franchisees, in the form and on the terms we then offer to new franchisees, which terms may vary significantly from this Agreement. The assignee will not be obligated to pay another Initial Franchise Fee under the new Agreement but will be required to pay our then-current fees

- for furnishing our Initial Training Program and any other services we must furnish under the new Agreement. The term of the new franchise agreement will be the balance of the Term of this Agreement. The signing of the new franchise agreement will terminate this Agreement, except for your guarantees; any of your obligations to us or our affiliates that remain outstanding and/or unsatisfied; and the post-termination and post-expiration provisions of this Agreement that, by their nature, will survive.
- K. That the assignee has acquired or will be able to immediately acquire following the signing of the new franchise agreement, all permits, licenses and other authorizations required by any federal, state or local, rule or regulation to operate the Restaurant. If applicable law enables you to transfer or assign any of the aforementioned permits, licenses and/or authorizations that you possess to the assignee, then you agree to do so immediately following our signing of the assignee's new franchise agreement.
 - L. Notwithstanding the foregoing, you agree that you will remain fully liable and responsible for all of your obligations to us and our affiliates under this Agreement that arose in connection with your Restaurant before the effective date of your assignee's new franchise agreement (specifically including your obligation to indemnify us and the other Franchisor Parties identified in Section 8.10) and you agree to sign all documents we reasonably request to further evidence this liability.
 - M. That, if the proposed assignee is a business entity, we have the absolute right to require any owners or other parties having an interest in the proposed assignee or the Restaurant Location to signed the Guarantee substantially in the form of Exhibit D.
 - N. That the Total Sales Price of your sale, assignment or transfer is not so excessive, in our sole determination, that it jeopardizes the continued economic viability and future operations of the Restaurant and/or the assignee. "Total Sales Price" means all consideration of every kind paid or payable to you or any other person in connection with, arising out of or relating to the assignment, whether money, property or other thing or service of value including consideration received for all or part of your Restaurant; your rights under this Agreement; contracts; goodwill; restrictive covenants; consulting arrangements; your furniture, fixtures, equipment and trade dress elements; accounts receivable; any consulting salary; or, any other fees or arrangements or other form of consideration, whether the consideration is received in the present or promised to be given to the assignor or any other person in the future (including the highest possible value of any contingent future consideration).
 - O. That you and, if you are a business entity, each of your owners and guarantors, and the assignee (and if the assignee is a business entity, each of each owners and guarantors) sign a general release, substantially in the form of Exhibit G to our franchise disclosure document, of all claims, demands and causes of action that you, such owners or the assignee and its owners may or might have against us and/or any of the Franchisor Parties through the date of signing of the assignee's new franchise agreement.
 - P. That if the assignee is a business entity, all of the requirements of its new franchise agreement concerning business entities must be complied with before we will sign the new franchise agreement and, as applicable, will continue to be complied with thereafter.
 - Q. That you furnish us with a copy of any proposed contract of assignment (and any related agreements) and, promptly following signing, furnish to us a copy of the signed contract of assignment (and any related agreements).

- R. That on our request, either you and/or the proposed assignee, at your/its own expense, modify your Restaurant to conform to our then-current specifications for Restaurant in the United States and complete such modifications, at our election, either before the contemplated assignment or at a later time we reasonably require.
- S. That we must be paid a transfer fee of 50% of the then-current Initial Franchise Fee imposed on similarly situated franchisees.
- T. That neither the proposed assignee nor any of its owners or affiliates directly or indirectly owns, operates or has any interest in, or has a material business relationship with, a Competitive Business.

You agree that your obligation to indemnify and hold harmless us and the other Franchisor Parties under Section 8.10 of this Agreement extends to and embraces liabilities arising from or relating to, directly or indirectly, any statements, representations or warranties that you may give to or receive from any proposed assignee and/or any claim that you (and, if you are a business entity, your owners, General Manager, Restaurant Manager, Executive Kitchen Manager, management or employees) or your assignee engaged in fraud, deceit, violation of franchise laws or other illegality in connection with the negotiation or consummation of the assignment. As with all other indemnification obligations stated in this Agreement, this specific indemnification obligation will survive the termination or expiration of this Agreement.

You agree that our approval of any assignment transaction will not constitute our waiver of any claims against you by us or our affiliates, under this Agreement or otherwise.

The provisions of Section 14.02 through Section 14.04 inclusive pertain to any lease, management agreement or other agreement that would have the effect of transferring any material asset or control of all or any part of the operations of your Restaurant to any third party. Any such agreement must first be approved by us in writing. We will not unreasonably withhold our approval, but our approval may be denied if such agreement is on terms materially different from those that would result from arms-length negotiations or if we determine that the fees payable under this agreement are excessive. Any such agreement and any party thereto who, as a result of the agreement, may directly or indirectly be involved in the ownership of the assets or operations of the Restaurant must meet such standards and conditions as we have put in place at the time you request our consent.

14.05 Assignment By You – Transfer on Death or Disability

If you are a business entity, then on the death or disability of one (1) or more of your owners (but not the last surviving owner of your business entity, which is addressed in the following paragraph), then the estate, heirs, legatees, guardians or representatives of such owner may freely sell, assign or transfer the deceased's or disabled's interest in this Agreement and/or its interest in the Restaurant to any of the following: (i) the spouse of such individual; (ii) any individual or entity which, at the time of the subject death or disability, is already a (as applicable) shareholder, member, partner or other category of owner of you; or, (iii) you. Any other sale, transfer or assignment of the deceased's or disabled's interest in you or your Restaurant must be subject to all of the provisions of Section 14.04 of this Agreement. You agree to immediately report to us all such transfers or assignments of ownership in your business entity in accordance with the procedure stated in our Manuals or otherwise.

On your death or disability (if you are an individual), or the death or disability of your last surviving owner (if you are a business entity), that person's rights will pass to his or her estate, heirs, legatees, guardians or representatives, as appropriate (collectively, the "Estate"). The Estate will have a reasonable period of time (not to exceed six (6) months) following the death or disability to sell (as applicable) you or the Restaurant in accordance with the provisions of Section 14.04 and subject to our right of first refusal under Section 14.06. Until such sale, transfer or assignment is consummated, the Estate may continue the operation of your Restaurant but only if, at all times, one (1) or more approved General Managers, Restaurant Managers

and Executive Kitchen Managers, as necessary, of your Restaurant is at all times supervising the operation of your Restaurant and, further, only if all other terms and provisions of this Agreement are complied with. Failure to comply with one (1) of the above alternatives is a breach of this Agreement which, unless cured by the Estate, will result in this Agreement being terminated immediately on notice.

If at any time following your death or disability (if you are an individual), or the death or disability of your last surviving owner (if you are a business entity), the Estate fails to have one (1) or more approved General Manager, Restaurant Manager, or Executive Kitchen Manager, as necessary, supervising the operation of your Restaurant on a full time basis, then until the Estate retains one (1) or more approved General Manager, Restaurant Manager, or Executive Kitchen Manager, as necessary, we may assume full control of and operate your Restaurant, but have no obligation to do so. If we do so, then during this period, we will deduct our expenses for travel, lodging, meals and all other expenses and fees from your Restaurant Gross Revenues and also pay ourselves a management fee equal to the greater of: (i) 2 times the salary paid to the individual(s) assigned by us to operate the Restaurant, or (ii) ten percent (10%) of the Restaurant weekly Gross Revenues. This management fee is in addition to the Continuing Royalties due us under this Agreement. We will then remit any remaining funds to the Estate. The Estate and any Guarantor of this Agreement must pay us any deficiency in sums due to us under this Agreement within 10 days of our notifying the Estate and such Guarantor of the deficiency. We will not be obligated to operate your Restaurant. If we do so, we will not be responsible for any operational losses of the Restaurant, nor will we be obligated to continue operating the Restaurant.

“Disability” means any physical, emotional or mental injury, illness or incapacity that prevents or will prevent a person from performing the obligations stated in this Agreement for at least 90 consecutive days. Disability will be determined either after this 90-day period or, if we elect, at an earlier time following an examination of the person by a licensed practicing physician selected and paid for by us. If the person refuses to submit to an examination, then the person will automatically be considered permanently disabled as of the date of the refusal.

14.06 Right of First Refusal

Your rights to assign, transfer, redeem or sell any interest in this Agreement or the Restaurant, voluntarily or by operation of law (as provided above), are subject to our right of first refusal (except in those instances specified above where there is no such right of first refusal), which right of first refusal we may freely assign to any individual or business entity. We will exercise our right of first refusal in the following manner.

A. You must deliver to us a true and complete copy of the proposed assignee’s offer (the “notice”) including all its material terms and furnish to us any additional information concerning the proposed transaction and the proposed assignee that we reasonably request. Your submission of this information must be accompanied by the seller’s representation and warranty that all of the information submitted to us is true, accurate, complete and correct in all respects and, if the seller is a business entity, you must also furnish us with an appropriate resolution of the business entity’s governing body authorizing the proposed sale.

B. We will have 60 days following our receipt of the notice (or, if we request additional information, 60 days following our receipt of the additional information) to conduct due diligence into the transaction. Our due diligence will be of the type, nature and scope customary for transactions similar to the proposed transaction at issue and, in connection with our due diligence, you agree to make available to us immediately on demand all information, data, books, or written or electronic records that we reasonably request and, as well, must make available to us for inquiry each owner and Guarantor of your Restaurant, the General Manager, Restaurant Manager, and Executive Kitchen Manager and any other personnel we specify. As well, all of the requirements of your proposed assignee specified above in Section 14.04 of this Agreement must be complied with.

C. Within 60 days after our receipt of your notice (or, if we request additional information, within 60 days after receipt of the additional information), we may either consent or withhold our consent to the assignment or redemption, in accordance with this Article, or at our option accept the assignment to ourselves or to our designee, on the terms specified in your notice. If we or our designee accept the assignment, we will be entitled to all of the customary representations and warranties given by the seller of assets of a business, including (without limitation) representations and warranties as to ownership, condition of and title to assets, liens and encumbrances on the assets, validity of contracts and agreements, and your contingent and other liabilities affecting the assets. Any dispute regarding the value of all or any part of the assets or rights proposed to be assigned and/or the consideration proposed to be paid or payable to you or any third party in connection with the proposed assignment will be determined by a reputable independent appraiser we select, and you and we equally share the expense of, whose determination will be final and binding on us. You agree that nothing in the offer that is the subject of your notice to us may contain any provision or condition the effect of which would be to increase the cost to us, or otherwise change the economic or other material terms imposed on us, as a result of our substitution for the offeror, or as a consequence of compliance with the procedures stated herein regarding our right of first refusal.

D. If you are a business entity and a partial transfer is proposed through the assignment or redemption of more than 25% of your business entity's ownership interests other than to any of your business entity's co-owners, then we or our designee will have the option to purchase not only the interests being transferred but also all remaining interests, so that our resulting ownership will be 100% of your business entity. The price of these remaining interests will be proportionate to the price of the interests initially offered.

E. Our credit will be considered at least equal to the credit of any proposed purchaser. We may substitute cash for the fair market value of any other form of payment proposed in the offer.

F. If we give notice of our exercise of our right of first refusal, closing on our purchase must occur within the later of: (i) 60 days following your receipt of our notice to you; (ii) the closing period (if any) specified in the subject offer; or, (iii) such longer period as may be necessary to conduct the due diligence provided for above.

G. If we give notice of our exercise of our right of first refusal, you agree to take all action necessary to assign your Lease with the lessor of your Restaurant Location to us.

H. If we elect not to exercise our right of first refusal and we consent to the proposed assignment or redemption, then you will, subject to the provisions of this Article, be free to assign this Agreement or the Restaurant to your proposed assignee on the terms specified in the notice if you satisfy the conditions of Section 14.04 for our approval of an assignment and if you close the transaction within 60 days (or such further time as may be stipulated by law, rule or regulation). If, however, the terms specified in your notice are changed, the changed terms will be considered a new offer, and we will have an identical right of first refusal with respect to this new offer. If you fail to close the assignment transaction within 60 days (or such further period of time as may be stipulated by applicable law, rule or regulation), then our right of first refusal hereunder will be restored and we may elect to exercise same within 30 days thereafter.

I. Our election not to exercise our right of first refusal with respect to any offer will not affect our right of first refusal with respect to any later or modified offer. If we do not exercise our right of first refusal, this will not constitute approval of the proposed transferee, assignee, redemption or the transaction itself. You and any proposed assignee must comply with all the criteria and procedures for assignment specified in this Article.

14.07 Security Interest

Without our prior written consent (which will not be unreasonably withheld, delayed or denied), you may not pledge, encumber, mortgage, hypothecate or otherwise grant any third party a security interest in this Agreement, the Restaurant, any ownership interests in you (if you are a business entity), any ownership interests in any business entity which directly or indirectly controls you, your Lease or any of the tangible assets material to the operation of your Restaurant (including, without limitation, the premises of your Restaurant Location). We may also require your compliance with any policy statement that we adopt and announce regarding security interests in Restaurant. We reserve the right to review and approve the terms of any security agreement or other document granting a security interest in any of the assets or interests described in this Section, which approval must be in writing.

14.08 Your Offer and Sale of Securities

If you are a business entity and intend to offer and sell securities of any type or nature or other ownership interests in you, the Restaurant, any owner and/or any Guarantor, then you must give us written notice at least 60 days before beginning any such offering. Any such offering must be subject to our right of first refusal, as stated above in Section 14.06, and must comply with any written policies adopted and announced by us from time to time.

You must submit to us for our review and consent, at least 30 days before your filing them with any government agency, all materials required by federal and/or state law for any direct or indirect offer or sale of securities or other ownership interests. If your offering of securities or other ownership interests is exempt from federal and/or state filing requirements, then any materials you will use in any such exempt offering must be submitted to us for our review and consent at least 30 days before their use. Our review of your offering materials and information included therein will be conducted solely for our benefit and not for the benefit or protection of any other person. All of your offering materials and documents must include legends and statements as we may specify, including legends and statements that disclaim our liability for, or involvement in, your offer and sale of securities or other ownership interests, and must advise all offerees that our review of your offering materials must not be deemed in any fashion our approval, endorsement, acceptance or adoption of any representation, warranty, covenant or projection contained in those materials.

Your offer and sale of securities and other ownership interests is specifically embraced by your indemnification of us and the other Franchisor Parties identified in Section 8.10 of this Agreement. Any other participant in your offer of securities or other ownership interests must agree to fully indemnify us in a parallel fashion in that form that we require.

You must pay us a non-refundable fee of \$10,000 or such greater amount as may be necessary to reimburse us for our reasonable expenses in reviewing your proposed offering, including, without limitation, legal and accounting fees.

14.09 Bankruptcy

If you, your Restaurant or any owner of you and/or your Restaurant is the subject of any voluntary or involuntary proceeding under the U.S. Bankruptcy Code, as amended, and if this Agreement does not terminate as provided in Section 17.01 below, but, instead, is to be assumed by, or assigned to, a third party individual or business entity that has made a *bona fide* offer to accept an assignment of this Agreement as contemplated by the U.S. Bankruptcy Code, then you must notify us of any such proposed assignment or assumption within 5 days after your receipt of such proposed assignee's offer to accept assignment or to assume your rights and obligations under this Agreement. This notice must be given to us, in any event, no later than 10 days before the date application is made to a court of competent jurisdiction for authority and approval to enter into such assignment and assumption.

The notice required above must contain the following: (i) the name and address of the proposed assignee; (ii) all of the terms of the proposed assignment and assumption; and, (iii) adequate assurance to be provided to us to assure the proposed assignee's future performance under this Agreement, including (without limitation) the assurance referred to in Section 365 of the U.S. Bankruptcy Code and the satisfaction of the preconditions to assignment stated in Section 14.04 of this Agreement.

We will then have the prior right and option, to be exercised by notice given at any time before the effective date of the proposed assignment and assumption, to accept an assignment of this Agreement to ourselves, on the same terms, and for the same consideration (if any), as in the *bona fide* offer made by the proposed assignee, less any brokerage commissions or other expenses that may be saved by you as a result of our exercise of the rights and options granted to us herein. Under no circumstance will we be liable for the payment of any brokerage commissions or other expenses as a result of our exercise of our rights and options hereunder unless we otherwise agree in writing.

"Adequate assurance of future performance", as used above, means that we must have been furnished with specific evidence that any proposed assignee of this Agreement can and will comply with all operational and other performance requirements, and with all conditions, obligations, duties, covenants and requirements of a franchisee under: (i) this Agreement; (ii) the standard form franchise agreement then being offered to our franchisees; (iii) such other ancillary agreements as we may require; and (iv) any of our policies describing our franchisees' duties, obligations, conditions, covenants or performance requirements. You agree that adequate assurance of future performance will mean that any proposed assignee must meet our then current standards for assignments stated in Section 14.04 above.

14.10 No Waiver of our Rights

Our consent to any sale, transfer or assignment under this Article will not constitute a waiver of any claims we may have against you, your Restaurant, any of your owners and/or any Guarantor, nor will our consent be deemed a waiver of our right to require exact compliance with any of the terms of this Agreement by any assignee.

15. PROPRIETARY MARKS

15.01 Our Ownership of Proprietary Marks

You agree that the Proprietary Marks are our (or our affiliates') exclusive property. You assert and will in the future assert no claim to any goodwill, reputation or ownership of the Proprietary Marks by virtue of your licensed use of the Proprietary Marks, or for any other reason. You agree that you will not do or permit any act or thing to be done in derogation of any of our rights or the rights of our affiliates in connection with the Proprietary Marks, either during or after the Term of this Agreement. You agree not to apply for or obtain any trademark or service mark registration of any of the Proprietary Marks or any confusingly similar marks in your own name. You agree to use the Proprietary Marks only for the uses and in the manner licensed under this Agreement and as provided in this Agreement. If you are a business entity, then you agree that under no circumstance will you incorporate any of the Proprietary Marks, any portion thereof or any name or mark derivative of or similar to the Proprietary Marks, in your business entity's name. You may never use the Proprietary Marks in connection with any other business except for the Restaurant. You agree that you will not, during or after the Term of this Agreement, impair the goodwill associated with the Proprietary Marks or in any way dispute or impugn the validity of the Proprietary Marks, our rights (or those of our affiliates) to the Proprietary Marks, or the rights of us, our affiliates, other franchisees of ours or other third parties to whom we may have licensed the Proprietary Marks.

You acknowledge that our rights in the Proprietary Marks are not limited to the specific presentation or configuration of any of them, but rather extend to all combinations and displays of the words and/or design elements thereof and extend to all translations of them in any language. You agree that our rights in and to the Proprietary Marks are not limited to such rights as may be conferred by registrations thereof or by

applications for registrations but, instead, include extensive common law and other rights in the Proprietary Marks vested in us as a result of their use by us or our affiliates and other authorized parties.

15.02 Limitations on Your License to Use the Proprietary Marks

Nothing in this Agreement will give you any right, title or interest in or to any of our (or our affiliates') Proprietary Marks except as a mere privilege and license, during the Term of this Agreement, to display and use the Proprietary Marks according to the limitations stated in this Agreement, in our Manuals or in other written notices to you. You agree that your limited license to use the Proprietary Marks granted by this Agreement applies only to the Proprietary Marks shown on Exhibit B (if we do not subsequently designate them as being withdrawn from use), together with those that we may later designate in the Manuals or otherwise in writing. In all instances your use of the Proprietary Marks must comply with our directions, limitations, specifications and authorized required uses. You agree that you are bound not to represent in any manner that you have acquired, and you will not assert any claim to, any ownership, goodwill, reputation or equitable rights in any of our Proprietary Marks by virtue of the limited license granted under this Agreement, by virtue of your use of any of the Proprietary Marks or otherwise. All of your uses of the Proprietary Marks, whether as a trademark, service mark, trade name or trade style, will inure to our benefit. Following the expiration or termination of this Agreement, no monetary amount will be attributable to any goodwill associated with your use of the Proprietary Marks or operation of the Restaurant, including any "local goodwill", that, you agree, exclusively vests in us.

15.03 Use and Display of Proprietary Marks

A. You must not use, and must not permit or cause another to use, the Proprietary Marks except in the manner and to the extent specifically licensed to you under this Agreement. You agree that each use you make of any Proprietary Mark will accurately portray the Proprietary Mark and that the Proprietary Mark will not be used or portrayed in a manner that jeopardizes the goodwill associated with the Proprietary Mark or the System. You agree to use the Proprietary Marks in full compliance with rules we require from time to time in our Manuals or otherwise. You are prohibited (except as provided in this Agreement) from using any Proprietary Mark with any prefix, suffix, or other modifying words, terms, designs or symbols (other than logos licensed by us to you). You may not use any Proprietary Mark in connection with the sale of any unauthorized service, product or program or in any other manner not explicitly authorized in writing by us. You may use the Proprietary Marks only for the operation of the Restaurant or in permitted advertising for the Restaurant. Your right to use the Proprietary Marks is limited to the uses authorized under this Agreement. Any unauthorized use of the Proprietary Marks by you will constitute an infringement of our rights and a material and incurable breach of this Agreement that, unless we waive the breach, will entitle us to terminate this Agreement immediately on notice to you, with no opportunity to cure.

B. You may not use the Proprietary Marks in any way that will incur any obligation or indebtedness on our behalf. You agree to comply with this Agreement's and our Manual's instructions in filing and maintaining all requisite trade name or fictitious name registrations, and in executing any documents considered necessary by us or our counsel to obtain protection for the Proprietary Marks or to maintain their continued validity and enforceability.

C. You agree to affix our Proprietary Marks on the facilities of your Restaurant, including your Walk-On's point-of-sale materials, signs, stationary, advertising, sales, marketing and promotional materials and other objects in the size, color, lettering style and fashion and at the places that we designate in our Manuals or otherwise. You also agree to display the Proprietary Marks and relevant trademark and copyright notices under the requirements stated in the Manuals. No trademarks, logotypes, names, symbols or service marks other than the Proprietary Marks may be used by or in connection with your Restaurant in any fashion whatsoever except as we may provide in our Manuals or as we may approve in writing.

15.04 Required Means of Identification; Non-Use of Trade Name

You must operate and advertise your Restaurant under the assumed business name “Walk-On’s Sports Bistreaux,” without prefix or suffix. You agree, at your expense, to perform all filings and procure all required or necessary government approvals or registrations required to do business under that assumed business name; to comply with any instructions we give you regarding the filing or maintenance of any trade name or fictitious business name registrations; to sign any documents we or our counsel deem necessary to protect the Proprietary Marks to maintain their continued validity and enforceability; and, on request, to furnish to us copies of all such filings, approvals and registrations. You must never identify yourself as an agent of ours. You must conspicuously identify yourself and your Restaurant as an independently owned and operated franchised business in all dealings with your customers, contractors, suppliers, public officials and members of the public, and in all advertising, promotion and marketing related to your Restaurant. You agree to place this notice of independent ownership in your Restaurant and any other facilities of your Restaurant business and on printed materials, business cards, stationery, e-mails, marketing and advertising materials, signs and other written or electronic modes in the form, size and manner we specify in our Manuals or otherwise and in such fashion as we require from time to time.

If you are a business entity, you may not use our Proprietary Marks, any portion or segment of our Proprietary Marks or any confusingly similar words or symbols in your business entity’s name. In particular, you may not use the words “Walk-On’s” or any segment or variant thereof as part of your business entity’s name.

You must require all of your advertising, promotional materials, signs, decorations, paper goods (including disposable food containers, napkins, menus and all forms and stationery used by your Walk-Ons) and all other items we may designate, to feature and bear the Proprietary Marks in the form, color, location and manner we require. You may not produce your own menus or make copies of the menus that we provide to you for use in your Restaurant.

15.05 Our Defense of Proprietary Marks and Copyrights

If you receive notice, are informed of or learn of any claim, suit or demand against you on account of any alleged infringement, unfair competition, or similar matter relating to your use of the Proprietary Marks or any of our copyrights (each, a “claim”), you agree to promptly notify us. We will then promptly take any action we may consider necessary to protect and defend you against the claim and indemnify you against any loss, cost or expense incurred in connection with the claim, so long as the claim is based solely on any alleged infringement, unfair competition, or similar matter relating to your use of the Proprietary Marks or copyrights. You may not settle or compromise any claim of a third party without our prior written consent. We have the right to defend, compromise and settle the claim at our sole expense, using our own counsel. You agree to cooperate fully with us in connection with the defense of the claim and to sign all documents and do all things, as our counsel deems necessary, including (but not limited to) becoming a nominal party to any legal action. If you do so, then we will reimburse you for your out-of-pocket costs in doing such acts and things, but you will bear the salary costs of your employees and we will bear the costs of any judgment or settlement. You grant irrevocable authority to us, and appoint us as your attorney in fact, to defend and/or settle all claims of this type. You may participate at your own expense in the defense or settlement, but our decisions with regard to the defense or settlement will be final.

We have no obligation to defend or indemnify you under this Section if the claim arises out of or relates to your use of any of the Proprietary Marks and/or our copyrights in violation of the terms of this Agreement.

15.06 Prosecution of Infringers

If you receive notice or are informed or learn that any third party that you believe is not authorized to use the Proprietary Marks is using the Proprietary Marks or any variant of the Proprietary Marks, you agree to promptly notify us. We will then determine whether or not we wish to take any action against the third party on account of the alleged infringement of our Proprietary Marks. You have no right to make any demand

or to prosecute any infringement claim. If we undertake an action against an infringing party, you must sign all documents and do such acts and things as, in our counsel's opinion, are necessary including (but not limited to) becoming a nominal party to any legal action. Unless the litigation is the result of your improper use of the Proprietary Marks, we will reimburse you for your out-of-pocket costs in doing such acts and things, but you will bear the salary costs of your employees and we will bear the costs of any judgment or settlement.

15.07 Discontinuance or Substitution of Proprietary Marks

If now or hereafter any of the Proprietary Marks can no longer be used, or if we in our sole business judgment determine to adopt additional or substitute Proprietary Marks, then you agree to promptly comply with any of our directions or instructions to modify or discontinue use of any Proprietary Mark and/or adopt and use additional or substitute Proprietary Marks at your own expense. We have no obligation to reimburse you for any expenditure you make to comply with such instructions or directions. Nor will we be liable to you for any other expenses, losses or damages you or your Restaurant sustain as a result of any Proprietary Mark addition, modification, substitution or discontinuation. You waive any claim or any such expenses, losses or damages and covenant not to commence or join in any litigation or other proceeding against us or any of our affiliates for any of these expenses, losses or damages.

16. RELATIONSHIP OF THE PARTIES

16.01 Relationship of the Parties

You agree that you are and will be our independent contractor under this Agreement. Nothing in this Agreement may be construed to create a partnership, joint venture, joint employer, agency, employment or fiduciary relationship of any kind. None of your employees will be considered to be our employees. Neither you nor any of your employees whose compensation you pay may in any way, directly or indirectly, or by implication, be construed to be our employee for any purpose, most particularly with respect to any mandated or other insurance coverage, tax or contributions, or requirements pertaining to withholdings, levied or fixed by any city, state or federal governmental agency. We will not have the power to hire or fire your employees. You agree, and will never contend otherwise, that our authority under this Agreement to certify certain of your employees for qualification to perform certain functions for your Restaurant does not directly or indirectly vest in us the power to hire, fire or control any such employee.

You agree, and will never contend otherwise, that you alone will exercise day-to-day control over all operations, activities and elements of your Restaurant and that under no circumstance will we do so or be deemed to do so. You agree, and will never contend otherwise, that the various requirements, restrictions, prohibitions, specifications and procedures of the System that you must comply with under this Agreement, whether stated in our Manuals or otherwise, do not directly or indirectly constitute, suggest, infer or imply that we control any aspect or element of the day-to-day operations of your Restaurant, that you alone control, but only constitute standards you must adhere to when exercising your control of the day-to-day operations of your Restaurant.

You may not, without our prior written approval, have any power to obligate us for any expenses, liabilities or other obligations, other than as specifically provided in this Agreement. Except as provided in this Agreement, we may not control or have access to your funds or the expenditure of your funds or in any other way exercise dominion or control over your Restaurant. Except as otherwise authorized by this agreement, neither party will make any express or implied agreements, warranties, guarantees or representations or incur any debt in the name of or on behalf of the other party, or represent that the relationship between us and you is other than that of franchisor and franchisee. We do not assume any liability, and will not be considered liable, for any agreements, representations, or warranties made by you that are not authorized under this Agreement. We will not be obligated for any damages to any person or property that directly or indirectly arise from or relate to your operation of the Restaurant.

16.02 You are the Sole and Exclusive Employer of your Employees

You irrevocably affirm, attest and covenant your understanding that your employees are employed exclusively by you and in no fashion are any such employee employed, jointly employed or co-employed by us. You affirm and attest that each of your employees is under the exclusive dominion and control of you and never under the direct or indirect control of us in any fashion whatsoever. You alone hire each of your employees; sets their schedules; establishes their compensation rates; and pays all salaries, benefits and employment-related liabilities (workers' compensation insurance premiums/payroll taxes/Social Security contributions/Affordable Care Act contributions/unemployment insurance premiums). You alone have the ability to discipline or terminate your employees to the exclusion of us, that has no such authority or ability. You attest and affirm that any minimum staffing requirements established by us are solely for the purpose of ensuring that your Restaurant is at all times staffed at those levels necessary to operate your Restaurant in conformity with the System and the products, services, standards of quality and efficiency, and other Walk-On's brand attributes known to and desired by the consuming public and associated with the Proprietary Marks. You affirm, warrant and understand that you may staff your Restaurant with as many employees as you desire at any time so long as our minimal staffing levels are achieved. You also affirm and attest that any recommendations you may receive from us regarding salaries, hourly wages or other compensation for employees are recommendations only, designed to assist it to efficiently operate your Restaurant, and that you are entirely free to disregard our recommendations regarding such employee compensation. Moreover, you affirm and attest that any training provided by us for your employees is geared to impart to those employees, with your ultimate authority, the various procedures, protocols, systems and operations of a Restaurant and in no fashion reflects any employment relationship between us and such employees. Finally, should it ever be asserted that we are the employer, joint employer or co-employer of any of your employees in any private or government investigation, action, proceeding, arbitration or other setting, you irrevocably agree to assist us in defending said allegation, including (if necessary) appearing at any venue requested by us to testify on our behalf (and, as may be necessary, submitting itself to depositions, other appearances and/or preparing affidavits dismissive of any allegation that we are the employer, joint employer or co-employer of any of your employees). To the extent we are the only named party in any such investigation, action, proceeding, arbitration or other setting to the exclusion of you, should any such appearance by you be required or requested by us, we will recompense you the reasonable costs associated with your appearing at any such venue.

17. DEFAULT AND TERMINATION

17.01 Termination By Us – Automatic Termination Without Notice

You will be in default of this Agreement, and all rights granted in this Agreement will immediately and automatically terminate and revert to us without notice to you, if: you, the Restaurant, or any affiliate or Guarantor thereof is adjudicated as bankrupt or insolvent; all or a substantial portion of the assets of your Restaurant are assigned to or for the benefit of any creditor; a petition in bankruptcy is filed by or against you, the Restaurant and/or any affiliate or Guarantor thereof and is not immediately contested and thereafter dismissed or vacated within 60 days from filing; you, the Restaurant and any affiliate or Guarantor thereof cause, permit or acquiesce in an order for relief under the U.S. Bankruptcy Code or any other applicable federal or state bankruptcy, insolvency, reorganization, receivership or other similar law now or hereafter in effect, or consent to the entry for an order for relief in an involuntary proceeding or to the conversion of an involuntary proceeding to a voluntary proceeding, under any such law; a bill in equity or other proceeding for the appointment of a receiver or other custodian of you, the franchised business, or any affiliate or Guarantor of the Restaurant, or the assets of any of them, is filed and consented to by you; a receiver or other custodian (permanent or temporary) of all or part of the assets or property of you, the Restaurant and any affiliate or Guarantor of the Restaurant is appointed by any court of competent jurisdiction; proceedings for a composition with creditors under any federal or state law are instituted by or against you, the Restaurant or any affiliate or Guarantor thereof; you, any affiliate or yours and any Guarantor are dissolved; execution is levied against you, the Restaurant, any affiliate or Guarantor thereof

and/or the property of any of the foregoing; the property of your Restaurant is sold after levy thereon by any governmental body or agency, sheriff, marshal or other person authorized under federal, state and/or local law; or, if you are a business entity, your governing body adopts any resolution or otherwise authorizes action to approve any of the foregoing activities.

17.02 Termination By Us on Notice – No Opportunity To Cure

You will be in default of this Agreement and we may, at our option, terminate this Agreement and all rights granted under this Agreement, without giving you any opportunity to cure the breach, effective immediately on your receipt of notice (which, whether sent by overnight courier, personal physical delivery or any other manner authorized by Section 26.01 below, will be deemed to have been received by you on delivery or first attempted delivery of the notice to you) upon the occurrence of any of the following events:

1. You do not open your Restaurant for business to the general public by the date specified in Section 8.01 of this Agreement, cease operating the Restaurant, abandon the franchise relationship established under this Agreement, or, fail to operate your Restaurant for 1 day during which you are required to operate it under this Agreement, unless your failure to operate is with our prior written approval.
2. You omitted or misrepresented any material fact in the information that you furnished to us in connection with our decision to enter into this Agreement.
3. You lose the right to possession of the Restaurant Location or you receive a notification from your landlord terminating your right to possession of the Restaurant Location.
4. You, your General Manager, Restaurant Manager, or Executive Kitchen Manager or, if you are a business entity, any owner, member, shareholder, director or manager (as applicable) of such business entity, is charged with or convicted of a felony, fraud, crime involving moral turpitude or dishonesty that we reasonably believe is related to your operation of the Restaurant, or is likely to have an adverse effect on the System, the Proprietary Marks, the goodwill associated with the Proprietary Marks, our interest in the System or Proprietary Marks or our franchise relationships.
5. You purport or, if you are a business entity, any owner or principal of you purports to transfer any rights or obligations under this Agreement, any interest in you or your Restaurant to any third party in violation of the terms of this Agreement.
6. You do not comply with the covenant not to compete stated in this Agreement during the term of this Agreement; violate the restrictions pertaining to the use of Confidential Information contained in this Agreement; or do not obtain the execution of the additional covenants required by this Agreement.
7. You, your General Manager, Restaurant Manager, or Executive Kitchen Manager and all others required to do so fail to attend or successfully complete our Initial Training Program (after being afforded the opportunity to repeat the training under Section 7.02 of this Agreement).
8. You knowingly conceal revenues; maintain false books or records; falsify information or otherwise defraud or make false representations to us; or submit any substantially false report to us.
9. You do not maintain the financial records required by Section 11.02 of this Agreement.
10. We or our designee conducts an audit of your Restaurant that discloses that any weekly report or statement that you submitted to us understated your Gross Revenues by eight percent (8%) or more for any month within the period of examination, or for the entire period of examination.

11. You refuse us permission to inspect, or to conduct an operational and/or financial audit of, your Restaurant.
12. After curing a default that is subject to cure under Section 17.03 below, you commit the same act of default again within 12 months.
13. You make a willful misrepresentation or do not make a material disclosure required by any governmental or quasi-governmental authority regarding any matter involving or affecting the operations of your Restaurant.
14. You interfere or attempt to interfere in any manner with our contractual relations and/or our relationships with our other franchisees; any supplier of you, us or other franchisees; any governmental or quasi-governmental authority; your or our customers or advertising agencies; or any third parties.
15. You, any of your owners or Guarantors, your General Manager, Restaurant Manager, or Executive Kitchen Manager engage in any conduct that, in our opinion, adversely affects your Restaurant reputation, the reputation of Walk On's generally, or the goodwill associated with our franchise relationships or the Proprietary Marks, including, but not limited to, failing to comply with our social media policy, publicly making any statements that contain ethnic/sexual slurs, personal insults or obscenity, or otherwise making any public statements that are inflammatory or intended to provoke conflict on controversial issues.
16. You do not comply with any federal, state or local law or regulation applicable to the operation of the Restaurant.
17. You repeatedly fail to comply with one or more requirements of this Agreement, whether or not corrected after notice.
18. You do not purchase or maintain any category of insurance required by this Agreement.
19. You purchase any proprietary programs, products or services from us or our affiliates, or purchase from us, our affiliates or any third-party non-proprietary goods, programs, products or services under a systemwide supply contract we negotiate, and you use, divert, sell or otherwise exploit such programs, products or services for the benefit of any other individual, entity or business.
20. You operate your Restaurant in a manner that, in our business judgment, in any way threatens the life, health or safety of the general public, or our customers. If you do so, then not only may we terminate this Agreement on notice, but you agree that we may direct you to immediately close your Restaurant, in which event, you must immediately comply with such direction (which may be given orally or in writing); and, you must hold us harmless from and against any claims whatsoever relating to our direction to close your Restaurant.
21. You make any use of our Confidential Information and/or Proprietary Marks not specifically authorized by this Agreement or our Manuals, or you directly or indirectly use or devote same for the benefit of any individual or business entity other than your Restaurant.
22. You default under any agreement between you and any lessor, sublessor, vendor, supplier, or lender and you do not cure the default within the period required by such lessor, sublessor, vendor, supplier, or lender.

17.03 Termination by Us – 15 Days to Cure

You will be in default of this Agreement and we may, at our option, terminate this Agreement and all rights granted under this Agreement, upon the occurrence of any of the following events, provided, however, that we will give you written notice of the following defaults and 15 days to cure before we terminate this Agreement:

1. You fail, refuse or neglect to pay promptly when due any money owed to us or our affiliates.
2. You fail, refuse or neglect to submit the financial and non-financial reports and other information required to be submitted to us under this Agreement, our Manuals or other written notices we transmit to you.
3. You offer or sell any programs, products or services that we do not authorize under this Agreement or our Manuals.
4. You fail to maintain your trade accounts in a current status and/or fail to seek to promptly resolve any disputes with trade suppliers.
5. You engage in any business, or market any program, product or service, under a name or mark that, in our opinion, is confusingly similar to the Proprietary Marks.
6. You fail to pay any taxes due and owing by your Restaurant when due.
7. You do not use our Proprietary Marks and/or trade dress solely in the manner and for the purposes directed by us in this Agreement, our Manuals or otherwise.
8. You fail to obtain or maintain any required permit, certificate or other governmental approval required either by this Agreement or applicable law, rule or regulation.
9. You fail to operate your Restaurant during the days and hours specified in our Manuals or otherwise without our prior written approval.
10. You fail to maintain and operate your Restaurant in a good, clean and sound manner and in strict compliance with our standards for quality, cleanliness and maintenance as stated in our Manuals or otherwise.
11. You do not devote the amount of your time and attention and/or your best efforts to the performance of your duties of this Agreement necessary for the proper and effective operation of your Restaurant.
12. You fail to implement (and, at your expense, take all steps necessary to implement) and thereafter adhere to any new or changed System requirements.
13. If a final material judgment not subject to appeal is entered against you or any Guarantor and remains unsatisfied for more than 15 days or, if any such judgment is subject to appeal, you do not prosecute such appeal within 15 days (or such shorter period as any law, rule or regulation requires).
14. You breach, violate, or otherwise fail to meet any of your obligations under this Agreement or in the Manuals.

17.04 Description of Default

The description of any default in any notice that we transmit to you will in no way preclude us from specifying additional or supplemental defaults under this Agreement or any related agreements in any action, proceeding, hearing or lawsuit relating to this Agreement or the termination of this Agreement.

17.05 Cross Default

Any default or breach by you, your affiliates and/or any guarantor of yours of any other agreement with us or our affiliates will be deemed a default under this Agreement, and any default or breach of this Agreement by you will be deemed a default or breach under all such other agreements between us or our affiliates and you, your affiliates and/or any guarantor of yours. If the nature of the default under any other agreement would have permitted us (or our affiliate) to terminate this Agreement if the default had occurred under this Agreement, then we will have the right to terminate all such other agreements in the same manner provided for in this Agreement for termination hereof. Your “affiliates” means any persons or entities controlling, controlled by or under common control with you.

17.06 Other Remedies On Default

On the occurrence of any event of default, and subject to any applicable cure period, we may in our sole discretion, immediately exercise any or all of the following remedies, in addition to or in lieu of all other rights and remedies available to us under this Agreement or the law, including without limitation, the right to terminate the Franchise Agreement:

1. Reduce the size of the Territory;
2. Terminate your protected rights in all or part of the Territory for the remainder of the term of this Agreement or any other time period we determine in our sole discretion, without refunding any fee paid for these rights;
3. Suspend your access to the intranet provided that you remain responsible for all costs of participation;
4. Suspend your access to any advertising or marketing materials or assistance provided for franchisees;
5. Remove you from the Walk-On’s website;
6. Remove you from any advertising materials;
7. Suspend or terminate any fee reductions that we might have agreed to during the term of this Agreement;
8. Require you, your General Manager, Restaurant Manager, or Executive Kitchen Manager to participate in additional training at our-then current charge for the training and at your sole expense;
9. Suspend the provision of any operational support that this Agreement otherwise requires us to provide;
10. Suspend the provision or supply of any services or products for which we are an approved supplier;
11. Eliminate any remaining renewal rights that you may have;
12. Reduce, modify, suspend, or otherwise terminate any other of your rights under this Agreement while the event of default continues or for any other period of time that we, in our sole discretion deem appropriate, provided that you remain responsible for all fees and obligations under this Agreement;
13. Require you to temporarily close your Restaurant until the default is cured; or
14. Impose a fine on you for the default, including a daily fine while a default remains uncured up to \$500 per default per day, provided that if your Restaurant fails a restaurant inspection, the fine will be \$25,000 and you must pay for all additional inspections we conduct until you have cured the default.

17.07 Continuance of Business Relationship

Any continuance of business relationship between you and us after the termination or expiration of this Agreement will not constitute, and may not be construed as, a reinstatement, renewal, extension or continuation of this Agreement unless you and we agree in writing to any such renewal, extension or continuation.

18. FURTHER OBLIGATIONS AND RIGHTS FOLLOWING THE TERMINATION OR EXPIRATION OF THIS AGREEMENT

18.01 Further Obligations and Rights Following the Termination or Expiration of this Agreement

If this Agreement expires or terminates for any reason or is assigned by you, you will cease to be an authorized franchisee and you will lose all rights to the use of our Proprietary Marks, the System, all Confidential Information and know-how owned by us and any goodwill (including "local" goodwill) engendered by the use of our Proprietary Marks and/or attributed to your conduct of the Restaurant.

On expiration or earlier termination of this Agreement for any reason, you agree:

1. To immediately pay all Continuing Royalties, Advertising Contributions, fees, Lease payments and other sums due and owing to us or our affiliates, plus interest, and all sums due and owing to any landlord, suppliers, employees, taxing authorities, advertising agencies, lenders and all other third parties.
2. To immediately discontinue the use of the Proprietary Marks, and not operate or do business under any name or in any manner that might tend to give the general public the impression that you are operating a Walk-On's Restaurant or any similar business. You may not use, in any manner or for any purpose, directly or indirectly, any of our Confidential Information, trade secrets, procedures, forms, techniques, know-how or materials acquired by you by virtue of the relationship established by this Agreement. You may never identify yourself to the public in any fashion whatsoever as a current or former Walk-On's franchisee.
3. To take all necessary action to cancel any assumed name or equivalent registration that contains the Proprietary Mark "Walk-On's", or any other Proprietary Mark of ours, or any variant. If you fail or refuse to do so, we may, in your name, on your behalf and at your expense, sign all documents necessary to cause discontinuance of your use of the name "Walk-On's", or any related name used under this Agreement. You irrevocably appoint us as your attorney-in-fact to do so.
4. That we or our designee may enter and take possession of your Restaurant to maintain continuous operation of the previously franchised business, provide for orderly change of management and disposition of personal property, and otherwise protect our interests. If you dispute the validity of our termination of the franchise, we will nevertheless have the option (that you irrevocably grant) to operate the business pending the final, unappealed determination of the dispute by a court of competent jurisdiction.
5. If we terminate this Agreement as a result of your default, you agree that the damages we will suffer will be difficult to estimate accurately. As a result, in the event of such early termination of this Agreement as a result of your default, you will be required to pay us as liquidated damages, a sum equal to the average Continuing Royalty owed by you (even if not paid) per month over the 12-months of operations preceding the date of termination (or, if the Restaurant was not open for 12 months, then the average Continuing Royalty owed per month for the period in which the Restaurant was open), multiplied by the lesser of: (i) 24; or (ii) the number of months remaining in the term of this Agreement. You

acknowledge and agree that the amount of liquidated damages determined in accordance with the preceding formula represents a reasonable pre-estimate of our actual monetary losses resulting from the early termination of this Agreement, and is not a penalty. The liquidated damages amount shall be in addition to all other sums due to us through the date of termination whether due pursuant to the terms of this Agreement or otherwise. Liquidated damages are a non-exclusive remedy and our right to receive other amounts due under this Agreement is not affected by our right to liquidated damages. The liquidated damages do not affect our right to injunctive relief and is not compensation for any violation of your restrictive covenants hereunder. This obligation will give rise to and remain, until paid in full, a lien in our favor against all of assets, property, furnishings, equipment, signs, fixtures and inventory owned by you or the Restaurant at the time of termination and against any of your money that we are holding or that is otherwise in our possession.

6. Immediately deliver to us all training or other Manuals furnished to you (including the Manuals and Supplements to the Manuals), computer software and database material, customer lists, records and files, documents, instructions, display items, advertising and promotional material, all materials, signs and related items that bear our Proprietary Marks or slogans or insignias or designs, advertising contracts, forms and other materials or property of ours, and any copies of them in your possession that relate to the operation of the Restaurant. You may retain no copy or record of any of these items, except for your copy of this Agreement, any correspondence between the parties and any other documents that you reasonably need for compliance with any provision of law. You agree that the foregoing items, materials, lists, files, software and other similar items will be considered to be our property for all purposes.
7. Immediately sign all agreements necessary to effectuate the termination in a prompt and timely manner.
8. At our option, either change the telephone numbers used by your Restaurant or, on our written demand, direct the telephone company to transfer the telephone numbers listed for the Restaurant to us or to any other person or location that we direct. If you do not promptly direct the telephone company to do so, you irrevocably appoint us as your attorney-in-fact to direct the telephone company to do so.
9. Immediately cease operating all social media pages within your control associated with, or previously associated at any time with, the Restaurant or Walk-On's Sports Bistreaux, including but not limited to, Facebook, Instagram, YouTube, TikTok and X (Twitter). You must also immediately cease operating all online business directory listings within your control associated with, or previously associated with, the Restaurant or Walk-On's Sports Bistreaux, including but not limited to, Yelp, Nextdoor, LinkedIn, Google, YP (Yellow Pages), and Angi. You must promptly provide us with all login credentials or other information necessary for us to assume exclusive control over each such social media and business directory account, page, or listing. To the extent that you are aware of or become aware of any social media or business directory account, page, or listing associated with the Restaurant that is not within your control, you shall promptly notify us thereof in writing.
 - a. Notwithstanding the foregoing, we may in our exclusive discretion demand that you delete, deactivate, or otherwise modify such social media or business directory account or listing at any time. You must comply with any such demand immediately on receipt.

- b. You agree that all consumer or other published reviews of the Restaurant and/or any goods or services provided by the Restaurant, are the exclusive property of Walk-On's Enterprises Franchising, LLC. Your right to use these reviews in any manner terminates with the expiration or termination of this Agreement. You are prohibited from advertising, promoting, quoting, or otherwise referring to these reviews in connection with any business or offer to conduct business on expiration or termination of this Agreement.
 - c. You agree that any violation of this Section 18.01.9 is trademark infringement, service mark infringement, unfair competition, false advertising, and/or deceptive trade practices under federal, state, and common law, that this violation encroaches on the goodwill associated with our brand, and that this violation is likely to cause confusion among reasonably prudent consumers.
- 10. Strictly comply with the post-termination/post-expiration covenants not to compete stated in Article 12 of this Agreement (including those restricting your ability to sell, assign, lease or otherwise grant possessory rights to your Restaurant and/or Restaurant Location to a party intending to conduct a Competitive Business thereat).
 - 11. Continue to abide by those restrictions pertaining to the use of our Confidential Information, trade secrets and know-how stated in Article 12 of this Agreement.
 - 12. Immediately surrender to us all computer software, data storage and other electronic media used in the operation of the Restaurant, printouts, and other information pertaining to computer operations, codes, procedures and programming. You agree not to destroy, damage, hide or take any steps to prevent us from obtaining any information that you had stored in the computer system of the Restaurant. You agree not to retain any printouts, disks, tapes or other electronic media containing any of the programs or data stored in the computer system.
 - 13. If you lease your Restaurant Location from a third party and we elect not to assume possession of the Restaurant Location and/or elect not to exercise our option under Article 19 below, then promptly on termination or expiration of this Agreement, you agree to "deidentify" the Restaurant Location in all respects by performing all redecoration and remodeling, and effecting physical changes to the Restaurant Location and the Restaurant décor, trade dress, color combination, signs and other physical characteristics, as we consider necessary in our reasonable business judgment to distinguish the Restaurant Location from a duly authorized Restaurant. If you refuse, neglect or fail to do so, we have the right to enter on the Restaurant Location and effect this required changes to the former Restaurant at your sole risk and expense, without liability for trespass.
 - 14. If you lease your Restaurant Location from a third party, you will, at our request, assign your lease and leasehold interest to us or otherwise cooperate with our efforts to take possession of your Restaurant and either assume your lease or enter into a direct lease with your landlord. Regardless of whether the Lease Rider attached hereto as Exhibit C is signed by you landlord, you will cooperate with us and take all further actions as if it had been signed by you and your landlord.

19. OPTION TO PURCHASE

19.01 Option to Purchase Your Franchised Business

A. On the termination or expiration of this Agreement for any reason, or if we or a significant portion of our assets are purchased or acquired at any time during the Term (a "Sale"), we, any of our affiliates, our purchaser, our successor, and/or any nominee or designee we name are hereby granted an

option, exercisable within 30 days after the termination, expiration or Sale becomes effective, to purchase as soon as practicable thereafter (including any period necessary for the obtaining of governmental approvals and consents of the concerned lessor) all of your operating assets relating to the Restaurant. The date on which such purchase is closed will be referred to as the "Closing Date". The following terms will apply to the option granted by this Article:

1. All leasehold improvements, furniture, fixtures, supplies, equipment, trade dress elements and inventory will be purchased at an amount equal to their fair market value. If the parties cannot agree on "fair market value", then an appraiser must determine same in accordance with the procedures stated in Section 19.02 below.
2. All transferrable permits, licenses and other governmental authorizations will be transferred or assigned to us, our affiliate, purchaser, successor, nominee or designee (as applicable) at the soonest possible time, specifically including any alcoholic beverage licensing, permits or authorizations.
3. All printed material, forms and other materials purchased from us under this Agreement will be purchased for an amount equal to their cost (if any).
4. All property, real or personal, sold to us or our affiliate, purchaser, successor, nominee or designee (as applicable) under this Article must be free and clear of all liens, debts, claims, liabilities, leases, encroachments, covenants, conditions, restrictions, rights, rights of way and/or other encumbrances (except for tax liens and special and/or other assessments not delinquent) unless we, in our reasonable opinion (or that of our affiliate, purchaser, successor, nominee or designee, as applicable), determine that the existence of same either will not interfere with the proposed use of the property or that the existence of same are merely due to easements of record, zoning ordinances or statutes, use and occupancy restrictions of public record or other limitations that are generally applicable to similar properties in the vicinity.

B. You will convey to us (or our affiliate, purchaser, successor, nominee or designee, as applicable) good and merchantable, full, legal, equitable and beneficial title to all of the foregoing assets by means of appropriate deeds, bills of sale and assignments containing warranties of title. You irrevocably designate us as your attorney-in-fact and proxy to sign all instruments necessary and appropriate to affect such conveyance and will sign any other documents or agreements necessary for our appointment as such. We (or our affiliate, nominee, purchaser, successor, or designee, as applicable) have the right at our option to assume any liabilities encumbering the assets sold under the provisions of this Article or any of the liabilities for which we would otherwise be indemnified by you under Section 8.10 of this Agreement, and reduce the consideration payable to you accordingly. You will pay all transfer taxes and recording fees, if any.

C. All rents, interest, assessments, taxes and other charges or royalties related to the assets to be conveyed, the payment period of which began before the Closing Date, will be prorated to the Closing Date on the basis of the most recent rates available, and the prorated amount will be added to or subtracted from, as the case may be, the consideration payable to you.

D. You agree to use your best efforts to assist us (or our affiliate, purchaser, successor, nominee or designee, as applicable) in obtaining any government or other approvals or consents necessary to carry out the terms and intent of this Article.

E. To the extent you own the Restaurant Location, you agree to lease the Restaurant Location to us on commercially reasonable terms for the period remaining in the Initial Term or Renewal Term (as applicable) and, if we so elect, for any remaining Renewal Term(s).

F. Any amount we owe you in connection with exercising our option to purchase as set forth in this Section will be offset and reduced by all amounts you or your affiliates owe us or our affiliates under this Agreement or any other agreement.

19.02 Appraisals

If you and we (or our affiliate, purchaser, successor, nominee or designee, as applicable) cannot agree within a reasonable time on the fair market value of any assets we, our affiliate, purchaser, successor, nominee or designee acquire from you under this Article, or the commercially reasonable terms of any lease for land and facilities owned by you (or any affiliate) and used by the Restaurant, then this dispute will be resolved by means of an appraisal conducted in the following fashion. If, within 30 days following your receipt of notice that we (or our affiliate, purchaser, successor, nominee or designee, as applicable) intend to exercise one or more of the options stated above, you and we (or our affiliate, purchaser, successor, nominee or designee, as applicable) cannot agree on the fair market value of the item in question, then you and we (or our affiliate, purchaser, successor, nominee or designee, as applicable) within the next 7 days must each select one (1) appraiser and notify the other party of the identity of the appraiser selected. The 2 appraisers you and we (or our affiliate, purchaser, successor, nominee or designee, as applicable) select will be instructed to meet within 30 days following their selection for the purpose of selecting a third appraiser to serve with them. If the 2 appraisers selected cannot agree on the selection on the third appraiser within 15 days after the selection of the last of them, then you must select the third appraiser from a list of 3 appraisers we (or our affiliate, purchaser, successor, nominee or designee, as applicable) propose in writing. If the disagreement pertains to the commercially reasonable terms of any lease you must enter into with us (or our affiliate, purchaser, successor, nominee or designee, as applicable) for the Restaurant Location (if you own it), then each appraiser selected must have received the MAI designation and must be actively engaged in appraisal work in the county in which the Restaurant Location is located. The appraisers' determination of the fair market value of any item(s) we intend to purchase from you, or the commercially reasonable terms of the Lease for your owned Restaurant Location, will be binding on both parties thereto. If following the appraisal, we (or our affiliate, purchaser, successor, nominee or designee, as applicable) exercise any of the options stated above, then you and we (or our affiliate, purchaser, successor, nominee or designee, as applicable) will each pay one half (1/2) of the cost of all such appraisals. If we (or our affiliate, purchaser, successor, nominee or designee, as applicable) do not elect to exercise any option provided herein following the appraisals then we (or our affiliate, purchaser, successor, nominee or designee, as applicable) alone must bear the cost of all of the appraisal.

19.03 Timing

If we exercise our option to purchase (or, with respect to your Restaurant Location, lease) any of the assets of your Restaurant as provided in this Article, then the Closing Date must be no later than 60 days after either you and we (or our affiliate, purchaser, successor, nominee or designee, as applicable) agree on the fair market value of the assets in question (or, with respect to the Restaurant Location, the commercially reasonable terms for our lease for such Restaurant Location) or, if you and we (or our affiliate, purchaser, successor, nominee or designee, as applicable) cannot agree on same, no later than 60 days after the determination of such fair market value/commercially reasonable terms furnished by the appraisers provided for in Section 19.02 of this Agreement.

20. UNAVOIDABLE DELAY OR FAILURE TO PERFORM (FORCE MAJEURE)

20.01 Unavoidable Delay or Failure to Perform (Force Majeure)

Any delay in our or your performance of any duties under this Agreement, or any non-performance of such duties, that is caused by fire, floods, natural disasters, Acts of God, war, civil commotion, terrorist acts, any governmental act or regulation, strikes, and/or lockouts (a "Force Majeure Event" will not constitute a breach or cause a default under this Agreement, provided, however, that we or you (as applicable) will take all steps reasonably possible to mitigate damages caused by such failure or delay. Notwithstanding the

foregoing, if any such failure or delay continues for more than 180 days, we will have the right at any time thereafter during the continuance of such failure or delay to terminate this Agreement on 30 days advance written notice to you. Notwithstanding anything to the contrary in this Section, no Force Majeure Event will excuse or relieve your obligations to pay amounts owed under this Agreement.

21. APPROVALS AND WAIVER

21.01 Approvals

Whenever this Agreement requires you to secure our prior approval or consent, such approval or consent must be obtained in writing and must be timely sought.

21.02 Waiver and Delay

No waiver or delay in either party's enforcement of any breach of any term, covenant or condition of this Agreement will be construed as a waiver by that party of such breach or any preceding or succeeding breach, or any other term, covenant or condition of this Agreement. Without limiting the foregoing, our acceptance of any payment specified to be paid by you under this Agreement will not be, nor constitute, our waiver of any breach of any term, covenant or condition of this Agreement.

21.03 Our Withholding of Consent – Your Exclusive Remedy

In no event may you make any claim for money damages based on any claim or assertion that we have unreasonably withheld or delayed any consent or approval under this Agreement. You waive any such claim for damages. You may not claim any such damages by way of setoff, counterclaim or defense. Your sole remedy for the claim will be an action or proceeding to enforce this Agreement's provisions, for specific performance or for declaratory judgment.

21.04 No Warranty or Guaranty

If we afford you a waiver, approval, consent, acceptance, or suggestion in connection with this Agreement, we do not thereby make any warranty or guarantee on which you may rely and by doing so we assume no liability or obligation to you.

22. OUR RIGHT TO CURE DEFAULTS

22.01 Our Right to Cure Defaults

In addition to all other remedies granted under this Agreement, if you default in the performance of any of your obligations, or breach any term or condition of this Agreement or any related agreement, then we may, at our election, immediately or at any time thereafter, without waiving any claim for breach under this Agreement and without notice to you, cure the default on your behalf. Our cost of curing the default and all related expenses will be due and payable by you immediately on demand by us.

23. INJUNCTION

23.01 Injunction

You explicitly affirm and recognize the unique value and secondary meaning associated with the System and the Proprietary Marks. Accordingly, you agree that any noncompliance by you with the terms of this Agreement, will cause irreparable damage to us and other System franchisees. You therefore agree that if you engage in such noncompliance, or unauthorized and/or improper use of the System or Proprietary Marks, during or after the term of this Agreement, we and our affiliates will be entitled to both temporary and permanent injunctive relief against you in addition to all other remedies which we may have at law. You consent to the entry of these temporary and permanent injunctions without the requirement that we post a bond of any type or nature, or any other form of security. You will be responsible for payment of all expenses, including reasonable attorneys' and expert fees, that we and/or our affiliates may incur in

connection with your non-compliance with this covenant. You agree that to the extent a court requires a bond or security for a temporary or preliminary injunction that we obtain, the amount will not exceed \$1,000.00.

24. INTEGRATION OF AGREEMENT

24.01 Integration of Agreement

This Agreement, all exhibits to this Agreement, and all ancillary agreements signed contemporaneously with this Agreement constitute the entire agreement between the parties with reference to the subject matter of this Agreement and supersede all prior negotiations, understandings, representations and agreements. Notwithstanding the foregoing, no provision in any franchise agreement is intended to disclaim the express representations made in the Franchise Disclosure Document. You acknowledge that you are entering into this Agreement, and all ancillary agreements signed contemporaneously with this Agreement, as a result of your own independent investigation of the Restaurant and not as a result of any representations about us made by our shareholders, officers, directors, employees, agents, representatives, independent contractors or franchisees that are contrary to the terms stated in this Agreement or any franchise disclosure document required or permitted to be given to you under applicable law. You specifically acknowledge that no officer, director, employee, agent, representative or independent contractor of ours is authorized to furnish you with any financial performance information; that, if they nevertheless do, you have not relied on any such financial performance information given to you by any such individual; and, that if any such individual attempts to or actually does give you any such financial performance information in contravention of this provision, you will immediately communicate such activity to us. For the purpose of this Agreement, “financial performance information” means information given, whether orally, in writing or visually that states, suggests or infers a specific level or range of historic or prospective sales, expenses and/or profits of franchised or non-franchised Restaurant.

25. NO ORAL MODIFICATION

25.01 No Oral Modification

This Agreement may not be amended orally but may be amended only by a written instrument signed by the parties. You acknowledge that no oral promises were made to you (or, if they were, that you are not relying and will not rely on any such oral promise) and that our obligations are confined exclusively to those stated in this Agreement. You understand and assume the business risks inherent in this enterprise.

26. NOTICES

26.01 Notices

Any notice required or permitted to be given under this Agreement must be in writing; must be delivered to the other party either personally or by a recognized overnight delivery service capable, of documenting delivery or attempted delivery of the notice; and, will be effective on the date that delivery either is effected or is documented to have been first attempted.

Any notice to us must be addressed to us at:

Walk-On's Enterprises Franchising, LLC
2 Ravinia Drive NE, 5th Floor
Atlanta, Georgia 30346
Attention: Chris Porcelli
E-Mail: chris.porcelli@walk-ons.com

Any notice to you will be addressed to your address as stated on the first page of this Agreement. Either party to this Agreement may, in writing, on 10 days' notice, inform the other of a new or changed address or addressee(s) to that notices under this Agreement should be sent. We may provide any notice under this

Agreement (including, without limitation, any notice of termination) sufficiently in advance of any event to permit compliance with any notice requirements under state or other laws.

27. SEVERABILITY

27.01 Severability

Every part of this Agreement is severable. If for any reason any part of this Agreement is held to be invalid, that determination will not impair any other part, or the rest, of this Agreement; provided, however, that if we determine that such finding of invalidity or illegality adversely affects the basic consideration of this Agreement, we, at our option, may terminate this Franchise Agreement.

28. NO THIRD-PARTY BENEFICIARIES

28.01 No Third-Party Beneficiaries

This Agreement is entered into solely between you and us. Other than our affiliates or as stated in this Agreement, there is no intended third-party beneficiary of this Agreement and you agree that none is to be presumed or deemed to exist.

29. SIGNING, CONSTRUCTION AND INTERPRETATION; FURTHER ACTS

29.01 Signing, Construction and Interpretation; Further Acts

A. This Agreement may be signed in multiple counterparts, each of which will be considered an original and all of which together will constitute one and the same instrument. Electronic signatures will be considered as binding and conclusive as if original.

B. The titles and subtitles of the various articles and sections of this Agreement are inserted for convenience and will not affect the meaning or construction of any of the terms, provisions, covenants and conditions of this Agreement. The language of this Agreement will in all cases be construed simply according to its fair and plain meaning and not strictly for or against us or you.

C. It is agreed that if any provision of this Agreement is capable of two constructions, one of which would render the provision void and the other of which would render the provision valid, then the provision will have the meaning which renders it valid.

D. The parties agree to sign all other documents and perform all further acts necessary or desirable to carry out the purposes of this Agreement.

E. If Franchisee consists of more than one person or business entity, or a combination thereof, the obligations and liabilities of each such person or business entity to us under this Agreement are joint and several.

F. As used in this Agreement, the words “include”, “includes”, or “including” are used in a non-exclusive sense and must be construed to mean “including without limitation”.

30. LEGAL ACTIONS, GOVERNING LAW AND VENUE

30.01 Attorneys’ Fees and Costs

The party prevailing in any legal proceeding (including any legal proceeding by you or your owners against any of our officers, directors, or direct or indirect owners), will be entitled to reimbursement of its costs and expenses, including reasonable accounting and attorneys’ fees. “Prevailing party” means the party, if any, which substantially prevailed upon the central litigated issues. In addition, if we retain counsel to enforce any of your obligations under this Agreement, and such enforcement efforts do not result in a fully concluded legal proceeding such that there is a “prevailing party”, you will pay the actual attorneys’ fees and costs incurred by us in enforcing your obligations hereunder.

30.02 Governing Law

This Agreement; all relationships between us; and, all disputes between you and/or any other Franchisee Party, on the one hand, and us and/or any other Franchisor Parties, on the other hand, whether the dispute sounds in law, equity or otherwise, is to be exclusively construed in accordance with and/or governed by (as applicable) the law of the state of Georgia (without regard to its choice-of-law or conflict-of-law rules).

30.03 Jurisdiction and Venue

Any litigation arising out of or related to this Agreement or any related agreement; any breach of this Agreement or any related agreement; the relationship between the parties (as defined below); and, all disputes between the parties, whether sounding in law or equity, must be brought in the state or federal district court in which our then-current principal place of business is located (currently, Atlanta, Georgia). You irrevocably submit yourself to the jurisdiction of these courts and waive all objections to personal jurisdiction for the purpose of carrying out this provision. You agree that any dispute as to personal jurisdiction or venue for litigation will be submitted to and resolved exclusively by the aforementioned courts. Notwithstanding the foregoing, with respect to any action for monies owed to us, injunctive or other extraordinary or equitable relief sought by us, or involving possession or disposition of, or other relief relating to your Restaurant, we may bring an action in any state or federal district court in which your Restaurant is located. You waive and covenant never to assert or claim that the jurisdiction or venue designated for litigation by this Agreement is for any reason improper, inconvenient, prejudicial or otherwise inappropriate (including any claim under the judicial doctrine of “forum non conveniens”). As used in this Section of the Agreement, the term “parties” includes all of the Franchisor Parties (as defined in Section 8.10) and all of the Franchisee Parties (as defined in Section 31.01) and, as to each of them, whether acting in their corporate or individual capacity, along with any other individual entity acting or purporting to act by, through, under or under authority granted by you.

30.04 Waiver of Jury Trial and Punitive Damages

A. The parties to this Agreement (as denominated in Section 30.03) explicitly and irrevocably waive their respective rights to a jury trial in any litigation between them that is authorized or contemplated by this Agreement, and stipulate that any trial must occur without a jury.

B. You, your Guarantors and the other Franchisee Parties irrevocably waive, to the fullest extent permitted by law, any right to or claim for any punitive, exemplary, incidental, indirect, special, consequential or other similar damages in any action or proceeding whatsoever between the parties and/or any of their affiliates and us and/or any of our affiliates, and you and these others covenant never to advance or pursue any claim for such damages. You agree that in the event of a dispute, you and these others are limited to the recovery from the Franchisor Parties of any actual damages sustained by you.

30.05 No Consolidated or Class Actions

You and the other Franchisee Parties may only pursue any claim you have against us or the other Franchisor Parties in an individual legal action or proceeding. Neither you nor any other Franchisee Party will join or combine its/their legal action or proceeding in any manner with any action or claim of any other Restaurant franchisee, franchise owner or franchisee guarantor, nor will you, or any other Franchisee Party maintain any action or proceeding against us and the other Franchisor Parties in a class action, whether as a representative or as a member of a class or purported class, nor will you or any other Franchisee Party seek to consolidate, or consent to the consolidation of, all or part of any action or proceeding by any of them against us or the other Franchisor Parties with any other litigation against us or such other Franchisor Parties.

30.06 Limitation on Actions

All legal actions or proceedings brought by you against us or the other Franchisor Parties arising out of or related to this Agreement or any related agreement; any breach of this Agreement or any related agreement; the relationship between the parties; and, all disputes between the parties, whether sounding in law or equity, must be filed within one year from the occurrence of the acts, errors and/or omissions giving rise to the legal action or proceeding. If not, then you irrevocably covenant and agree that the action or proceeding is barred.

31. LIABILITY OF “FRANCHISEE”; GUARANTEE

31.01 Liability of “Franchisee”

The terms “Franchisee,” “you” and “your” as used in this Agreement will refer to each person executing this Agreement as Franchisee, whether that person is one of the spouses, partners, proprietors, shareholders, trustees, trustors or beneficiaries or persons named as included in you, and will apply to each of these persons as if he/she were the only named Franchisee in this Agreement. If you are a married couple, both husband and wife executing this Agreement will be liable for all your obligations and duties as Franchisee under this Agreement as if the spouse were the sole Franchisee under this Agreement. If you are a partnership or proprietorship, or if more than one person executes this Agreement as Franchisee, each partner, proprietor or person executing this Agreement will be liable for all obligations and duties of Franchisee under this Agreement. If you are a trust, each trustee, grantor and beneficiary signing this Agreement will be liable for all the obligations and duties of Franchisee under this Agreement. If you are a business entity, all owners of such business entity executing this Agreement will be liable for all obligations and duties of Franchisee under this Agreement as if each such owner or the sole franchisee under this Agreement. Each of the parties identified in this Section are collectively referred to as the “Franchisee Parties”.

31.02 Guarantee

If you are a business entity, then we require all direct and indirect owners of such business entity and any other individuals or entities we designate (the “Guarantors”) to guarantee all of your duties, requirements and obligations under this Agreement, both financial and non-financial, by executing a guarantee substantially in the form of Exhibit D (the “Guarantee”). In the event of the death of any Guarantor, we may require replacement guarantees sufficient in our sole business judgment to provide us with the same protection as we had originally bargained for.

If you are in breach or default under this Agreement, we may proceed directly against each such individual and/or business entity Guarantor without first proceeding against you and without proceeding against or naming in the suit any other such Guarantor. Your obligations and those of each such Guarantor will be joint and several. Notice to or demand on one such Guarantor will be considered notice to or demand on you and all such Guarantors. No notice or demand need be made to or on all such Guarantors. The cessation of or release from liability of you or any such Guarantor will not relieve you or any other Guarantor, as applicable, from liability under this Agreement, except to the extent that the breach or default has been remedied or money owed has been paid.

32. SURVIVAL

32.01 Survival

Any provision of this Agreement which imposes in any fashion, directly or indirectly, an obligation following the termination or expiration of this Agreement will survive the termination or expiration and will continue to be binding on the parties to this Agreement. This Agreement will be binding on and inure to the benefit of the parties, their heirs, successors and assigns.

33. OUR BUSINESS JUDGMENT

33.01 Our Business Judgment

Whenever this Agreement or any related agreement grants, confers or reserves to us the right to take action, refrain from taking action, grant or withhold our consent or grant or withhold our approval, unless the provision specifically states otherwise, we will have the right to engage in such activity at our option using our business judgment, taking into consideration our assessment of the long term interests of the System overall. You and we recognize, and any court or judge is affirmatively advised, that if those activities and/or decisions are supported by our business judgment, neither said court, said judge nor any other person reviewing those activities or decisions will substitute his, her or its judgment for our judgment. When the terms of this Agreement specifically require that we not unreasonably withhold our approval or consent, if you are in default or breach under this Agreement, any withholding of our approval or consent will be considered reasonable.

34. YOUR REPRESENTATIONS AND ACKNOWLEDGMENTS

34.01 Your Representations

You represent and warrant to us, with the intention that we are relying on your representations and warranties in entering into this Agreement, that:

1. If you are a business entity (including a corporation, limited liability company, general partnership or limited partnership), you are organized under the laws of the state of your principal place of business (or another state which you have identified to us) and your business entity is in good standing with and qualified to do business in each state and political/governmental subdivision having jurisdiction over your Restaurant.
2. If you are business entity, you have all requisite power and authority to sign, deliver, consummate and perform this Agreement, and all necessary business entity proceedings have been duly taken to authorize the signing, delivery and performance of this Agreement.
3. This Agreement has been duly authorized, signed and delivered by you, includes your legal, valid and binding obligations, and will be binding and enforceable on you and your successors and assigns in accordance with its terms when signed by both parties.
4. You do not have any material liabilities, adverse claims, commitments or obligations of any nature as of the date of signing of this Agreement, whether accrued, unliquidated, absolute, contingent or otherwise that are not reflected as liabilities on the balance sheets of your current financial statements that you furnished to us before the signing of this Agreement.
5. As of the date of signing of this Agreement, there are no actions, suits, proceedings or investigations pending or, to your knowledge or the knowledge any of your officers, directors, shareholders, proprietors, partners, members, managers, Guarantors, shareholders, or any other Owner of a direct or indirect, partial or whole interest in you (as applicable), after due inquiry, threatened, in any court or arbitral forum, or before any governmental agency or instrumentality, nor to the best of your knowledge or the knowledge of any such persons or entities (after due inquiry) is there any basis for any claim, action, suit, proceeding or investigation that affects or could affect, directly or indirectly, any of your assets, properties, rights or business; your right to operate and use your assets, properties or rights to carry on your business; and/or, that affects or could affect your right to assume and carry out in all respects the duties, obligations and responsibilities specified in this Agreement.

6. All of your representations and warranties contained in this Agreement are complete, correct and accurate as of the date of signing of this Agreement and will survive any termination or expiration of this Agreement.

34.02 Your Acknowledgments

You represent, warrant and acknowledge to us, with the intention that we will be relying thereon in entering into this Agreement, that:

1. No representation has been made by us or our affiliates (or any of our or their officers, directors, managers, employees, agents or salespersons) and relied on by you as to the future or past income, expenses, sales volume or potential profitability, earnings or income of your Restaurant, or any other Restaurant, other than any information we may have provided in Item 19 of our franchise disclosure document, nor have we or any of the foregoing made any representations, statements or promises to you that conflict with, contravene or vary from the contents of our franchise disclosure document.
2. No representation or statement has been made by us or our affiliates (or any of our or their officers, directors, managers, employees, agents or salespersons) and relied on by you regarding our anticipated income, earnings and growth or that of the System, or the viability of the business opportunity offered under this Agreement.
3. Before executing this Agreement, you have had the opportunity to contact all our existing franchisees.
4. You have been advised and given the opportunity to independently investigate, analyze and construe both the business opportunity offered under this Agreement, the terms and provisions of this Agreement and the prospects for the Restaurant, using the services of legal counsel, accountants or other advisers of your own choosing. You have either consulted with these advisors or have deliberately declined to do so.
5. You have received from us a copy of our franchise disclosure document, together with a copy of all proposed agreements relating to the sale of the franchise, at least 14 calendar days before the signing of this Agreement or at least 14 calendar days before the payment by you to us of any consideration in connection with the sale or proposed sale of the franchise granted by this Agreement.
6. No representation or statement has been made by us or our affiliates (or any of our or their officers, directors, managers, employees, agents or salespersons) and relied on by you regarding your ability to procure any required license, permit, certificate or other governmental authorization that may be necessary or required for you to carry out the activities contemplated by this Agreement.
7. You have carefully considered the nature and extent of the restrictions on you stated in this Agreement (including, without limitation, the covenants not to compete and the restrictions on assignment) and the rights and remedies conferred on you and us under this Agreement. Such restrictions, rights and remedies: (a) are reasonable, including, but not limited to, their term and geographic scope; (b) are designed to preclude competition that would be unfair to us; (c) are fully required to protect our legitimate business interests; and (d) do not confer benefits on us that are disproportionate to your detriment.
8. The covenants not to compete stated in this Agreement are fair and reasonable, and will not impose any undue hardship on you, since you have other considerable skills, experience and education that afford you the opportunity to derive income from other endeavors.

35. SUBMISSION OF AGREEMENT

35.01 Submission of Agreement

Our tendering this Agreement to you does not constitute an offer. This Agreement will become effective only on the signing of this Agreement by both us and you.

THIS AGREEMENT WILL NOT BE BINDING ON US UNTIL IT HAS BEEN ACCEPTED AND SIGNED BY OUR AUTHORIZED OFFICER. YOU AGREE THAT NO REPRESENTATIONS OR PROMISES WERE MADE TO YOU OTHER THAN THOSE STATED IN OUR FRANCHISE DISCLOSURE DOCUMENT, OR THAT IF ANY OTHER REPRESENTATIONS OR PROMISES WERE MADE TO YOU, YOU ARE NOT RELYING ON THEM. YOU HAVE READ ALL OF THE FRANCHISE AGREEMENT AND ACCEPT AND AGREE TO ALL OF THE TERMS OF THE FRANCHISE AGREEMENT.

FRANCHISOR

FRANCHISEE

Walk-On's Enterprises Franchising, LLC

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

STATE ADDENDA TO FRANCHISE AGREEMENT

CALIFORNIA ADDENDUM TO FRANCHISE AGREEMENT

The Walk-On's Enterprises Franchising, LLC Franchise Agreement between _____ ("you") and Walk-On's Enterprises Franchising, LLC ("Franchisor" or "us"); dated _____ ("Agreement") is amended by the addition of the following language ("Addendum"):

1. No disclaimer, questionnaire, clause, or statement signed by a franchisee or prospective franchisee in connection with the commencement of the franchise relationship shall be construed or interpreted as waiving any claim of fraud in the inducement, whether common law or statutory, or as disclaiming reliance on or the right to rely upon any statement made or information provided by any franchisor, broker or other person acting on behalf of the franchisor that was a material inducement to a franchisee's investment. This provision supersedes any other or inconsistent term of any document executed in connection with this franchise.

2. Section 24.01 of the Franchise Agreement is deleted in its entirety and replaced with the following:

This Agreement, all exhibits to this Agreement, and all ancillary agreements signed contemporaneously with this Agreement constitute the entire agreement between the parties with reference to the subject matter of this Agreement and supersede all prior negotiations, understandings, representations and agreements. No provision in any franchise agreement is intended to disclaim the express representations made in the Franchise Disclosure Document.

3. Section 25.01 of the Franchise Agreement is deleted in its entirety and replaced with the following:

This Agreement may not be amended orally but may be amended only by a written instrument signed by the parties. You acknowledge that our obligations are confined exclusively to those stated in this Agreement. You understand and assume the business risks inherent in this enterprise.

4. Section 34.02 of the Franchise Agreement is deleted in its entirety.

5. Section 35.01 of the Franchise Agreement is deleted in its entirety and replaced with the following:

Our tendering this Agreement to you does not constitute an offer. This Agreement becomes effective only on the signing of this Agreement by both us and you.

THIS AGREEMENT WILL NOT BE BINDING ON US UNLESS AND UNTIL IT HAS BEEN ACCEPTED AND SIGNED BY AN AUTHORIZED OFFICER OF OURS. YOU ACKNOWLEDGE THAT NO REPRESENTATIONS OR PROMISES WERE MADE TO YOU OTHER THAN THOSE STATED IN OUR FRANCHISE DISCLOSURE DOCUMENT. YOU HAVE READ ALL OF THE FRANCHISE AGREEMENT AND ACCEPT AND AGREE TO ALL OF THE TERMS OF THE FRANCHISE AGREEMENT.

6. 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 any 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 parties have duly signed and delivered this Addendum on the date stated above.

FRANCHISOR

FRANCHISEE

Walk-On's Enterprises Franchising, LLC

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

ILLINOIS ADDENDUM TO FRANCHISE AGREEMENT

The Walk-On’s Enterprises Franchising, LLC Franchise Agreement between _____ (“you”) and Walk-On’s Enterprises Franchising, LLC (“Franchisor” or “us”); dated _____ (“Agreement”) is amended by the addition of the following language (“Addendum”):

- 1. Illinois law governs the agreements between the parties to this franchise.

Section 4 of the Illinois Franchise Disclosure Act provides that any provision in a franchise agreement that designates jurisdiction or venue outside the State of Illinois is void. However, a franchise agreement may provide for arbitration outside of Illinois.
- 2. Section 41 of the Illinois Franchise Disclosure Act provides that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.
- 3. Section 34.02 (“Your Acknowledgments”) is deleted from all Illinois Franchise Agreements.
- 4. The second sentence in Section 24.01 of the Franchise Agreement is revised as follows:

Nothing in the Franchise Agreement, however, is intended to disclaim the express representations Franchisor made in the Franchise Disclosure Document that was provided to you.
- 5. No statement, questionnaire or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or any 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 parties have duly signed and delivered this Addendum on the date stated above.

FRANCHISOR

FRANCHISEE

Walk-On’s Enterprises Franchising, LLC

By: _____
Name: _____
Title: _____
Date: _____

By: _____
Name: _____
Title: _____
Date: _____

MARYLAND ADDENDUM TO FRANCHISE AGREEMENT

The Walk-On's Enterprises Franchising, LLC Franchise Agreement between _____ ("you") and Walk-On's Enterprises Franchising, LLC ("Franchisor" or "us"); dated _____ ("Agreement") is amended by the addition of the following language ("Addendum"):

The following provisions will supersede anything to the contrary in the Franchise Disclosure Document or Franchise Agreement and will apply to all franchises offered and sold under the laws of the State of Maryland:

1. The following sentences are added at the end of the last paragraph of Section 3.04 of the Franchise Agreement ("Rights We Reserve"):

"The waivers and releases in this paragraph are not intended to nor will they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law. The waivers and releases in this paragraph will not apply to claims arising under the Maryland Franchise Registration and Disclosure Law."
2. The following sentence is added at the end of the last paragraph of subsection 8.08.C. of the Franchise Agreement (concerning Proprietary Products):

"This waiver is not intended to act, nor will it act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law."
3. Sections 13.01.H. and 14.04.O. of the Franchise Agreement, each of which require the signing of a General Release, are each amended to add the following language:

"The general release required as a condition of renewal, sale, and/or assignment/transfer must not apply to claims arising under the Maryland Franchise Registration and Disclosure Law."
4. The fourth and fifth sentences of Section 24.01 of the Franchise Agreement are deleted in their entirety.
5. The second and third sentences of Section 25.01 of the Franchise Agreement are deleted in their entirety.
6. Section 30.03 of the Franchise Agreement is deleted in its entirety.
7. Section 34.02 of the Franchise Agreement is deleted in its entirety.
8. The second sentence of the second paragraph of Section 35.01 is deleted in its entirety.
9. The laws of the State of Maryland may supersede the Franchise Agreement, including the areas of termination and renewal of the Franchise.
10. Any claims arising under the Maryland Franchise Registration and Disclosure Laws must be brought within three years after the grant of the Franchise.

11. 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 any 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 parties have duly signed and delivered this Addendum on the date stated above.

FRANCHISOR

FRANCHISEE

Walk-On's Enterprises Franchising, LLC

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

MINNESOTA ADDENDUM TO FRANCHISE AGREEMENT

The Walk-On's Enterprises Franchising, LLC Franchise Agreement between _____ ("you") and Walk-On's Enterprises Franchising, LLC ("Franchisor" or "us"); dated _____ ("Agreement") is amended by the addition of the following language ("Addendum"):

Notwithstanding anything to the contrary stated in the Franchise Agreement, the following provisions will supersede and apply:

1. The following language will appear at the end of Section 30.03 of the Franchise Agreement ("Venue"):

"Minn. Stat. §80C.21 and Minn. Rule 2860.4400J prohibit Franchisor from requiring litigation to be conducted outside Minnesota. In addition, nothing in the disclosure document or agreement can abrogate or reduce any of Franchisee's rights as provided for in Minnesota Statutes, Chapter 80C, or Franchisee's rights to any procedure, forum or remedies provided for by the laws of the jurisdiction."

2. No release language stated in the Franchise Agreement will relieve the Franchisor or any other person, directly or indirectly, from liability imposed by the laws concerning franchising of the State of Minnesota.

3. Minnesota law provides franchisees with certain termination and non-renewal rights. Minnesota Statutes, Section 80C.14, subdivisions 3, 4, and 5 require, except in certain specified cases, that franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the franchise agreement.

4. Franchisor will protect Franchisee's right to use the trademarks, service marks, trade names, logotypes or other commercial symbols and/or indemnify Franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name.

5. The second sentence of Section 12.04 of the Franchise Agreement ("Enforcement of Covenants Not To Compete") is amended to read as follows:

"Accordingly, you consent to the seeking of an injunction prohibiting any conduct by you in violation of the terms of the covenants not to compete stated in this Agreement."

6. The third and fourth sentences of Section 23.01 of the Franchise Agreement ("Injunction") is amended to read as follows:

"You therefore agree that if you engage in this non-compliance, or unauthorized and/or improper use of the System or Proprietary Marks, during or after the period of this Agreement, we will be entitled to seek both temporary and permanent injunctive relief against you from any court of competent jurisdiction, in addition to all other remedies which we may have at law. You consent to the seeking of these temporary and permanent injunctions."

7. Notwithstanding anything to the contrary contained in Section 30.06 of the Franchise Agreement ("Limitation on Actions"), and under Minn. Stat. §80C.17, subd. 5, any claims arising under Minnesota Statutes, Chapter 80C must be brought within three years after the cause of action accrues.

8. No statement, questionnaire or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or any 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 parties have duly signed and delivered this Addendum on the date stated above.

FRANCHISOR

FRANCHISEE

Walk-On's Enterprises Franchising, LLC

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

NEW YORK ADDENDUM TO FRANCHISE AGREEMENT

The Walk-On's Enterprises Franchising, LLC Franchise Agreement between _____ (“you”) and Walk-On's Enterprises Franchising, LLC (“Franchisor” or “us”); dated _____ (“Agreement”) is amended by the addition of the following language (“Addendum”):

Notwithstanding anything to the contrary stated in the Franchise Disclosure Document or Franchise Agreement, the following provisions will supersede and apply to all franchises offered and sold under the laws of the State of New York:

1. The last sentence of the third paragraph of Section 7.01 of the Franchise Agreement (“Confidential Operating Manual”) is amended to read as follows:

“The Manual and any additions, deletions, revisions or Supplements to the Manual are material in that they will affect the operation of the franchised business, but they will not conflict with or materially alter your rights and obligations under this Agreement or place an excessive economic burden on your operations.”

2. Sections 13.01(H) and 14.04(O) of the Franchise Agreement are each amended to include the following language immediately following the requirement that Franchisee execute a General Release:

“Provided, however, that all rights enjoyed by Franchisee and any causes of action arising in its favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder will remain in force; it being the intent of this proviso that the non-waiver provisions of GBL, Section 687.4 and 687.5 be satisfied.”

3. The second sentence of Section 12.04 of the Franchise Agreement (“Enforcement of Covenants Not To Compete”) is amended to read as follows:

“Accordingly, you consent to the seeking of an injunction prohibiting any conduct by you in violation of the terms of the covenants not to compete stated in this Agreement.”

4. The third and fourth sentences of Section 23.01 of the Franchise Agreement (“Injunction”) is amended to read as follows:

“You therefore agree that if you engage in this non-compliance, or unauthorized and/or improper use of the System or Proprietary Marks, during or after the period of this Agreement, we will be entitled to seek both temporary and permanent injunctive relief against you from any court of competent jurisdiction, in addition to all other remedies which we may have at law. You consent to the seeking of these temporary and permanent injunctions.”

5. No statement, questionnaire or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or any 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 parties have duly signed and delivered this Addendum on the date stated above.

FRANCHISOR

FRANCHISEE

Walk-On's Enterprises Franchising, LLC

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

NORTH DAKOTA ADDENDUM TO FRANCHISE AGREEMENT

The Walk-On's Enterprises Franchising, LLC Franchise Agreement between _____ ("you") and Walk-On's Enterprises Franchising, LLC ("Franchisor" or "us"); dated _____ ("Agreement") is amended by the addition of the following language ("Addendum"):

Notwithstanding anything to the contrary stated in the Franchise Agreement, the following provisions will supersede and apply:

1. The laws of the State of North Dakota supersede any provisions of the Franchise Agreement or Georgia law if such provisions are in conflict with North Dakota law. The Franchise Agreement will be governed by North Dakota law, rather than Georgia law, as stated in Section 30.02 of the Franchise Agreement.
2. Any provision in the Franchise Agreement which designates jurisdiction or venue or requires the Franchisee to agree to jurisdiction or venue, in a forum outside of North Dakota, is deleted from Franchise Agreements issued in the State of North Dakota. The site of any arbitration will be agreeable to all parties.
3. No release language stated in the Franchise Agreement will relieve the Franchisor or any other person, directly or indirectly, from liability imposed by the laws concerning franchising of the State of North Dakota.
4. Covenants restricting competition in the State of North Dakota may be subject to Section 9-08-06 of the North Dakota Century Code.
5. Section 18.01.5. of the Franchise Agreement contains provisions that may be interpreted as liquidated damages clauses. Under the North Dakota Franchise Investment Law, certain liquidated damages clauses are unenforceable.
6. Section 30.03 of the Franchise Agreement requires that you consent to the jurisdiction of a court in Georgia. This provision may not be enforceable under North Dakota Law because North Dakota Law precludes you from consenting to jurisdiction of any court outside of North Dakota.
7. Section 30.04 of the Franchise Agreement requires you to waive your right to a jury trial and waive your right to collect exemplary or punitive damages. This provision may not be enforceable under North Dakota law.
8. No statement, questionnaire or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or any 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 parties have duly signed and delivered this Addendum on the date stated above.

FRANCHISOR

FRANCHISEE

Walk-On's Enterprises Franchising, LLC

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

RHODE ISLAND ADDENDUM TO FRANCHISE AGREEMENT

The Walk-On’s Enterprises Franchising, LLC Franchise Agreement between _____ (“you”) and Walk-On’s Enterprises Franchising, LLC (“Franchisor” or “us”); dated _____ (“Agreement”) is amended by the addition of the following language (“Addendum”):

Notwithstanding anything to the contrary stated in the Franchise Agreement, the following provisions will supersede and apply:

1. Any provision in the Franchise Agreement which designates the governing law as that of any state other than the State of Rhode Island is deleted from Franchise Agreements issued in the State of Rhode Island.
2. Section 19-28.1.-14 of the Rhode Island Franchise Investment Act, as amended by laws of 1993, provides that “a provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act.”
3. No statement, questionnaire or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or any 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 parties have duly signed and delivered this Addendum on the date stated above.

FRANCHISOR

FRANCHISEE

Walk-On’s Enterprises Franchising, LLC

By: _____
Name: _____
Title: _____
Date: _____

By: _____
Name: _____
Title: _____
Date: _____

SOUTH DAKOTA ADDENDUM TO FRANCHISE AGREEMENT

The Walk-On's Enterprises Franchising, LLC Franchise Agreement between _____ ("you") and Walk-On's Enterprises Franchising, LLC ("Franchisor" or "us"); dated _____ ("Agreement") is amended by the addition of the following language ("Addendum"):

Notwithstanding anything to the contrary stated in the Franchise Agreement, the following provisions will supersede and apply:

1. The following language is added to the Franchise Agreement:

"The law governing franchise registration, employment, covenants not to compete and other matters of local concern will be governed by the laws of the State of South Dakota, but as to contractual and all other matters, this agreement and all provisions of this instrument will be and remain subject to the application, construction, enforcement and interpretation under the governing laws of Georgia."
2. Any provision in the Franchise Agreement which designates jurisdiction or venue or requires the Franchisee to agree to jurisdiction or venue, in a forum outside of South Dakota, is deleted from the Franchise Agreement.
3. No release language stated in the Franchise Agreement will relieve the Franchisor or any other person, directly or indirectly, from liability imposed by the laws concerning franchising of the State of South Dakota.
4. Covenants not to compete on termination or expiration of the Franchise Agreement are generally unenforceable in the State of South Dakota, except in certain instances as provided by law.
5. Termination provisions covering breach of the Franchise Agreement, failure to meet performance and quality standards, and failure to make royalty payments contained in the Franchise Agreement will afford Franchisee thirty (30) days written notice with an opportunity to cure said default before termination.
6. Under SDCL 37-5B, any condition, stipulation or provision purporting to waive compliance with any provision of this chapter, or any rule or order thereunder is void. Any acknowledgement provision, disclaimer or integration clause or a provision having a similar effect in a franchise agreement does not negate or act to remove from judicial review any statement, misrepresentation or action that would violate this chapter or a rule or order under this chapter.
7. No statement, questionnaire or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or any 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 parties have duly signed and delivered this Addendum on the date stated above.

FRANCHISOR

FRANCHISEE

Walk-On's Enterprises Franchising, LLC

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

VIRGINIA ADDENDUM TO FRANCHISE AGREEMENT

The Walk-On’s Enterprises Franchising, LLC Franchise Agreement between _____ (“you”) and Walk-On’s Enterprises Franchising, LLC (“Franchisor” or “us”); dated _____ (“Agreement”) is amended by the addition of the following language (“Addendum”):

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 any 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 parties have duly signed and delivered this Addendum on the date stated above.

FRANCHISOR

FRANCHISEE

Walk-On’s Enterprises Franchising, LLC

By: _____
Name: _____
Title: _____
Date: _____

By: _____
Name: _____
Title: _____
Date: _____

WASHINGTON ADDENDUM TO FRANCHISE AGREEMENT

The Walk-On's Enterprises Franchising, LLC Franchise Agreement between _____ ("you") and Walk-On's Enterprises Franchising, LLC ("Franchisor" or "us"); dated _____ ("Agreement") is amended by the addition of the following language ("Addendum"):

1. In recognition of the requirements of the Washington Franchise Investment Protection Act, Wash. Rev. Code §§ 19.100.010 through 19.100.940, the parties agree to modify the Franchise Agreement as follows:
2. In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.
3. RCW 19.100.180 may supersede the Franchise Agreement in your relationship with the Franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the Franchise Agreement in your relationship with the Franchisor including the areas of termination and renewal of your franchise.
4. In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed on at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the Franchise Agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.
5. A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed under a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.
6. Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.
7. Under RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.
8. RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

9. No statement, questionnaire or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or any 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 parties have duly signed and delivered this Addendum on the date stated above.

FRANCHISOR

FRANCHISEE

Walk-On's Enterprises Franchising, LLC

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

**SBA ADDENDUM
RELATING TO
Walk-On's Enterprises Franchising, LLC
FRANCHISE AGREEMENT**

THIS ADDENDUM (Addendum) is made and entered into on _____, 20____, by **Walk-On's Enterprises Franchising, LLC**, located at **2 Ravinia Drive NE, 5th Floor, Atlanta, Georgia 30346** (Franchisor), and _____, located at _____ (Franchisee).

Recitals. Franchisor and Franchisee entered into a Franchise (or License) Agreement on _____, 20__, (Franchise Agreement). The Franchisee agreed among other things to operate and maintain a franchise located at _____ designated by Franchisor as Unit # _____ (Unit). Franchisee has obtained from a lender a loan (Loan) in which funding is provided with the assistance of the United States Small Business Administration (SBA). SBA requires the signing of this Addendum as a condition for obtaining the SBA assisted financing.

NOW, THEREFORE, in consideration of the mutual promises below, and for good and valuable considerations in hand paid by each of the parties to the others, the receipt and sufficiency of which the parties acknowledge, the parties agree as follows:

- The Franchise Agreement is in full force and effect, and Franchisor has sent no official notice of default to Franchisee under the Franchise Agreement that remains uncured on the date hereof.
- If the Franchisor must operate the business under Section 14.05 of the Franchise Agreement, Franchisor will operate the business for a 90-day renewable term, renewable as necessary for up to one year and the Franchisor will periodically discuss the status with the franchisee or its heirs.
- Notwithstanding anything to the contrary in Section 7.09 of the Franchise Agreement, the Franchisee will have the discretion to set pricing for its products and services provided that, subject to applicable antitrust laws, such pricing: (1) is at or below any maximum price cap programs established by the franchisor for its franchise system; or (2) is at or above any minimum price threshold programs established by the franchisor for its franchise system; or (3) conforms to any bona fide promotional programs or national or regional accounts programs established from time to time by the franchisor for its franchise system.
- If the Franchisee becomes disabled under Section 14.05 of the Franchise Agreement and the parties are unable to agree as to whether the Franchisee is permanently disabled, the disability must be determined by three Physicians chosen in the following manner. Franchisee must select one and the Franchisor must select one, and the two physicians so chosen must select a third physician. The decision of the majority of the physicians so chosen must be conclusive.
- The following is added to the end of Section 14.06 of the Franchise Agreement:

However, the Franchisor may not exercise a right of first refusal:

- (a) If a proposed Transfer is between or among individuals (including members of their immediate families and their respective spouses) who, at

the time of the proposed Transfer, have an ownership interest in the Franchisee or the Franchise, and who have guaranteed the Franchisee's obligations under a then outstanding indebtedness that is guaranteed by the United States Small Business Administration ("SBA") (Owner/Guarantors); or

- (b) If a proposed Transfer involves a Person other than an Owner/Guarantor and the proposed Transfer involves a noncontrolling ownership interest in the Franchisee or the Franchise, unless this noncontrolling interest: (1) represents less than a 20% ownership interest in the Franchisee or in the Franchise, or (2) the Franchisor (in combination with all of Franchisor's franchisees) qualifies as a small business and the exercise of the right does not affect the eligibility of the borrower to qualify for the SBA loan guarantee program.

The Franchisor's right to approve or to disapprove a proposed Transfer or transferee, or to exercise its right of first refusal with respect to a Transfer of a controlling interest in Franchisee or the Franchise, will not be affected by any of the foregoing provisions. If the Franchisor does not qualify as a small business under SBA regulations, the parties acknowledge and understand that the Franchisor's exercise of its right of first refusal may result in an SBA guaranteed loan becoming immediately due and payable.

- Notwithstanding anything to the contrary in Section 19.01 of the Franchise Agreement, neither the Franchisor nor its affiliates have the option to purchase any real estate owned by the Franchisee. The Franchisor, however, may lease the real estate for the remainder of the franchisee's term (excluding additional renewals) for fair market value.
- Section 33.01 of the Franchise Agreement, that grants the Franchisor the right to use its reasonable business judgment, will not pertain to any transfer of the franchisee's business. The franchisor's consent in the event of a transfer will not be unreasonably withheld, conditioned, or delayed.
- Notwithstanding anything to the contrary in Section 14.04 J. of the Franchise Agreement the Franchisee, on transfer, will not be bound by the terms of the new franchise agreement and guarantee performance of the transferee.
- Notwithstanding anything to the contrary in Section 6.02 of the Franchise Agreement and the Required Provisions for Lease Rider document, if the Franchisee owns the real property on which the business is located, Franchisor only has a right to lease the premises for the remaining term of the Franchise Agreement (excluding renewals) at fair market value.
- Notwithstanding anything to the contrary in Section 14.06.C. of the Franchise Agreement, if the Franchisor exercises its right of first refusal, the Franchisor will not offer to Franchisee anything less than the terms stated in a bona fide offer from a 3rd party. Any dispute as to the value of the assets cannot be determined by the Franchisor selecting an appraiser on its own.

- Notwithstanding anything to the contrary in Section 14.06.D. of the Franchise Agreement, neither the Franchisor nor its designee, have the option to require that a partial transfer requested by the Franchisee becomes a transfer of 100% of the franchise business.
- This Addendum automatically terminates on the earliest to occur of the following: (i) a Termination occurs under the Franchise Agreement; (ii) the Loan is paid in full; or (iii) SBA no longer has any interest in the Loan.

IN WITNESS WHEREOF, the parties hereto have duly signed and signed this Addendum as of the day and year first above written.

FRANCHISOR

FRANCHISEE

Walk-On's Enterprises Franchising, LLC

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

EXHIBIT A

FRANCHISED TERRITORY

The Territory as defined in Section 3.01 of the Franchise Agreement will consist of: a 9-mile radius around the Restaurant Location. We reserve the right to reduce this radius for high density population areas.

The Restaurant Location as defined in Section 3.01 of the Franchise Agreement is:

EXHIBIT B

PROPRIETARY MARKS

The Proprietary Marks as defined in Section 1.01 of the Franchise Agreement will consist of:



and all other and further Proprietary Marks (as defined in Section 1.01 of the Franchise Agreement) that we may from time to time license to you in conjunction with and addition to the Proprietary Marks listed above. Any other and further Proprietary Marks are deemed a part of this Exhibit B.

EXHIBIT C

LEASE RIDER

This Lease Rider (this "Rider") is entered into this _____ day of _____, 20____, by and between _____, a(n) _____ ("Landlord") and _____, a(n) _____ ("Tenant") for the benefit of Walk-On's Enterprises Franchising, LLC, a Georgia limited liability company ("Franchisor").

WHEREAS, Tenant and Franchisor have signed a Franchise Agreement (the "Franchise Agreement"), under which Franchisor has granted Tenant the right to establish and operate a franchised Walk-On's Sports Bistreaux at the following location: _____ (the "Premises");

WHEREAS, Tenant and Landlord are entering into a lease agreement (the "Lease"), under which Tenant will lease the Premises from Landlord; and

WHEREAS, Franchisor has required Tenant to include certain terms in the Lease in order to protect Franchisor's rights, and Landlord has agreed to such terms.

NOW, THEREFORE, for good and valuable consideration, the receipt of which the parties acknowledge, Landlord and Tenant agree as follows:

1. Landlord agrees to: (a) furnish to Franchisor a copy of any default notice served on Tenant and/or another lessee under the Lease simultaneously with the service of the notice to Tenant and/or such other lessee; (b) provide Franchisor with notice of any proposed renewals, extensions, modifications and amendments to the Lease; (c) give Franchisor the opportunity, but Franchisor will not be required, to cure any default by Tenant or other lessee under the Lease within 15 days following the expiration of any applicable cure period if Tenant and/or such other lessee fail to cure such default; and (d) to furnish to Franchisor, at Franchisor's request, a copy of any sales or operating information for the Premises provided by Tenant. All notices to Franchisor must be sent to the following address: Walk-On's Enterprises Franchising, LLC, 2 Ravinia Drive NE, 5th Floor, Atlanta, Georgia 30346, Attn: Chris Porcelli (chris.porcelli@walk-ons.com), unless Landlord is notified otherwise in writing by Franchisor. No notice to Tenant must be effective unless and until a copy thereof is served on Franchisor.

2. Landlord agrees that if Franchisor exercises its right to cure a default by Tenant and/or another lessee under the Lease, then Franchisor may, at its option, succeed to Tenant's and/or such other lessee's interests under the Lease and must be recognized by Landlord as the lessee or sublessee thereunder for the remaining term of the Lease.

3. Landlord agrees that upon the expiration or earlier termination of the Franchise Agreement, Franchisor may, but is not obligated to, assume the Lease and have the Lease assigned to it; provided, however, that Franchisor must cure any existing defaults under the Lease in order to exercise this option.

4. Landlord agrees that on the termination or expiration of the Lease, Franchisor has the first right of refusal to lease the Premises as the new lessee or sublessee.

5. Landlord agrees that Franchisor must have the right to enter the Premises to make any modifications or alterations necessary in Franchisor's sole discretion to protect its franchise system, trademarks, trade names, trade dress and other intellectual property without being guilty of trespass or any other tort or crime.

6. Landlord agrees that on the expiration or termination of the Franchise Agreement, Franchisor must have the right to enter the Premises and remove any trade fixtures, interior or exterior signs or other items bearing its trademarks. Landlord agrees on the expiration or termination of the Franchise Agreement to relinquish to Franchisor all liens or other ownership interests, whether by operation of law or otherwise, in and to any tangible property bearing Franchisor's trademarks, service marks or trade dress.

7. Landlord agrees that, if Franchisor succeeds to Tenant's and/or any other lessee's interests under the Lease for any reason, Franchisor has the right to further assign the lease or to sublease the Premises to either an entity owned or controlled by Franchisor, or to another Walk-On's Sports Bistreaux franchisee on obtaining Landlord's written consent, which consent may not be unreasonably withheld, conditioned or delayed by Landlord. No assignment permitted under this Section is subject to any assignment or similar fee or will cause any rental acceleration.

8. On Franchisor's delivery to Landlord and Tenant of its election to exercise its rights under this Addendum, Franchisor is entitled to all of Tenant's rights and interests in the Lease, as if Franchisor were the tenant under the Lease, including, by way of example and not limitation, the right to exercise all renewal options thereunder, without the need for any further action or instrument.

9. Landlord and Tenant agree that Franchisor is an intended third-party beneficiary of the terms of this Addendum. Landlord and Tenant agree that Franchisor has no liability or obligation under the Lease unless and until Franchisor exercises its right to assume the Lease under this Rider.

10. In the event of any inconsistency between the terms of this Rider and the terms of the Lease, the terms of this Rider control. All of the terms of this Rider, whether so expressed or not, are binding upon, inure to the benefit of, and are enforceable by the parties and their respective personal and legal representatives, heirs, successors and permitted assigns. The provisions of this Rider may be amended, supplemented, waived or changed only by a written document signed by all the parties to this Rider that makes specific reference to this Addendum and that must be approved in writing by Franchisor. This Addendum may be signed in one or more counterparts, each of which is an original, but all of which together constitute one and the same instrument.

LANDLORD:

TENANT

_____,
a _____

_____,
a _____

By: _____

By: _____

Name: _____

Name: _____

Its: _____

Its: _____

EXHIBIT D
GUARANTEE

In consideration of the signing by Franchisor of the Franchise Agreement (the "Franchise Agreement") dated the _____ day of _____, 20____, between Walk-On's Enterprises Franchising, LLC ("Franchisor") and _____ ("Franchisee") and for other good and valuable consideration, each of the undersigned, for themselves, their heirs, successors, and assigns, do jointly, individually and severally absolutely and unconditionally guarantee the payment of all amounts and the performance of all of the covenants, terms, conditions, agreements and undertakings contained and stated in said Franchise Agreement and in any other agreement(s) by and between Franchisee and Franchisor.

If more than one person has signed this Guarantee, the term "the undersigned", as used herein, must refer to each such person, and the liability of each of the undersigned hereunder must be joint and several and primary as sureties.

The undersigned, individually and jointly, agrees to be personally bound by every covenant, term, condition, agreement and undertaking contained and stated in said Franchise Agreement and any other agreement(s) by and between Franchisee and Franchisor, and agree that this Guarantee must be construed as though the undersigned signed agreement(s) containing the identical terms of the Franchise Agreement and any other agreement(s) by and between Franchisee and Franchisor.

The undersigned hereby agrees that without the consent of or notice to any of the undersigned and without affecting any of the obligations of the undersigned hereunder: (a) any term, covenant or condition of the Franchise Agreement may be amended, compromised, released or otherwise altered by Franchisor and Franchisee, and the undersigned do guarantee and promise to perform all the obligations of Franchisee under the Agreement as so amended, compromised, released or altered; (b) any guarantor of or party to the Franchise Agreement may be released, substituted or added; (c) any right or remedy under the Agreement, this Guarantee or any other instrument or agreement between Franchisor and Franchisee may be exercised, not exercised, impaired, modified, limited, destroyed or suspended; and, (d) Franchisor or any other person may deal in any manner with Franchisee, any of the undersigned, any party to the Franchise Agreement or any other person.

Should Franchisee be in breach or default under the Franchise Agreement or any other agreement(s) by and between Franchisee and Franchisor, Franchisor may proceed directly against any or each of the undersigned without first proceeding against Franchisee and without proceeding against or naming in such suit any other Franchisee, signatory to the Franchise Agreement or any others of the undersigned. The undersigned agree to bear all Franchisor's costs of collection hereunder, including all court costs and expenses, attorneys' fees, costs of or resulting from delays; travel, food, lodging and other living expenses necessitated by the need or desire to appear before courts or tribunals (including arbitration tribunals), and all other costs of collection.

Notice to or demand on Franchisee or any of the undersigned must be deemed notice to or demand on Franchisee and all of the undersigned, and no notice or demand need be made to or on any or all of the undersigned. The cessation of or release from liability of Franchisee or any of the undersigned will not relieve any other Guarantors from liability hereunder, under the Franchise Agreement, or under any other agreement(s) between Franchisor and Franchisee, except to the extent that the breach or default has been remedied or moneys owed have been paid.

Any waiver, extension of time or other indulgence granted by Franchisor or its agents, successors or assigns, with respect to the Franchise Agreement or any other agreement(s) by and between Franchisee and Franchisor, will in no way modify or amend this Guarantee, which will be continuing, absolute, unconditional and irrevocable.

It is understood and agreed by the undersigned that the provisions, covenants and conditions of this Guarantee must inure to the benefit of the Franchisor, its successors and assigns. This Guarantee may be assigned by Franchisor voluntarily or by operation of law without reducing or modifying the liability of the undersigned hereunder.

This Guarantee is to be exclusively construed in accordance with and/or governed by (as applicable) the law of the state of Georgia (without regard to its choice-of-law or conflict-of-law rules).

Without limiting any of the foregoing, the undersigned agrees to be personally bound by and to personally comply with all provisions in the Franchise Agreement as if the undersigned had signed the Franchise Agreement personally, including without limitation those provisions regarding Jurisdiction and Venue and Covenants Not To Compete.

Should any one or more provisions of this Guarantee be determined to be illegal or unenforceable, all other provisions will nevertheless be effective.

IN WITNESS WHEREOF, each of the undersigned has signed this Guarantee effective as of the date of the Franchise Agreement.

Signature

Printed Name

Address

Signature

Printed Name

Address

EXHIBIT E

ACKNOWLEDGMENT ADDENDUM

THIS DOCUMENT WILL NOT BE SIGNED BY YOU, AND WILL NOT APPLY, IF THE OFFER OR SALE OF THE FRANCHISE IS SUBJECT TO THE STATE FRANCHISE REGISTRATION/DISCLOSURE LAWS IN THE STATES OF CALIFORNIA, HAWAII, ILLINOIS, INDIANA, MARYLAND, MICHIGAN, MINNESOTA, NEW YORK, NORTH DAKOTA, RHODE ISLAND, SOUTH DAKOTA, VIRGINIA, WASHINGTON, OR WISCONSIN.

Do not sign this Questionnaire if you are a resident of Maryland or the business is to be operated in Maryland.

As you know, you and we intend to enter into a Franchise Agreement for the operation of a Walk-On's Restaurant franchise. This Acknowledgment Addendum must be completed before the final signing of a Franchise Agreement. The purpose of this Acknowledgment Addendum is to determine whether any statements or promises were made to you that we have not authorized or that may be untrue, inaccurate or misleading, and to be certain that you understand certain terms associated with the offer and sale of the franchise and the operation of a Walk-On's Restaurant franchise. Please review each of the following questions carefully and provide honest responses to each question.

Acknowledgments and Representations.

1. Did you or a representative receive a copy of our Franchise Disclosure Document (and all exhibits and attachments) at least 14 calendar days before signing this Acknowledgment Addendum and Franchise Agreement? Check one: Yes or No. If no, please comment: _____

2. Have you studied and reviewed carefully our Disclosure Document and Franchise Agreement? Check one: Yes or No. If no, please comment: _____

3. Did you understand all the information contained in both the Disclosure Document and Franchise Agreement? Check one: Yes or No. If no, please comment: _____

4. Was any oral, written or visual claim or representation made to you that contradicted the disclosures in the Disclosure Document or Franchise Agreement? Check one: Yes or No. If yes, please state in detail the oral, written or visual claim or representation: _____

5. Did any employee or other person speaking on behalf of Walk-On's Enterprises Franchising, LLC make any oral, written or visual claim, statement, promise or representation to you that stated, suggested, predicted or projected sales, revenues, expenses, earnings, income or profit levels at any Walk-On's Restaurant location or business, or the likelihood of success at your franchised business? Check one: Yes or No. If yes, please state in detail the oral, written or visual claim or representation: _____

6. Did any employee or other person speaking on behalf of Walk-On's Enterprises Franchising, LLC make any statement or promise regarding the costs involved in operating a franchise that is not contained in the Disclosure Document or that is contrary to, or different from, the information contained in the Disclosure Document. Check one: Yes or No. If yes, please comment:

7. Do you understand that that the franchise granted is for the right to develop and operate a Walk-On's Restaurant within the Territory, as stated in Franchise Agreement Section 2.01, and that, according to Franchise Agreement Section 3.04, we and our affiliates have the right, regardless of the proximity to your Walk-On's Restaurant, to: (i) engage in any business activity and deploy any business concept whatsoever and use our Proprietary Marks or any other names or marks owned or developed by us or our affiliates in connection with such other concepts and business activities; (ii) offer and sell under the Proprietary Marks, any and all programs, products or services and/or their components or ingredients (including those used or sold by your franchise), whether or not a part of the Walk-On's System, through any alternative method of distribution except for a Walk-On's Restaurant of the same type franchised to you hereunder; (iii) offer and sell (directly, or through other franchisees or licensees) Walk-On's System programs, products and services at any and all nontraditional locations; and that, (iv) we and/or our affiliates alone have the right to sell Walk-On's System programs, products and services to national, regional and institutional accounts. Check one: Yes or No. If no, please comment: _____

8. Do you understand that the Franchise Agreement contains the entire agreement between you and us concerning the franchise for the Restaurant, meaning that any prior oral or written statements not set out in the Disclosure Document or Franchise Agreement will not be binding? Check one: Yes or () No. If no, please comment: _____

9. Do you understand that the success or failure of your Walk-Ons Restaurant will depend in large part upon your skills and experience, your business acumen, your location, the local market for products under the "Walk-On's" trademarks, interest rates, the economy, inflation, the number of employees you hire and their compensation, competition and other economic and business factors? Further, do you understand that the economic and business factors that exist at the time you open your Walk-Ons Restaurant may change? Check one Yes No. If no, please comment: _____

10. Do you understand that you are bound by the non-compete covenants (both in-term and post-term) listed in Franchise Agreement Sections 12.02 and 18.01(10) and that an injunction is an appropriate remedy to protect the interests of the Walk-On's System if you violate the covenant(s)? Further, do you understand that the term "you" for purposes of the non-compete covenants is defined broadly in Franchise Agreement Sections 12.02 and 18.01(10), such that any actions in violation of the covenants by those holding any interest in the franchisee entity may result in an injunction, default and termination of the Franchise Agreement? Check one Yes or No. If no, please comment: _____

11. On the receipt page of the Disclosure Document you identified _____
_____ as the franchise sellers involved in this franchise sales
process. Are the franchise sellers identified above the only franchise sellers involved with this
transaction? Check one () Yes or () No. If no, please identify any additional franchise sellers
involved with this transaction: _____

YOU UNDERSTAND THAT YOUR ANSWERS ARE IMPORTANT TO US AND THAT WE WILL
RELY ON THEM. BY SIGNING THIS ADDENDUM, YOU ARE REPRESENTING THAT YOU HAVE
CONSIDERED EACH QUESTION CAREFULLY AND RESPONDED TRUTHFULLY TO THE ABOVE
QUESTIONS. IF MORE SPACE IS NEEDED FOR ANY ANSWER, CONTINUE ON A SEPARATE
SHEET AND ATTACH.

**NOTE: IF THE RECIPIENT IS A CORPORATION, PARTNERSHIP, LIMITED LIABILITY
COMPANY OR OTHER ENTITY, EACH OF ITS PRINCIPAL OWNERS MUST EXECUTE THIS
ACKNOWLEDGMENT.**

Signed: _____
Print Name: _____
Date: _____

APPROVED ON BEHALF OF
WALK-ON'S ENTERPRISES FRANCHISING, LLC

By: _____
Name: Chris Porcelli
Title: Chief Executive Officer
Date: _____

EXHIBIT B

AREA DEVELOPMENT AGREEMENT AND RELATED MATERIALS

**WALK-ON'S ENTERPRISES FRANCHISING, LLC
AREA DEVELOPMENT AGREEMENT**

TABLE OF CONTENTS

1. INTRODUCTION 4
2. GRANT OF AREA DEVELOPMENT RIGHTS..... 4
3. DEVELOPMENT TERRITORY 4
4. TERM 6
5. AREA DEVELOPMENT FEE..... 6
6. DEVELOPMENT SCHEDULE 6
7. EXECUTION OF FRANCHISE AGREEMENTS 7
8. OUR DUTIES..... 7
9. YOUR DUTIES..... 8
10. CONFIDENTIAL INFORMATION 10
11. COVENANTS NOT TO COMPETE 11
12. ASSIGNMENT..... 12
13. PROPRIETARY MARKS 13
14. RELATIONSHIP OF THE PARTIES..... 13
15. DEFAULT AND TERMINATION 14
16. OTHER OBLIGATIONS AND RIGHTS ON TERMINATION OR EXPIRATION 15
17. UNAVOIDABLE DELAY OR FAILURE TO PERFORM (FORCE MAJEURE)..... 16
18. ADDITIONAL PROVISIONS 16
19. SUBMISSION OF AGREEMENT 20

EXHIBITS

- A. DEVELOPMENT TERRITORY**
- B. FIRST UNIT FRANCHISE AGREEMENT YOU AND WE WILL SIGN**
- C. GUARANTEE**

WALK-ON'S ENTERPRISES FRANCHISING, LLC

AREA DEVELOPMENT AGREEMENT

THIS AREA DEVELOPMENT AGREEMENT ("Agreement") is entered into on _____ between WALK-ON'S ENTERPRISES FRANCHISING, LLC, a Georgia limited liability company with its principal office at 2 Ravinia Drive NE, 5th Floor, Atlanta, Georgia 30346 ("we," "us" or "our") and _____, whose principal address is _____ ("you" or "your").

1. INTRODUCTION

1.01 The Walk-On's Sports Bistreaux, System and Proprietary Marks. As a result of the expenditure of time, skill, effort and money, we and our affiliates have developed a proprietary system (the "System") for opening and operating Walk-On's Sports Bistreaux restaurants (a "Restaurant"), which are Louisiana themed sports grills offering a variety of fresh, cooked to order menu items such as sandwiches, seafood, Southern Louisiana specialties, hamburgers and salads and other programs, products and services related thereto (the "System"). The System makes use of the marks "Walk-On's," "Walk-On's Sports Bistreaux," and certain other trademarks, service marks, trade names, related emblems, designs, labels, trade dress, signs and symbols, copyrighted materials and other intellectual property (together, the "Proprietary Marks").

1.02 The Area Development Business. You wish to operate an area development business (the "Area Development Business") that obtains the right to acquire and operate Restaurants in the geographical territory(ies) (the "Development Territory") stated in Exhibit A and under a development schedule (the "Development Schedule") defined and stated in Section 6.01. We wish to grant you the right to acquire and operate Restaurants in the Development Territory and under the Development Schedule subject to the terms in this Agreement.

2. GRANT OF AREA DEVELOPMENT RIGHTS

2.01 Area Development Rights. We grant you, and you accept, the right and obligation to acquire and operate the Area Development Business, and to develop Restaurants in the Development Territory and under the Development Schedule, subject to the terms of this Agreement and the terms of each Unit Franchise Agreement (referred to individually as a "Franchise Agreement" and collectively as the "Franchise Agreements") entered into between you and us, and all agreements related to the Franchise Agreements.

3. DEVELOPMENT TERRITORY

3.01 Territorial Grant. You undertake to open and operate the number of Restaurants identified in Section 6.01 within the Development Territory.

3.02 Exclusivity. Your Development Territory is non-exclusive. Within the Development Territory, we, our parent, and our or our parent's affiliates, subsidiaries and designees (together, the "Affiliates") may own and operate ourselves and may grant other third parties the right to own and operate Walk-On's Sports Bistreaux and/or any other businesses. Notwithstanding the foregoing, we and our Affiliates are prohibited from owning and operating ourselves, and from granting other third parties the right to own and operate, a Restaurant within the "Territory" of each individual Restaurant you develop under this Agreement to the extent stated in each subject Franchise Agreement.

3.03 Rights We Reserve. You agree that we and our Affiliates may now have and/or may later acquire or develop certain rights and intellectual property that are not designated as part of the System and the rights to which are not granted to you under this Agreement. Accordingly, you agree that this Agreement does not create any form of franchise or license with respect to those rights, all of which remain our sole and exclusive property. We reserve all rights not expressly granted in this Agreement, which will not be qualified or diminished in any way by implication.

For example, and without limitation, within and outside of the Development Territory, we or our Affiliates may own and operate or authorize others to own and operate Restaurants (subject only to the territorial restrictions provided in Franchise Agreements, while the Franchise Agreements remain in effect) and engage in or authorize others to engage in any form of business whatsoever, including the sale of System programs, products and services under the Proprietary Marks.

Further, we and our Affiliates alone may sell, within and outside the Development Territory and within the Territory of any individual Restaurant granted under a Franchise Agreement, System programs, products and services, at wholesale or retail, through any alternative method of distribution including, without limitation, alternative channels of distribution such as the internet/worldwide web; any other form of electronic commerce; supermarkets, grocery stores and convenience stores; mail order; catalogs; television sales; or any other channel of distribution whatsoever.

You also agree that we and/or our Affiliates have the right to offer and sell (directly, or through other franchisees or licensees) within and outside the Development Territory and within the Territory of any individual Restaurant granted under a Franchise Agreement, System programs, products and services at any and all nontraditional locations, through the establishment of limited-service or fast casual Restaurants, kiosks, mobile units, concessions or “shop in shops”. “Nontraditional locations” include sports arenas and venues; resorts; food retailers (including supermarkets, grocery stores and convenience stores); malls and mall food courts; schools and universities; hospital and healthcare facilities; airports; cruise ships; guest lodging facilities; government facilities; military bases and installations; and any other location or venue to which access to the general public is restricted.

You agree that we and/or our Affiliates alone have the right to sell System programs, products and services within and outside the Development Territory and within the Territory of any individual Restaurant granted under a Franchise Agreement, to national, regional and institutional accounts. “National, regional and institutional accounts” are organizational or institutional customers whose presence is not confined to your Development Territory, including (by way of example only): business entities with offices or branches situated both inside and outside of your Development Territory; sports leagues or divisions; government agencies, branches or facilities; guest lodging networks; healthcare networks; the military; and, any other customer whose presence is not confined to your Development Territory. Only we and/or our Affiliates have the right to enter into contracts with national, regional and/or institutional accounts (which may include facilities within your Development Territory). If we receive orders for any System programs, products or services calling for delivery or performance in your Development Territory as a result of our engaging in commerce with national, regional and institutional accounts, then we will have the right, but not the obligation, either to require you to fulfill the orders at the price we agree on with the customer or to give you the opportunity to fulfill the orders at the price we agree on with the customer. If we give you the opportunity to fulfill the orders and if, for any reason, you do not desire to or cannot serve the customer, or if the customer desires for any or no reason to deal exclusively with us, our Affiliate or another franchisee and not with you, then we, our Affiliate or any other franchisee may serve the customer within your Development Territory, and you will not be entitled to any compensation.

You waive and release any claims, demands or damages arising from or related to any of the above activities and promise never to begin or join in any legal action or proceeding, or register a complaint with any governmental entity, directly or indirectly contending otherwise.

For the purposes of this Agreement, an “Affiliate” of an individual or entity (such as you or us) is defined to mean any individual or business entity that directly or indirectly is controlled by, controls or is under common control with that person or entity.

4. TERM

4.01 Term. Unless sooner terminated in accordance with its provisions, the term (“Term”) of this Agreement begins on the Effective Date and ends on the sooner of the actual or scheduled Date of Signing (as defined in Section 6.01 below) of the last Franchise Agreement signed under this Agreement.

5. AREA DEVELOPMENT FEE

5.01 Area Development Fee. In consideration of our signing this Agreement, you agree to pay us an area development fee of 50% of the current Initial Franchise Fee (i.e., \$30,000 per Restaurant) multiplied by the aggregate number of Restaurants you must establish and operate under Section 6.01 of this Agreement (the “Area Development Fee”). The Area Development Fee is payable in full when you sign this Agreement and is fully earned when paid. You recognize that we have incurred administrative and other expenses in relation to this Agreement, and that our development opportunities have been lost or curtailed because of the territorial rights granted to you in this Agreement. Therefore, we will not refund the Area Development Fee in whole or in part, under any circumstance.

For each Restaurant you must establish and operate under Section 6.01 of this Agreement, you will receive a credit of \$30,000 against the then-current Initial Franchise Fee due when you sign the Franchise Agreement for the particular Restaurant.

6. DEVELOPMENT SCHEDULE

6.01 Development Schedule. While this Agreement is in effect, you have the right and obligation to sign Franchise Agreements for, and begin operations of, Restaurants under the Development Schedule below. The Development Schedule provides: (i) the deadline by which you must sign each Franchise Agreement (the “Date of Signing”), (ii) the deadline by which you must secure your site (“Site Secure Date”), and (iii) the deadline by which you must begin operations of each respective Restaurant (the “Opening Date”).

| Restaurant Number | Date of Signing of Franchise Agreement | Site Secure Date | Opening Date |
|-------------------|--|------------------|--------------|
| 1 | | | |
| 2 | | | |
| 3 | | | |
| 4 | | | |
| 5 | | | |
| 6 | | | |
| 7 | | | |
| 8 | | | |
| 9 | | | |
| 10 | | | |

You may not develop or open more than the number of Restaurants stated above without first obtaining our written consent.

A Restaurant will be considered “developed” if: (a) the Franchise Agreement for the Restaurant has been signed by you and us, (b) you have secured the site for the Restaurant, and (c) the Restaurant has begun operations in accordance with its Franchise Agreement.

6.02 Failure to Fulfill Development Obligations. Except as provided in Section 17.01 below (“Unavoidable Delay or Failure to Perform Force Majeure”), if you fail to adhere to the Development Schedule in Section 6.01 by: (i) failing to sign the applicable Franchise Agreement for each Restaurant on or before the Date of Signing stated above; or (ii) failing to secure the site for the Restaurant, or (iii) failing to begin operations of each Restaurant on or before the applicable Opening Date stated above, then this is a breach of this Agreement, which, entitles us to immediately terminate this Agreement.

Notwithstanding the foregoing, termination of this Agreement for failure to adhere to the Development Schedule will not constitute the termination (constructive or otherwise) of any individual Franchise Agreement(s) entered into by you and us so long as you have already begun operation of the subject Restaurant and have otherwise fully complied with all obligations under the Franchise Agreement(s).

7. SIGNING OF FRANCHISE AGREEMENTS

7.01 Execution of Franchise Agreements. You and we will sign a Franchise Agreement for each Restaurant provided for in the Development Schedule. Each Franchise Agreement will be in the form of our then-current Franchise Agreement, modified as follows: (i) your Initial Franchise Fee (as defined in the Franchise Agreement) will be modified as stated in Section 5.01 above, and (ii) the Continuing Royalty (as defined in the Franchise Agreement) and System Advertising Contribution (as defined in the Franchise Agreement) will not be greater than those stated in the first Franchise Agreement that you will sign (a copy of which is attached to this Agreement as Exhibit B). Each Franchise Agreement will be signed according to the following procedure:

(1) Not less than 30 days before the scheduled Date of Signing of each Franchise Agreement, we will deliver to you a copy of our then-current applicable Walk-On’s Franchise Disclosure Document, including our then-current applicable Walk-On’s Franchise Agreement, modified as provided above (collectively, the “Franchise Disclosure Document”).

(2) Promptly on receipt of the Franchise Disclosure Document, you must acknowledge receipt by signing the Receipt form in the Franchise Disclosure Document and promptly returning the Receipt to us.

(3) No sooner than 15 calendar days but no later than 20 business days after you receive our Franchise Disclosure Document, you must, by written notice, notify us as to whether you elect to sign our then-current form of Franchise Agreement (modified as provided above) for the Restaurant.

(4) Promptly on our receipt of your notice electing to sign our then-current form of Franchise Agreement (modified as provided above), we will deliver to you the Franchise Agreement. Promptly on receipt thereof, you must sign the Franchise Agreement and return it to us.

If you fail to perform any of the acts or fail to deliver any of the notices required under this Section in a timely fashion, this is an incurable breach of this Agreement which entitles us to terminate this Agreement immediately on notice to you, with no opportunity to cure.

8. OUR DUTIES

8.01 Duties of Franchisor. So long as you are not in default under this Agreement or any of the Franchise Agreements, we will grant you the right and obligation to acquire and operate Restaurants in the Development Territory, under the Development Schedule and on the terms stated in this Agreement, each Franchise Agreement entered into between you and us, and all other documents related thereto, and to use the System, as it may be changed, improved, modified or further developed from time to time, solely in connection with each Franchise Agreement. In addition, we will provide the training, instruction, assistance

and other activities provided for under the Franchise Agreements.

9. YOUR DUTIES

9.01 Payments to Us. In addition to all other payments required under this Agreement, you agree to pay us (or our Affiliates) immediately on demand: (i) all sales taxes, trademark license taxes and any other taxes, imposed on, required to be collected, or paid by us or our Affiliates (excluding any corporate income taxes imposed on us or our Affiliates) because we or our Affiliates have furnished services or products to you or collected any fee from you; (ii) all amounts we advanced, or that we have paid, or for which we have become obligated to pay, on your behalf for any reason; and, all amounts due to us (and/or our Affiliates) for any other reason. All payments due to us are to be made in the manner we specify, which may change from time to time.

9.02 Compliance with Franchise Agreement and Laws, Rules and Regulations. You agree to abide by and faithfully adhere to the terms of each Franchise Agreement signed under this Agreement. You further agree to operate the Area Development Business and each Restaurant you develop in strict compliance with all applicable laws, rules and regulations of all governmental authorities.

9.03 Indemnification. You agree that you will, at your sole cost, at all times defend, indemnify and hold harmless us and our Affiliates, and the corporate affiliates, subsidiaries, successors, assigns and designees, directors, officers, employees, agents, attorneys, shareholders, designees, contractors and representatives of each (we and all others referenced above, the "Indemnitees") to the fullest extent permitted by law, from all claims, loss, liability and costs (including court costs, attorneys' fees and experts' fees) incurred in any action, suit, proceeding, claim, demand, investigation, or formal or informal inquiry (regardless of whether reduced to judgment) or any settlement that actually or allegedly, directly or indirectly arises out of, is based on, is a result of or is related to any of the following:

1. Claims of any type or nature advanced by or against you or any of your officers, directors, shareholders, partners, proprietors, management, agents, employees, affiliates, representatives and contractors (or any third party acting on your behalf or at your direction) by a third party (or, as applicable, against a third party) or between or among themselves;
2. Your alleged or actual infringement or violation of any patent, mark or copyright or other proprietary right owned or controlled by third parties;
3. Your alleged or actual violation or breach of any contract, federal, state, local, foreign or other law, rule or regulation;
4. Libel, slander or any other form of defamation by you;
5. Your alleged or actual violation or breach of any warranty, representation, agreement or obligation stated in this Agreement;
6. Any acts, errors, neglects or omissions by you and/or your officers, directors, shareholders, management, employees, agents, servants, contractors, partners, proprietors, affiliates or representatives (or any third party acting on your behalf or at your direction); and/or
7. Any damage to the property of you, us, any of our Affiliates, or their, our or your officers, directors, management, agents, employees and contractors.

You agree to give us written notice of any action, suit, proceeding, claim, demand, inquiry or investigation that could be the basis for a claim for indemnification by any Indemnitee within 3 days of your actual or constructive knowledge of it. At your expense and risk, we may elect to assume (but under no circumstance are we obligated to undertake) the defense and/or settlement of the action, suit, proceeding, claim, demand, inquiry or investigation. However, we will seek your advice and counsel and keep you informed with regard to the defense or contemplated settlements. Our undertaking of defense and/or

settlement will in no way diminish your obligation to indemnify and hold harmless us and the other Indemnitees.

We have the right, at any time we consider appropriate, to offer, order, consent or agree to settlements or take any other remedial or corrective actions we consider expedient with respect to the action, suit, proceeding, claim, demand, inquiry or investigation if, in our sole judgment, there are reasonable grounds to do so. Under no circumstances will we or the other Indemnitees be required to seek recovery from third parties or to otherwise mitigate losses to maintain a claim against you. You agree that any failure to pursue recovery from third parties or to mitigate losses will in no way reduce the amounts recoverable by us or the other Indemnitees from you. The indemnification obligations of this Section survive the expiration or sooner termination of this Agreement.

9.04 Business Entity Franchisee Requirements. If you are a business entity, you must comply with the following requirements (which will also apply to any business entity assignee of yours):

1. Furnish us with your entity's formation document (such as Articles of Incorporation or Articles of Organization) and operating document (such as bylaws, partnership, agreement, limited partnership agreement, limited liability company agreement) and other governing documents; list of officers, directors, shareholders, partners (limited and general), proprietors or members (including type, number and percentage of interests held); the Confidential Information Protection Agreements required under Section 11; and any other documents we reasonably request, and any amendments to them.

2. Confine your activities exclusively to the operation of the Area Development Business, and the Restaurants developed in connection therewith, and ensure that your governing documents limit your activities as such.

3. Maintain stop transfer instructions against the transfer on the records of any of your equity securities, and not issue or have outstanding any securities on the face of which the following printed legend does not legibly and conspicuously appear:

“The transfer of this security is subject to the terms of an Area Development Agreement with Walk-On's Enterprises Franchising, LLC, dated _____. Reference is made to the provisions of the Area Development Agreement and to the governing documents of this issuer. This certificate is not transferable and is not subject to sale, assignment, pledge, mortgage, encumbrance, or transfer, by operation of law or otherwise, without the prior written consent of Walk-On's Enterprises Franchising, LLC.”

4. Maintain a current list of all owners of record and all beneficial owners of any class of your capital stock, general or limited partnership interests, membership interests or similar interests, and furnish this list to us each time it changes.

5. Ensure that your organizational documents restrict the assignment (as defined in Section 12.02) of any direct or indirect ownership interest in you, including your equity interests, and provide that the documents may not be modified without our prior written consent.

9.05 Area Operator. Once you open your third Restaurant in your Development Territory, you must designate 1 full-time multi-unit “Area Operator” who will oversee the operation of up to 10 Restaurants in your Development Territory. After you have designated your first multi-unit Area Operator, you must have 1 Area Operator for each 10 Walk-On's Restaurant in your Development Territory (*i.e.*, when you have a total of 11 Walk-On's Restaurants in your Development Territory, you must designate a second multi-unit Area Operator). We also have the right to require you to designate an Area Operator before you have established your third Restaurant based on our evaluation of your day-to-day involvement in your Restaurant(s). The Area Operator must have complete decision making authority with regard to your Restaurants and must have authority to act on your behalf. If you desire to designate a successor or replacement Area Operator, then you must notify us in writing; identify your proposed successor Area

Operator and the reason that your predecessor Area Operator ceased to serve; and furnish us with all information we may reasonably request regarding the proposed successor. Your Area Operator must complete the Initial Training Program to our satisfaction.

9.06 Cooperation with Us. You agree to act in good faith and cooperate with us in accomplishing the purposes of this Agreement.

9.07 Your Participation in Operations. You agree to devote your full time and best efforts in the performance of your duties under this Agreement, and agree that the failure to do so is a breach of this Agreement, which, unless cured as provided in Section 17.03, entitles us to immediately terminate this Agreement.

9.08 Terrorism. You represent and warrant to us that, as of the date of this Agreement and at all times during the Term, and to your actual or constructive knowledge, neither you, any affiliate of yours, any individual or entity having a direct or indirect ownership interest in you or any such affiliate (including any shareholder, general partner, limited partner, member or any type of owner), any officer, director or management employee of any of the foregoing, nor any funding source you use is or will be identified on the list of the U.S. Treasury's Office of Foreign Assets Control (OFAC); is directly or indirectly owned or controlled by the government of any country that is subject to an embargo imposed by the United States government or by any individual that is subject to an embargo imposed by the United States government; is acting on behalf of any country or individual that is subject to such an embargo; or, is involved in business arrangements or other transactions with any country or individual that is subject to an embargo. You agree that you will immediately notify us in writing immediately on the occurrence of any event that would render these representations and warranties incorrect. Notwithstanding anything to the contrary in this Agreement, you may not allow, effect or sustain any transfer, assignment or other disposition of this Agreement to a "Specially Designated National or Blocked Person" (as defined below) or to an entity in which a "Specially Designated National or Blocked Person has an interest. For the purposes of this Agreement, "Specially Designated National or Blocked Person" means: (i) a person or entity designated by OFAC (or any successor agency of the U.S. government) from time to time as a "specially designated national or blocked person" or similar status; (ii) a person or entity described in Section 1 of U.S. Executive Order 13224, issued on September 23, 2001; or, (iii) a person or entity otherwise identified by any government or legal authority as a person with whom you (or any of your owners or affiliates) or we (or any of our owners or affiliates) are prohibited from transacting business.

You further agree that you will not hire, retain, employ or otherwise engage the services of any individual or entity in contravention of the Patriot Act; any law, rule or regulation pertaining to immigration or terrorism; or any other legally prohibited individual or entity.

10. CONFIDENTIAL INFORMATION

10.01 Restriction on Use of Confidential Information. You agree that you will not, during the Term of this Agreement or at any time thereafter, divulge to or use for the benefit of any other person(s), partnership, proprietorship, association, corporation or entity, any confidential information, knowledge or know-how concerning your or our systems of operation, programs, services, products, customers or practices and/or pertaining to the System and the Walk-On's network that may be communicated to you. All information, knowledge, know-how, techniques and information that we, our Affiliates, or their respective officers, designate as confidential is confidential for purposes of this Agreement, except with respect to information that you can demonstrate came to your attention before our disclosure or information that, at or after the time of our disclosure to you, has become a part of the public domain through publication or communication by others.

11. COVENANTS NOT TO COMPETE

11.01 Covenants Not to Compete. You agree that during the term of this Agreement, you will not directly or indirectly own, manage, operate, engage in, aid, consult with, participate in, work for, lease property to or loan money to, any business or facility owning, operating or managing or granting franchises or licenses to others to own, operate or manage, any bar or restaurant that: 1) serves alcohol, 2) offers hamburgers, sandwiches or salads; and 3) either (i) has Louisiana theme or specialty offerings or (ii) has televisions, monitors and/or other displays for customer entertainment (a “Competitive Business”). “Competitive Business” does not include a Restaurant operated under a Franchise Agreement with us.

You agree that for 2 years following the expiration, transfer or termination of this Agreement (regardless of the reason) (the “Restrictive Period”), and within your Development Territory, within 10 miles of the perimeter of your Development Territory, and within 10 miles of any other franchise or company-owned Restaurant then operating or under development, you will not directly or indirectly own, manage, operate, engage in, aid, consult with, participate in, work for, lease property to or loan money to, any business or facility owning, operating or managing or granting franchises or licenses to others to own, operate or manage, any Competitive Business. If you violate the terms of this covenant not to compete during the Restrictive Period and provided we take legal action to enforce the covenant not to compete during the Restrictive Period, then the Restrictive Period will be extended by the amount of time you were not in compliance with the covenant not to compete.

In addition, you agree not to divert any business that should be handled by your Area Development Business to any other person or entity. It is the intention of these provisions to preclude not only direct competition but also all forms of indirect competition, such as consultation for Competitive Businesses, service as an independent contractor for Competitive Businesses, or the provision of any assistance or transmission of information of any kind that would be of any material assistance to a Competitive Business. Nothing in this Section prevents you from owning, for investment purposes, up to 5% of the capital stock of any Competitive Business you do not control and whose stock is listed on the New York Stock Exchange or the National Association of Securities Dealers Automated Quotation System. It is the intention of these provisions that any person or entity with any legal or beneficial interest in or traceable to or through you be bound by the provisions of this covenant.

You agree to obtain the signing of a form of Confidential Information Protection Agreement that we approve from the following persons and to cause them to refrain from the competitive activities described above: (i) any personnel you employ who have received or will receive training from us, all your other managerial employees and any other persons to whom you grant access to confidential information, and (ii) if you are a business entity, all your officers, directors, equity holders, members and those of any business entity directly or indirectly controlling you, at the same time as you sign this Agreement (or at any later time as they assume this status). You must furnish us with copies of all signed Confidential Information Protection Agreements within 10 days following their signing.

You agree to prosecute to the fullest extent permitted by law breaches of any Confidential Information Protection Agreement signed under this Section and you acknowledge our right, to be exercised in our sole business judgment, to ourselves enforce the terms of each signed Confidential Information Protection Agreement.

11.02 Enforcement of Covenants Not To Compete. You agree that violation of the covenants not to compete stated in this Agreement would result in immediate and irreparable injury to us, for which no adequate remedy at law will be available. You therefore consent to the entry of an injunction prohibiting your conduct in violation of these covenants not to compete, without the necessity of our posting any bond or security. You agree that it may conclusively be presumed that any violation of the covenants not to compete was accomplished by and through your unlawful use of our confidential information, know-how, methods and procedures. You also agree that any claims you may have against us, whether or not arising from this Agreement, will not constitute a defense to our enforcement of the covenants not to compete in

this Agreement. You agree to pay all costs and expenses, including reasonable attorneys' and experts' fees that we incur for the enforcement of the covenants not to compete stated in this Agreement.

11.03 Lesser Included Covenants Enforceable At Law. If all or any portion of the covenants not to compete stated in this Article are held unreasonable, void, vague or illegal by any court or agency with competent jurisdiction over the parties and subject matter, the court or agency is empowered to revise and/or construe the covenants to fall within permissible legal limits, and should not by necessity invalidate the entire covenants, it being the express intention of the parties that the covenants stated in this Article be enforced to the maximum extent permitted. You agree to be bound by any lesser covenant within the terms of this Article as if the resulting covenants were separately stated in and made a part of this Agreement.

12. ASSIGNMENT

12.01 Assignment By Us. We have the right to assign this Agreement, and all of our rights and obligations under this Agreement to any person, firm, corporation or other entity.

You agree that we have the right to sell our company, our assets, the Proprietary Marks and/or the System to a third party; sell privately or publicly some or all of our securities; and/or undertake a refinancing, recapitalization, leveraged buyout or other economic or financial restructuring, and that we and our Affiliates have the right to purchase, merge, acquire, be acquired by or affiliate with an existing competitive or non-competitive franchise network, chain or any other business regardless of the location of that network's, chain's or business's facilities, and to operate, franchise or license those businesses and/or facilities as Restaurants operating under the Proprietary Marks or any other marks following the purchase, merger, acquisition or affiliation, regardless of the location of these facilities, which may be within the Development Territory and near your Restaurant. You waive all claims, demands or damages arising from or related to the foregoing assignment, sale, purchase, merger, acquisition, affiliation and other business combination activities including, without limitation, any claim of divided loyalty, breach of fiduciary duty, breach of contract or breach of the implied covenant of good faith and fair dealing.

12.02 Assignment By You – General. Your rights and obligations under this Agreement are personal because we have entered into this Agreement in reliance on and in consideration of your singular personal trust, confidentiality, skill and qualifications (or, if you are an entity, on the personal trust, confidentiality, skill and qualifications of your owners and employees). Therefore, except as provided below, neither your interest in this Agreement nor your rights or obligations under this Agreement, the Area Development Business, the Restaurant or you (if you are a business entity) (including any capital stock, membership, partnership or proprietary interest of you or anyone who controls you), may be assigned, sold, transferred, shared, reconsidered, sublicensed or divided, voluntarily or involuntarily, directly or indirectly, in one or a series of related transactions, by operation of law or otherwise (each, an "assignment"), without first obtaining our written consent. Any assignment in violation of this Article is null, void and of no effect.

12.03 Assignment By You – To A Business Entity You Form. We will not unreasonably withhold or delay our consent to your assignment to a business entity that you form solely for the convenience of entity ownership if all the following conditions are met:

1. The business entity is newly formed and each requirement in Sections 9.04 and 18.15 has been satisfied.
2. Each individual involved in the new entity has the same proportionate ownership interest in the new entity as he or she had before the assignment.
3. You and the new entity sign an agreement with us under which you and the new entity are jointly and severally liable for all the obligations under this Agreement and are bound by all the terms of this Agreement.
4. Each present and future equity holder in the new entity signs a form of Confidential Information Protection Agreement that we have approved.

12.04 Assignment By You – Transfer On Death or Disability. On your death or long-term disability (if you are an individual) or the death or disability of any “Key Equityholder” as defined below (if you are a business entity), that individual’s rights will pass to his or her estate, heirs, legatees, guardians or representatives, as appropriate (collectively, the “Estate”). “Key Equityholder” means a 25% or more shareholder, member, partner or proprietor, as of the Effective Date.

The Estate may continue operating the Area Development Business if: (i) it provides a competent and qualified individual acceptable to us to serve as area business manager and to operate your Area Development Business on a full-time basis, and (ii) this individual assumes full-time operation of the Area Development Business as a business manager within one month of the death or disability. If the Estate does not designate an area business manager or the Estate's designated area business manager does not assume the full-time operation of the Area Development Business within one month, this is a breach of this Agreement that, unless cured by the Estate as provided in Section 17.03, will result in this Agreement being terminated immediately.

12.05 No Encumbrance. You have no right to pledge, encumber, hypothecate or otherwise give any third party a security interest in this Agreement, the Area Development Business or any Franchise Agreement(s) entered into connection herewith, in any manner without our prior written permission, which permission we may withhold for any or no reason.

13. PROPRIETARY MARKS

13.01 Not a License of the Proprietary Marks. You agree that nothing in this Agreement constitutes a license to you to use or display any of the Proprietary Marks in any manner. You will acquire a limited, non-exclusive license to use the Proprietary Marks on signing of, and solely in the manner stated under, Franchise Agreements you and we sign under this Agreement.

13.02 Non-Use of Trade Name. If you are a business entity, you may not use the Proprietary Marks or any confusingly similar words or symbols, in your business entity name. In particular, you may not use the words “Walk-On’s,” “Walk-On’s Enterprises Franchising, LLC,” or any variant as part of your business entity name.

13.03 Injunction. You recognize the unique value and secondary meaning attached to the System and the Proprietary Marks. Accordingly, you agree that your non-compliance with the terms of this Agreement, or your unauthorized or improper use of the System or the Proprietary Marks, will cause irreparable damage to us and other Walk-On’s franchisees. You therefore agree that if you engage in this non-compliance, or unauthorized and/or improper use of the System or Proprietary Marks, during or after the Term of this Agreement, we are entitled to both temporary and permanent injunctive relief against you from any court of competent jurisdiction, in addition to all other remedies that we may have at law, and you consent to the entry of these temporary and permanent injunctions.

14. RELATIONSHIP OF THE PARTIES

14.01 Independent Contractor; No Third Party Beneficiaries. You are an independent contractor under this Agreement. Nothing in this Agreement may be construed to create a partnership, joint venture, joint employer, agency, employment or fiduciary relationship of any kind. Neither you nor any of your employees whose compensation you pay may in any way, directly or indirectly, expressly or by implication, be construed to be our employee for any purpose. You are solely responsible for your employees and all employment related decisions, including, without limitation, decisions concerning wages and benefits, hiring and discharging, training and supervision and work schedules. You are not empowered to, and may not, make any express or implied agreements, warranties, guarantees or representations or incur any debt or other obligations in our name or for our account (or for those of any of our Affiliates). Except as provided in this Agreement, we will have no control of or access to your funds or their expenditure or in any other way exercise control over your Area Development Business or Restaurants.

You agree to conspicuously identify yourself, your Area Development Business, your Restaurants, and any other facilities used by your Area Development Business or Restaurants, in all dealings with third parties, as an independent business. You agree to place notice of independent ownership on all forms, business cards, stationery, advertising, signs and other materials in the manner that we specify and require from time to time, in our manual or otherwise.

All of our obligations under this Agreement are to you alone and no other party is entitled to rely on, enforce or obtain relief for breach of any of our obligations under this Agreement, either directly or by subrogation.

14.02 Your Required Means of Identification. You agree that you will do business and be identified as an area developer, but will not do so as an agent of Walk-On's Enterprises Franchising, LLC.

15. DEFAULT AND TERMINATION

15.01 Termination By Us – Automatic Termination Without Notice. You are in default of this Agreement, and all rights granted in this Agreement immediately and automatically terminate and revert to us without notice to you, if: you, the Area Development Business or any of the Restaurants are adjudicated as bankrupt or insolvent; all or a substantial part of the assets thereof are assigned to or for the benefit of any creditor; a petition in bankruptcy is filed by or against you, the Area Development Business or any of the Restaurants and is not immediately contested and/or dismissed within 60 days from filing; a bill in equity or other proceeding for the appointment of a receiver or other custodian of you, the Area Development Business or any of the Restaurants or assets of thereof is filed and consented to by you; a receiver or other custodian (permanent or temporary) of all or part of your assets or property is appointed by any court of competent jurisdiction; proceedings for a composition with creditors under any state or federal law are instituted by or against you, the Area Development Business or any of the Restaurants; you are dissolved; execution is levied against you, the Area Development Business or any of the Restaurants, or your property; or, the real or personal property of you, the Area Development Business or any of the Restaurants is sold after levy thereon by any governmental body or agency, sheriff, marshal or constable.

15.02 Termination By Us On Notice – No Opportunity To Cure. You are in default this Agreement and we have the right to terminate this Agreement and all rights granted under this Agreement, without giving you any opportunity to cure, effective immediately on your receipt of notice (which, whether sent by certified mail, registered mail, overnight courier or personal physical delivery, is deemed to have been received by you on delivery or first attempted delivery of the notice to you) if any of the following events occur:

1. You omitted or misrepresented any material fact in the information that you furnished to us for our decision to enter into this Agreement.
2. You fail to meet any of the deadlines in the Development Schedule as stated in Section 6.01.
3. You, your General Manager, Restaurant Manager, or Executive Kitchen Manager, or if you are a business entity, any owner, member, shareholder, director or manager (as applicable) of such business entity, is charged with or convicted of a felony, fraud, crime involving moral turpitude, or any other crime or offense that we reasonably believe is related to your duties under this Agreement and/or your operation of any of the Restaurants, or is likely to have an adverse effect on the System, the Proprietary Marks, the goodwill associated with the Proprietary Marks or our interest in the System or Proprietary Marks.

4. You (or any principal of a corporate, partnership, proprietorship or other entity) purport to transfer any rights or obligations under this Agreement, any interest in you, the Area Development Business or any of the Restaurants to any third party in violation of the terms of this Agreement.
5. You do not comply with the covenant not to compete; violate the restrictions pertaining to the use of confidential information; or do not obtain the signing of the additional covenants required in Article 11.
6. You make a willful misrepresentation or do not make a material disclosure required by any governmental authority regarding any matter involving or affecting your obligations under this Agreement, the Area Development Business or the operations of the Restaurants.
7. You use or duplicate any aspect of our System, services, programs or products in an unauthorized fashion.
8. You engage in any business or market any service or product under a name or mark that, in our opinion, is confusingly similar to the Proprietary Marks.
9. You engage in conduct that reflects materially and unfavorably on the operation and reputation of your Restaurants, other Restaurants, us or the System.

15.03 Termination by Us – Fifteen Days to Cure. Except as specifically provided elsewhere in this Agreement, you have 15 calendar days following our delivery of written notice to you to cure any default under this Agreement and provide us with evidence that you have done so. If you have not cured any default within that time, we may terminate this Agreement on our written notice to you. You are in default of this Agreement for any failure to comply with any of your obligations under this Agreement.

15.04 Cross Default. Any default or breach by you (or any of your affiliates) under any other agreement between us or our Affiliates and you (or any of your affiliates), including without limitation any Franchise Agreement, is considered a default under this Agreement, and your default or breach of this Agreement is a default or breach under all other agreements between us (or any of our Affiliates) and you (or any of your affiliates). If the nature of the default under any other agreement would have permitted us to terminate this Agreement if the default had occurred under this Agreement, then we (or our Affiliate) have the right to terminate all the other agreements between us (or any of our Affiliates) and you (or any of your affiliates) in the same manner provided for in this Agreement for termination of this Agreement. Your “affiliates” include any persons or entities controlling, controlled by, or under common control with you.

16. OTHER OBLIGATIONS AND RIGHTS ON TERMINATION OR EXPIRATION

16.01 Other Obligations and Rights on Termination or Expiration. Following the expiration or earlier termination of this Agreement, you agree that you have no right to develop or operate any additional Restaurants. Further, upon expiration or earlier termination of this Agreement for whatever reason, you agree to:

1. Immediately pay all sums due and owing to us or our Affiliates, plus interest, and all sums due and owing to any landlord, employees, taxing authorities, advertising agencies and all other third parties.
2. Pay us all losses and expenses we incur as a result of any default or termination, including all damages, costs, and expenses, and reasonable attorneys' and experts' fees directly or indirectly related thereto, such as (without limitation) lost profits, lost opportunities, damage inuring to the Proprietary Marks and reputation, travel and personnel costs and the cost of securing a new area developer for the Development Territory. This obligation gives rise to and remains, until paid in full, a lien in our favor against all assets, property, furnishings, equipment, signs, fixtures and inventory owned by you and any of the Restaurants at the time of termination and against any of your money that we are holding

or that is otherwise in our possession.

3. Immediately sign all agreements necessary to effectuate the termination in a prompt and timely manner.
4. Strictly comply with the post-termination/post-expiration covenants not to compete stated in Article 11.
5. Continue to abide by those restrictions on the use of our confidential information, trade secrets and know-how stated in Article 12.

16.02 No Prejudice. The expiration or termination of this Agreement will be without prejudice to our rights against you; will not relieve you of any of your obligations to us at the time of expiration or termination; and will not terminate any of your obligations that, by their nature, are intended survive the expiration or termination of this Agreement.

17. UNAVOIDABLE DELAY OR FAILURE TO PERFORM (FORCE MAJEURE)

17.01 Unavoidable Delay or Failure to Perform (Force Majeure). Any delay in our or your performance or non-performance of any duties under this Agreement that is a result of fire, floods, natural disasters, Acts of God, war, civil commotion, any governmental act or regulation, or strikes (a “Force Majeure Event”); provided however that we or you (as applicable) will take all steps reasonably possible to mitigate damage or further delay caused by the Force Majeure Event in order to have a defense under this provision. Notwithstanding the foregoing, if any Force Majeure continues for more than 180 days, we have the right, at any time after this time period but during the continuance of the Force Majeure event, to terminate this Agreement on 30 days advance written notice to you.

18. ADDITIONAL PROVISIONS

18.01 Waiver and Delay. No waiver or delay in either party's enforcement of any breach of any term of this Agreement will be a waiver by that party of any preceding or succeeding breach, or any other term of this Agreement. Without limiting any of the foregoing, our acceptance of any payment you must make under this Agreement will not be, nor be construed to be, our waiver of any breach of any term of this Agreement.

18.02 Notice of Our Alleged Breach. You agree to give us immediate written notice of any alleged breach or violation of this Agreement by us after you have constructive or actual knowledge of, or believe, determine or are of the opinion that there has been, an alleged breach of this Agreement by us, including any acts of misfeasance or nonfeasance. Notwithstanding anything to the contrary in Section 18.01 above, if you do not give written notice to us of any alleged breach of this Agreement within one year from the date that you have knowledge of, or believe, determine or are of the opinion that there has been an, alleged breach by us, then our alleged breach is considered to be condoned, approved and waived by you and will not be considered to be a breach of this Agreement by us, and you will be permanently barred from beginning any action against us for the alleged breach or violation.

18.03 Our Right To Cure Defaults. In addition to all other remedies granted under this Agreement, if you default in the performance of any of your obligations or breach any term of this Agreement or any related agreement, then we may, at our election, immediately or at any time thereafter, without waiving any claim for breach under this Agreement and without notice to you, cure the default on your behalf. Our cost of curing the default and all related expenses is due and payable by you on demand.

18.04 Our Withholding of Consent – Your Exclusive Remedy. If you make any claim or assertion that we have unreasonably withheld or delayed any consent or approval to your proposed act under this Agreement, you agree that your sole remedy for the claim is an action or proceeding to enforce the Agreement provisions, for specific performance or for declaratory judgment.

18.05 Integration of Agreement; No Oral Agreements or Representations. Neither you nor we wish to enter into a business relationship with the other in which any terms or obligations are the subject of alleged oral statements or in which oral statements serve as the basis for creating rights or obligations different than or supplementary to the rights and obligations stated in this Agreement. Accordingly, you and we agree that this Agreement, all exhibits to this Agreement and all related agreements signed at the same time as this Agreement: (i) constitute the entire agreement between the parties with reference to the subject matter of this Agreement and supersede all prior negotiations, understandings, representations and agreements, and (ii) supersede and cancel any prior and/or contemporaneous oral or written communications (whether described as representations, inducements, promises, agreements or any other term) between you or anyone acting on your behalf and us or anyone acting on our behalf, that might be taken to constitute agreements, representations, inducements, promises or understandings (or any equivalent to these terms) with respect to the relationship between the parties with respect to the subject matter hereof and that no reliance is being or will be placed on any such written or oral communications; provided, however, that nothing in this Agreement is intended to disclaim the express representations made in the Franchise Disclosure Document that we provided to you.

No change, modification, amendment or waiver of any of the provisions of this Agreement is effective and binding on either party unless it is in writing, specifically identified as an amendment to this Agreement or waiver of any of the provisions of this Agreement, and signed by the party against whom enforcement is sought.

18.06 Notices. Any notice required or permitted to be given under this Agreement must be in writing; must be delivered to the other party either personally, by certified mail (return receipt requested, postage prepaid) or by documented overnight delivery with a reputable carrier; and is effective on the date that delivery is documented to have been first attempted. Any notice to us must be addressed to us at:

Walk-On's Enterprises Franchising, LLC
2 Ravinia Drive NE, 5th Floor
Atlanta, Georgia 30346
Attention: Chris Porcelli, Chief Financial Officer

Any notice to you must be addressed to your address as stated on the first page of this Agreement. Either party to this Agreement may, in writing, on 10 days' notice, inform the other of a new or changed address to which notices under this Agreement should be sent. We may provide any notice under this Agreement (including, without limitation, any notice of termination) sufficiently in advance of any event to permit compliance with any notice requirements under state or other laws.

18.07 Signing, Construction and Interpretation; Further Acts

1. This Agreement may be signed in multiple counterparts, each of which is considered an original and all of which together constitute one and the same instrument.

2. The titles and subtitles of the various articles and sections of this Agreement are inserted for convenience and will not affect the meaning or construction of any of the terms of this Agreement. The language of this Agreement will in all cases be construed simply according to its fair and plain meaning and not strictly for or against us or you.

3. If any provision of this Agreement is capable of two constructions, one of which would render the provision void and the other of which would render the provision valid, then the provision will have the meaning that renders it valid.

4. The parties agree to sign all other documents and perform all further acts necessary or desirable to carry out the purposes of this Agreement.

5. Each reference in this Agreement to a corporation or partnership also refers to a limited liability company, general or limited partnership, and any other entity or similar organization. Each reference to the organizational documents, shareholders, directors, officers and stock of a corporation in this Agreement also refers to the functional equivalents of the organizational documents, shareholders, directors, officers and voting and/or equity rights, as applicable, in the case of a limited liability company, general partnership, limited partnership or any other entity or similar organization (this specifically includes members and managers, general and limited partners, membership interests and general and limited partnership interests).

18.08 Business Judgment. You and we recognize, and any mediator or judge is affirmatively advised, that certain provisions of this Agreement describe our right to take (or refrain from taking) certain actions in the exercise of our business judgment based on our assessment of the overall best interests of the System. Where this discretion has been exercised, and is supported by our business judgment, neither a mediator nor a judge may substitute his or her judgment for the judgment we have so exercised. “Business judgment” is a defined term for the purposes of this Agreement and is not intended to incorporate principles related to the application of any business judgment rule in a corporate law context.

18.09 Exercise of Rights. You agree that whenever we have reserved a right in this Agreement, we have the uncontrolled and unfettered right to do what we have reserved.

18.10 Severability. Every part of this Agreement is severable. If for any reason any part of this Agreement is held to be invalid, that determination will not impair any other part, or the rest, of this Agreement; provided, however, that if we determine that such finding of invalidity or illegality adversely affects the basic consideration of this Agreement, we, at our option, may terminate this Franchise Agreement.

18.11 Attorneys’ Fees and Costs of Enforcement. The party prevailing in any legal proceeding (including any legal proceeding by you or your owners against any of our officers, directors, or direct or indirect owners), will be entitled to reimbursement of its costs and expenses, including reasonable accounting and attorneys’ fees. “Prevailing party” means the party, if any, which substantially prevailed upon the central litigated issues. In addition, if we retain counsel to enforce any of your obligations under this Agreement, and such enforcement efforts do not result in a fully concluded legal proceeding such that there is a “prevailing party”, you will pay the actual attorneys’ fees and costs incurred by us in enforcing your obligations hereunder.

18.12 Governing Law. This Agreement; all relationships between us; and, all disputes between you and/or any other Franchisee Party, on the one hand, and us and/or any other Franchisor Parties, on the other hand, whether the dispute sounds in law, equity or otherwise, is to be exclusively construed in accordance with and/or governed by (as applicable) the law of the state of Georgia (without regard to its choice-of-law or conflict-of-law rules).

18.13 Jurisdiction and Venue. Any litigation arising out of or related to this Agreement or any related agreement; any breach of this Agreement or any related agreement; the relationship between the parties (as defined below); and, all disputes between the parties, whether sounding in law or equity, must be brought in the state or federal district court in which our then-current principal place of business is located (currently, Atlanta, Georgia). You irrevocably submit yourself to the jurisdiction of these courts and waive all objections to personal jurisdiction for the purpose of carrying out this provision. You agree that any dispute as to personal jurisdiction the venue for litigation will be submitted to and resolved exclusively by the aforementioned courts. Notwithstanding the foregoing, however, with respect to any action for monies owed to us, injunctive or other extraordinary or equitable relief sought by us, or involving possession or disposition of, or other relief relating to your Development Territory, we may bring an action in any state or federal district court in which your Development Territory is located. You waive and covenant never to assert or claim that the jurisdiction or venue designated for litigation by this Agreement is for any reason improper, inconvenient, prejudicial or otherwise inappropriate (including any claim under the judicial doctrine of “forum non conveniens”). As used in this section of the Agreement, the term “parties” includes

all of the Franchisor Parties and all of the Franchisee Parties and, as to each of them, whether acting in their corporate or individual capacity, along with any other individual entity acting or purporting to act by, through, under or under authority granted by you.

18.14 Punitive Damages. In no event will we be liable to you for punitive damages in any action or proceeding arising out of or relating to this Agreement; any breach, termination, cancellation or non-renewal of this Agreement; or, in any other action or proceeding whatsoever between the parties to this Agreement and/or any of their affiliates. You waive and covenant never to advance any claim for punitive damages.

18.15 Guarantee. If you are a business entity, the following persons must sign our standard form Guarantee (Exhibit C) when you sign this Agreement or at any later time as they assume this status: (i) if you are a corporation or limited liability company, all shareholders or members (as applicable) owning 5% or more of your issued and outstanding stock or membership interests, as applicable; (ii) if you are a partnership, all general partners owning a 5% or greater interest in you; and, (iii) if you are a limited partnership, the general partner and all shareholders owning a 5% or greater interest in the general partner.

If you are in breach or default under this Agreement, we may proceed directly against each such individual and/or entity (each, a “guarantor”) without first proceeding against you and without proceeding against or naming in the suit any other guarantors. Your obligations and those of each guarantor are joint and several. Notice to or demand on a guarantor will be considered notice to or demand on you and all guarantors, and no notice or demand need be made to or on all guarantors. The cessation of or release from liability of you or any guarantor will not relieve any other guarantor from liability under this Agreement, except to the extent that the breach or default has been remedied or money owed has been paid.

18.16 Survival. Any provision of this Agreement that imposes an obligation following the termination or expiration of this Agreement is intended, by its nature, to survive the termination or expiration and therefore will continue to be binding on the parties to this Agreement. This Agreement is binding on and inures to the benefit of the parties, their heirs, successors and assigns.

18.17 Your Additional Acknowledgments. You represent to us that:

1. No representation has been made, and neither you nor any of your affiliates has relied on any statement made by us or our Affiliates (or any of our or their employees, directors, officers, agents or salespersons), as to (i) the future or past income, expenses, sales volume or potential profitability, earnings or income of your Area Development Business or any other franchised or company-owned Restaurants; (ii) our anticipated income, earnings and growth or that of the Walk-On’s network; or, (iii) your ability to procure any required license or permit that may be necessary to operate your Area Development Business.
2. Before signing this Agreement, you have had the opportunity to contact all our existing area developers and franchisees.
3. You have had the opportunity to independently investigate, analyze and construe both the business opportunity being offered under this Agreement, and the terms of this Agreement, using the services of legal counsel, accountants or other advisers (if you so elect) of your own choosing. You have been advised to consult with your own advisers with respect to the legal, financial and other aspects of this Agreement, the Area Development Business, and the prospects for the Area Development Business. You have either consulted with these advisors or have deliberately declined to do so.
4. You have received from us a copy of our Franchise Disclosure Document at least 14 calendar days before you signed this Agreement, or you paid any money or other consideration for the sale or proposed sale of the area development rights granted under this Agreement.

5. You have carefully considered the nature and extent of the restrictions on you and the rights and remedies conferred on you under this Agreement. These restrictions, rights and remedies: (i) are reasonable, including, but not limited to, their term and geographic scope; (ii) are designed to preclude competition that would be unfair to us; (iii) are fully required to protect our legitimate business interests; and, (iv) do not confer benefits on us that are disproportionate to your detriment.
6. You affirm that all information stated in all applications, financial statements and submissions to us are true, complete and accurate in all respects, and you acknowledge that we are relying on the truthfulness, completeness and accuracy of this information.

19. SUBMISSION OF AGREEMENT

19.01 Submission of Agreement. The submission of this Agreement to you does not constitute an offer. This Agreement becomes effective only when you and we sign it.

THIS AGREEMENT IS NOT BINDING ON US UNTIL IT HAS BEEN ACCEPTED AND SIGNED BY OUR AUTHORIZED OFFICER.

YOU AGREE THAT NO REPRESENTATIONS OR PROMISES WERE MADE TO YOU OTHER THAN THOSE STATED IN OUR FRANCHISE DISCLOSURE DOCUMENT, OR THAT IF ANY OTHER REPRESENTATIONS OR PROMISES WERE MADE TO YOU, YOU ARE NOT RELYING ON THEM.

YOU HAVE READ ALL OF THIS AGREEMENT AND ACCEPT AND AGREE TO ALL OF THE TERMS IN THIS AGREEMENT.

FRANCHISOR

AREA DEVELOPER

Walk-On's Enterprises Franchising, LLC

By: _____
 Name: _____
 Title: _____
 Date: _____

By: _____
 Name: _____
 Title: _____
 Date: _____

STATE SPECIFIC ADDENDA TO AREA DEVELOPMENT AGREEMENT

CALIFORNIA ADDENDUM TO AREA DEVELOPMENT AGREEMENT

The Walk-On's Enterprises Franchising, LLC Area Development Agreement between _____ (“you”) and Walk-On's Enterprises Franchising, LLC (“we” or “us”); dated _____ (“Agreement”) is amended by the addition of the following language (“Addendum”):

1. No disclaimer, questionnaire, clause, or statement signed by a franchisee or prospective franchisee in connection with the commencement of the franchise relationship shall be construed or interpreted as waiving any claim of fraud in the inducement, whether common law or statutory, or as disclaiming reliance on or the right to rely upon any statement made or information provided by any franchisor, broker or other person acting on behalf of the franchisor that was a material inducement to a franchisee's investment. This provision supersedes any other or inconsistent term of any document executed in connection with this franchise.

2. Section 18.05 of the Area Development Agreement is deleted in its entirety and replaced with the following:

You and we agree that this Agreement, all exhibits to this Agreement and all related agreements signed at the same time as this Agreement: (i) constitute the entire agreement between the parties with reference to the subject matter of this Agreement and supersede any and all prior negotiations, understandings, representations and agreements, and (ii) supersede and cancel any prior and/or contemporaneous oral or written communications (whether described as representations, inducements, promises, agreements or any other term) between you or anyone acting on your behalf and us or anyone acting on our behalf, that might be taken to constitute agreements, representations, inducements, promises or understandings (or any equivalent) with respect to the relationship between the parties with respect to the subject matter hereof; provided, however, that nothing in this Agreement is intended to disclaim the express representations made in the Franchise Disclosure Document that we provided to you.

No change, modification, amendment or waiver of any of the provisions of this Agreement is effective and binding on either party unless it is in writing, specifically identified as an amendment to this Agreement or waiver of any of the provisions of this Agreement, and signed by the party against whom enforcement is sought.

3. Section 18.16 of the Area Development Agreement is deleted.

4. Section 19.01 of the Area Development Agreement is and replaced with the following:

The submission of this Agreement to you does not constitute an offer. This Agreement becomes effective only on the signing of this Agreement by both us and you.

THIS AGREEMENT IS NOT BINDING ON US UNTIL IT HAS BEEN ACCEPTED AND SIGNED BY OUR AUTHORIZED OFFICER.

YOU HAVE READ ALL OF THIS AGREEMENT AND AGREE TO ALL OF THE TERMS IN THIS AGREEMENT.

5. No statement, questionnaire or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or any 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 parties have duly signed and delivered this Addendum on the date stated above.

FRANCHISOR

AREA DEVELOPER

Walk-On's Enterprises Franchising, LLC

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

ILLINOIS ADDENDUM TO AREA DEVELOPMENT AGREEMENT

The Walk-On’s Enterprises Franchising, LLC Area Development Agreement between _____ (“you”) and Walk-On’s Enterprises Franchising, LLC (“we” or “us”); dated _____ (“Agreement”) is amended by the addition of the following language (“Addendum”):

1. Illinois law governs the agreements between the parties to this franchise.
2. Section 4 of the Illinois Franchise Disclosure Act provides that any provision in a franchise agreement that designates jurisdiction or venue outside the State of Illinois is void. However, a franchise agreement may provide for arbitration outside of Illinois.
3. Section 41 of the Illinois Franchise Disclosure Act provides that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.
4. Your rights on termination and non-renewal of a franchise are stated in sections 19 and 20 of the Illinois Franchise Disclosure Act.
5. No statement, questionnaire or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or any 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 parties have duly signed and delivered this Addendum on the date stated above.

FRANCHISOR

AREA DEVELOPER

Walk-On’s Enterprises Franchising, LLC

By: _____
Name: _____
Title: _____
Date: _____

By: _____
Name: _____
Title: _____
Date: _____

MARYLAND ADDENDUM TO AREA DEVELOPMENT AGREEMENT

The Walk-On's Enterprises Franchising, LLC Area Development Agreement between _____ ("you") and Walk-On's Enterprises Franchising, LLC ("we" or "us"); dated _____ ("Agreement") is amended by the addition of the following language ("Addendum"):

1. The laws of the State of Maryland may supersede the Area Development Agreement, including the areas of termination and renewal of the Area Development Business.
2. Any claims arising under the Maryland Franchise Registration and Disclosure Laws must be brought within 3 years after the grant of the area development rights.
3. The following sentences are added at the end of the last paragraph of Section 3.03 of the Area Development Agreement ("Exclusivity"):

The waivers and releases in this Section are not intended to nor will they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law. The waivers and releases in this paragraph will not apply to claims arising under the Maryland Franchise Registration and Disclosure Law.

4. The following language is added to the last sentence of Section 18.05 of the Area Development Agreement ("Integration of Agreement; No Oral Agreements or Representations"):

provided, however, that the previous language is not intended to, nor will it, act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

5. The following sentence is added to the end of Section 18.13 ("Jurisdiction and Venue"):

A franchisee may sue in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

6. Section 18.17 ("Your Additional Acknowledgments") of the Area Development Agreement is deleted in its entirety.
7. The third paragraph of Section 19.01 ("Submission of Agreement") is deleted from all Area Development Agreements for residents of the State of Maryland and/or Area Development Businesses to be operated in the State of Maryland.
8. No statement, questionnaire or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or any 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 parties have duly signed and delivered this Addendum on the date stated above.

FRANCHISOR

AREA DEVELOPER

Walk-On's Enterprises Franchising, LLC

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

MINNESOTA ADDENDUM TO AREA DEVELOPMENT AGREEMENT

The Walk-On's Enterprises Franchising, LLC Area Development Agreement between _____ ("you") and Walk-On's Enterprises Franchising, LLC ("we" or "us"); dated _____ ("Agreement") is amended by the addition of the following language ("Addendum"):

1. The following language is added the end of Section 18.13 ("Jurisdiction and Venue") of the Area Development Agreement:

Minn. Stat. §80C.21 and Minn. Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in the disclosure document or agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum or remedies provided for by the laws of the jurisdiction.

2. No release language in the Area Development Agreement will relieve us or any other person, directly or indirectly, from liability imposed by the laws concerning franchising of the State of Minnesota.
3. Minnesota law provides Area Development Businesses with certain termination and non-renewal rights. Minnesota Statutes, Section 80C.14, subdivisions 3, 4, and 5 require, except in certain specified cases, that Area Development Business be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the area development agreement.
4. We will protect your right to use the trademarks, service marks, trade names, logotypes or other commercial symbols and/or indemnify you from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name.
5. The second sentence of Section 11.02 of the Area Development Agreement ("Enforcement of Covenants Not To Compete") is amended to read as follows:

Accordingly, you consent to the seeking of an injunction prohibiting any conduct by you in violation of the terms of the covenants not to compete stated in this Agreement.

6. The third and fourth sentences of Section 13.03 of the Area Development Agreement ("Injunction") are amended to read as follows:

You therefore agree that if you engage in this non-compliance, or unauthorized and/or improper use of the System or Proprietary Marks, during or after the period of this Agreement, we are entitled to seek both temporary and permanent injunctive relief against you from any court of competent jurisdiction, in addition to all other remedies that we may have at law. You consent to the seeking of these temporary and permanent injunctions.

7. Any claims arising under Minnesota Statutes, Chapter 80C must be brought within 3 years after the cause of action accrues.
8. No statement, questionnaire or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or any 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 parties have duly signed and delivered this Addendum on the date stated above.

FRANCHISOR

AREA DEVELOPER

Walk-On's Enterprises Franchising, LLC

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

NEW YORK ADDENDUM TO AREA DEVELOPMENT AGREEMENT

The Walk-On’s Enterprises Franchising, LLC Area Development Agreement between _____ (“you”) and Walk-On’s Enterprises Franchising, LLC (“we” or “us”); dated _____ (“Agreement”) is amended by the addition of the following language (“Addendum”):

- 1. The second sentence of Section 11.02 of the Area Development Agreement is amended to read as follows:

Accordingly, you consent to the seeking of an injunction prohibiting any conduct by you in violation of the terms of the covenants not to compete stated in this Agreement.

- 2. The third and fourth sentences of Section 13.03 of the Area Development Agreement (“Injunction”) are amended to read as follows:

You therefore agree that if you engage in this non-compliance, or unauthorized and/or improper use of the System or Proprietary Marks, during or after the period of this Agreement, we are entitled to seek both temporary and permanent injunctive relief against you from any court of competent jurisdiction, in addition to all other remedies that we may have at law. You consent to the seeking of these temporary and permanent injunctions."

- 3. No statement, questionnaire or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or any 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 parties have duly signed and delivered this Addendum on the date stated above.

FRANCHISOR

AREA DEVELOPER

Walk-On’s Enterprises Franchising, LLC

By: _____
Name: _____
Title: _____
Date: _____

By: _____
Name: _____
Title: _____
Date: _____

NORTH DAKOTA ADDENDUM TO AREA DEVELOPMENT AGREEMENT

The Walk-On's Enterprises Franchising, LLC Area Development Agreement between _____ (“you”) and Walk-On's Enterprises Franchising, LLC (“we” or “us”); dated _____ (“Agreement”) is amended by the addition of the following language (“Addendum”):

1. The laws of the State of North Dakota supersede any provisions of the Area Development Agreement or Georgia law if the provisions are in conflict with North Dakota law. The Area Development Agreement will be governed by North Dakota law, rather than Georgia law, as stated in Section 18.12 of the Area Development Agreement (“Governing Law”).
2. Any provision in the Area Development Agreement that designates jurisdiction or venue or requires you to agree to jurisdiction or venue, in a forum outside of North Dakota, is deleted from Area Development Agreements issued in the State of North Dakota. The site of any litigation will be agreeable to all parties.
3. No release language in the Area Development Agreement relieves us or any other person, directly or indirectly, from liability imposed by the laws concerning franchising of the State of North Dakota.
4. Section 16.01 of the Area Development Agreement (“Other Obligations and Rights on Termination or Expiration”) may require franchisees to consent to termination or liquidated damages. This requirement is deleted from all Area Development Agreements used in the State of North Dakota.
5. Covenants restricting competition in the State of North Dakota, such as those found in Section 11.01 of the Area Development Agreement (“Covenants Not to Compete”), may be subject to Section 9-08-06 of the North Dakota Century Code. Covenants not to compete such as those mentioned above are generally considered unenforceable in the State of North Dakota.
6. Section 18.13 of the Area Development Agreement (“Jurisdiction and Venue”) requires that the franchisee consent to the jurisdiction of courts in a state or federal court of competent jurisdiction located closest to our then current principal business address (currently, Atlanta, Georgia). This requirement is deleted from all Area Development Agreements used in the State of North Dakota.
7. Section 18.14 of the Area Development Agreement (“Punitive Damages”) requires you to consent to a waiver of exemplary and punitive damages. This requirement is deleted from all Area Development Agreements used in the State of North Dakota.
8. No statement, questionnaire or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or any other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

[SIGNATURES ON PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties have duly signed and delivered this Addendum on the date stated above.

FRANCHISOR

AREA DEVELOPER

Walk-On's Enterprises Franchising, LLC

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

RHODE ISLAND ADDENDUM TO AREA DEVELOPMENT AGREEMENT

The Walk-On’s Enterprises Franchising, LLC Area Development Agreement between _____ (“you”) and Walk-On’s Enterprises Franchising, LLC (“we” or “us”); dated _____ (“Agreement”) is amended by the addition of the following language (“Addendum”):

1. Any provision in the Area Development Agreement that designates the governing law as that of any state other than the State of Rhode Island is deleted from Area Development Agreements issued in the State of Rhode Island.
2. Section 19-28.1.-14 of the Rhode Island Franchise Investment Act, as amended by laws of 1993, provides that a provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act.
3. No statement, questionnaire or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or any 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 parties have duly signed and delivered this Addendum on the date stated above.

FRANCHISOR

AREA DEVELOPER

Walk-On’s Enterprises Franchising, LLC

By: _____
Name: _____
Title: _____
Date: _____

By: _____
Name: _____
Title: _____
Date: _____

VIRGINIA ADDENDUM TO AREA DEVELOPMENT AGREEMENT

The Walk-On’s Enterprises Franchising, LLC Area Development Agreement between _____ (“you”) and Walk-On’s Enterprises Franchising, LLC (“we” or “us”); dated _____ (“Agreement”) is amended by the addition of the following language (“Addendum”):

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 any 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 parties have duly signed and delivered this Addendum on the date stated above.

FRANCHISOR

AREA DEVELOPER

Walk-On’s Enterprises Franchising, LLC

By: _____
Name: _____
Title: _____
Date: _____

By: _____
Name: _____
Title: _____
Date: _____

WASHINGTON ADDENDUM TO AREA DEVELOPMENT AGREEMENT

The Walk-On's Enterprises Franchising, LLC Area Development Agreement between _____ (“you”) and Walk-On's Enterprises Franchising, LLC (“we” or “us”); dated _____ (“Agreement”) is amended by the addition of the following language (“Addendum”):

In recognition of the requirements of the Washington Franchise Investment Protection Act, Wash. Rev. Code §§ 19.100.010 through 19.100.940, the parties agree to modify the Area Development Agreement as follows:

1. In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.
2. RCW 19.100.180 may supersede the Area Development Agreement in your relationship with us including the areas of termination and renewal of your franchise. There may also be court decisions that may supersede the Area Development Agreement in your relationship with us including the areas of termination and renewal of your franchise.
3. A franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.
4. A release or waiver of rights signed by a franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when signed under a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those that unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.
5. Transfer fees are collectable to the extent that they reflect our reasonable estimated or actual costs in effecting a transfer.
6. Under RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions in the Area Development Agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.
7. RCW 49.62.060 prohibits us from restricting, restraining, or prohibiting you from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any of our employees. As a result, any such provisions in the Area Development Agreement or elsewhere are void and unenforceable in Washington.

8. No statement, questionnaire or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or any 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 parties have duly signed and delivered this Addendum on the date stated above.

FRANCHISOR

AREA DEVELOPER

Walk-On's Enterprises Franchising, LLC

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

EXHIBIT A

DEVELOPMENT TERRITORY

Your Development Territory, as defined in section 1.02 of the Area Development Agreement, is as follows:

EXHIBIT B

FIRST FRANCHISE AGREEMENT YOU AND WE WILL SIGN

See Sample Franchise Agreement And Its Exhibits

Attached As Exhibit A To This Franchise Disclosure Document

EXHIBIT C

GUARANTEE

In consideration of the signing by Franchisor of the Area Development Agreement (the "Area Development Agreement") dated _____, between Walk-On's Enterprises Franchising, LLC ("Franchisor") and _____ ("Area Developer") and for other good and valuable consideration, each of the undersigned, for themselves, their heirs, successors, and assigns, do jointly, individually and severally absolutely and unconditionally guarantee the payment of all amounts and the performance of all of the terms in the Area Development Agreement and in any other agreement(s) between Area Developer and Franchisor.

If more than one person has signed this Guarantee, the term "the undersigned" refers to each person, and the liability of each of the undersigned is joint and several and primary as sureties.

The undersigned, individually and jointly, agree to be personally bound by every term in the Area Development Agreement and any other agreement(s) between Area Developer and Franchisor, and agree that this Guarantee is construed as though the undersigned and each of them signed agreement(s) containing the identical terms of the Area Development Agreement and any other agreement(s) between Area Developer and Franchisor.

The undersigned agree, furthermore, that without the consent of or notice to any of the undersigned and without affecting any of the obligations of the undersigned hereunder: (a) any term of the Area Development Agreement may be amended, compromised, released or otherwise altered by Franchisor and Area Developer, and the undersigned do guarantee and promise to perform all the obligations of Area Developer under the Agreement as so amended, compromised, released or altered; (b) any guarantor of or party to the Area Development Agreement may be released, substituted or added; (c) any right or remedy under the Agreement, this Guarantee or any other instrument or agreement between Franchisor and Area Developer may be exercised, not exercised, impaired, modified, limited, destroyed or suspended; and, (d) Franchisor or any other person may deal in any manner with Area Developer, any of the undersigned, any party to the Area Development Agreement or any other person.

Should Area Developer be in breach or default under the Area Development Agreement or any other agreement(s) between Area Developer and Franchisor, Franchisor may proceed directly against any or each of the undersigned without first proceeding against Area Developer and without proceeding against or naming in such suit any other Area Developer, signatory to the Area Development Agreement or any others of the undersigned.

Notice to or demand on Area Developer or any of the undersigned is deemed notice to or demand on Area Developer and all of the undersigned, and no notice or demand need be made to or on any of the undersigned. The cessation of or release from liability of Area Developer or any of the undersigned does not relieve any other Guarantors from liability hereunder, under the Area Development Agreement, or under any other agreement(s) between Franchisor and Area Developer, except to the extent that the breach or default has been remedied or moneys owed have been paid.

Any waiver, extension of time or other indulgence granted by Franchisor or its agents, successors or assigns, with respect to the Area Development Agreement or any other agreement(s) between Area Developer and Franchisor, will in no way modify or amend this Guarantee, which will be continuing, absolute, unconditional and irrevocable.

The undersigned agree that the terms of this Guarantee inure to the benefit of Franchisor, its successors and assigns. This Guarantee may be assigned by Franchisor voluntarily or by operation of law without reducing or modifying the liability of the undersigned hereunder.

This Guarantee is to be exclusively construed in accordance with and/or governed by (as applicable) the law of the state of Georgia (without regard to its choice-of-law or conflict-of-law rules).

Without limiting any of the foregoing, the undersigned agrees to be personally bound by and to personally comply with all provisions in the Area Development Agreement as if the undersigned had signed the Franchise Agreement personally, including without limitation those provisions regarding Jurisdiction and Venue and Covenants Not To Compete.

Should any one or more provisions of this Guarantee be determined to be illegal or unenforceable, all other provisions will nevertheless be effective.

IN WITNESS WHEREOF, each of the undersigned has signed this Guarantee effective as of the date of the Area Development Agreement.

Signature

Signature

Printed Name

Printed Name

Address

Address

Signature

Signature

Printed Name

Printed Name

Address

Address

EXHIBIT C
FINANCIAL STATEMENTS

Financial Report

Walk-On's Enterprises Franchising, L.L.C.

December 27, 2023



Bourgeois Bennett
CERTIFIED PUBLIC ACCOUNTANTS | CONSULTANTS
A LIMITED LIABILITY COMPANY

Financial Report

Walk-On's Enterprises Franchising, L.L.C.

December 27, 2023

TABLE OF CONTENTS

Walk-On's Enterprises Franchising, L.L.C.
Baton Rouge, Louisiana

December 27, 2023, December 28, 2022, and December 29, 2021

| | <u>Page Numbers</u> |
|---|-------------------------|
| Independent Auditor's Report | 1 - 2 |
| Exhibits | |
| A - Balance Sheets | 3 |
| B - Statements of Income and Changes in Members' Equity | 4 |
| C - Statements of Cash Flows | 5 |
| D - Notes to Financial Statements | 6 - 17 |

INDEPENDENT AUDITOR'S REPORT

To the Members,
Walk-On's Enterprises Franchising, L.L.C.,
Baton Rouge, Louisiana.

Opinion

We have audited the accompanying financial statements of Walk-On's Enterprises Franchising, L.L.C. (the "Company") which comprise the balance sheets as of December 27, 2023, December 28, 2022, and December 29, 2021 and the related statements of income and changes in members' equity and cash flows for the periods 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 Walk-On's Enterprises Franchising, L.L.C. as of December 27, 2023, December 28, 2022, and December 29, 2021 and the results of its operations, its changes in members' equity and its cash flows for the periods 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the 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 the Company's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

Bourgeois Bennett, LLC.

New Orleans, Louisiana,
April 30, 2024.

BALANCE SHEETS**Walk-On's Enterprises Franchising, L.L.C.**
Baton Rouge, Louisiana

December 27, 2023, December 28, 2022, and December 29, 2021

| | <u>2023</u> | <u>2022</u> | <u>2021</u> |
|---|---------------------|---------------------|---------------------|
| <u>ASSETS</u> | | | |
| Current | | | |
| Cash | \$ 8,898,364 | \$ 7,118,780 | \$ 9,446,094 |
| Accounts receivable, net | 2,695,985 | 3,232,126 | 2,643,954 |
| Advances to related parties | 13,535,973 | 13,033,304 | 7,390,264 |
| Prepaid expenses | 111,086 | 49,593 | 4,117 |
| Total current assets | <u>25,241,408</u> | <u>23,433,803</u> | <u>19,484,429</u> |
| Non-Current | | | |
| Property and equipment, net | 49,396 | 52,274 | 14,429 |
| Right-of-use assets | 402,959 | 128,800 | - |
| Other assets | 45,645 | 29,707 | 19,177 |
| Total non-current assets | <u>498,000</u> | <u>210,781</u> | <u>33,606</u> |
| Total assets | <u>\$25,739,408</u> | <u>\$23,644,584</u> | <u>\$19,518,035</u> |
| <u>LIABILITIES</u> | | | |
| Current | | | |
| Accounts payable and accrued expenses | \$ 1,570,429 | \$ 1,067,604 | \$ 302,751 |
| Advances from related parties | 240,127 | 403,773 | 426,294 |
| Lease liabilities, current | 184,647 | 99,940 | - |
| Deferred revenues: | | | |
| Franchise fees - unopened locations | 3,720,000 | 1,050,000 | 1,020,000 |
| Franchise fees | - | - | 46,667 |
| Other liabilities | 120,000 | 240,000 | 330,000 |
| Total current liabilities | <u>5,835,203</u> | <u>2,861,317</u> | <u>2,125,712</u> |
| Non-Current | | | |
| Note payable | 150,000 | 150,000 | 150,000 |
| Lease liabilities, net of current portion | 218,312 | 29,896 | - |
| Deferred revenues: | | | |
| Franchise fees - unopened locations | 1,500,000 | 5,820,000 | 5,220,000 |
| Franchise fees | - | - | 318,996 |
| Total non-current liabilities | <u>1,868,312</u> | <u>5,999,896</u> | <u>5,688,996</u> |
| Total liabilities | <u>7,703,515</u> | <u>8,861,213</u> | <u>7,814,708</u> |
| <u>MEMBERS' EQUITY</u> | | | |
| Members' Equity | <u>18,035,893</u> | <u>14,783,371</u> | <u>11,703,327</u> |
| Total liabilities and members' equity | <u>\$25,739,408</u> | <u>\$23,644,584</u> | <u>\$19,518,035</u> |

See notes to financial statements.

**STATEMENTS OF INCOME AND
CHANGES IN MEMBERS' EQUITY**

Walk-On's Enterprises Franchising, L.L.C.
Baton Rouge, Louisiana

For the periods ended December 27, 2023 and December 28, 2022, and December 29, 2021

| | <u>2023</u> | <u>2022</u> | <u>2021</u> |
|---|---------------------|---------------------|---------------------|
| Revenues | | | |
| Royalties, franchise fees, and franchise transfer fees | \$15,403,032 | \$14,667,249 | \$11,756,828 |
| Paycheck Protection Program loan forgiveness | - | - | 1,977,891 |
| Interest income | 72,293 | 11,185 | - |
| Miscellaneous income | 3,044 | - | - |
| | <u>15,478,369</u> | <u>14,678,434</u> | <u>13,734,719</u> |
| Expenses | | | |
| Advertising and promotions | 205,068 | 445,825 | 409,703 |
| Bad debt expense | 239,665 | - | - |
| General and administrative expenses | 1,568,225 | 774,714 | 499,216 |
| Interest expense | 5,610 | 14,579 | - |
| Management fees | 1,200,000 | 1,200,000 | 1,080,000 |
| Salaries, payroll taxes, and benefits | 6,411,607 | 6,089,941 | 3,342,376 |
| Supplies and operating expenses | 2,595,672 | 3,073,331 | 2,079,242 |
| | <u>12,225,847</u> | <u>11,598,390</u> | <u>7,410,537</u> |
| Total expenses | <u>12,225,847</u> | <u>11,598,390</u> | <u>7,410,537</u> |
| Net income | <u>3,252,522</u> | <u>3,080,044</u> | <u>6,324,182</u> |
| Members' Equity | | | |
| Beginning of year | <u>14,783,371</u> | <u>11,703,327</u> | <u>5,379,145</u> |
| End of year | <u>\$18,035,893</u> | <u>\$14,783,371</u> | <u>\$11,703,327</u> |

See notes to financial statements.

STATEMENTS OF CASH FLOWS**Walk-On's Enterprises Franchising, L.L.C.**
Baton Rouge, Louisiana

For the periods ended December 27, 2023 and December 28, 2022, and December 29, 2021

| | <u>2023</u> | <u>2022</u> | <u>2021</u> |
|---|--------------------|--------------------|--------------------|
| Cash Flows From Operating Activities | | | |
| Net income | \$3,252,522 | \$3,080,044 | \$6,324,182 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | | |
| Depreciation | 6,386 | 4,393 | 498 |
| Bad debt expense | 239,665 | - | - |
| Accrued operating lease obligations | (1,036) | 1,036 | - |
| Paycheck Protection Program loan forgiveness | - | - | (1,977,891) |
| Decrease (increase) in assets: | | | |
| Accounts receivable | 296,476 | (588,172) | (183,269) |
| Prepaid expenses | (61,493) | (45,476) | (226) |
| Other assets | (15,938) | (10,530) | 5,334 |
| Increase (decrease) in liabilities: | | | |
| Accounts payable and accrued expenses | 502,825 | 764,853 | 223,300 |
| Deferred revenues | (1,650,000) | 264,337 | 523,332 |
| Other liabilities | (120,000) | (90,000) | 210,000 |
| Net cash provided by operating activities | <u>2,449,407</u> | <u>3,380,485</u> | <u>5,125,260</u> |
| Cash Flows from Investing Activities | | | |
| Purchase of property and equipment | (3,508) | (42,238) | (14,927) |
| Cash Flows from Financing Activities | | | |
| Advances to related parties, net | (666,315) | (5,665,561) | (6,050) |
| Proceeds from loan payable | - | - | 1,117,600 |
| Net provided by (used in) financing activities | <u>(666,315)</u> | <u>(5,665,561)</u> | <u>1,111,550</u> |
| Net Increase (Decrease) in Cash | 1,779,584 | (2,327,314) | 6,221,883 |
| Cash | | | |
| Beginning of year | <u>7,118,780</u> | <u>9,446,094</u> | <u>3,224,211</u> |
| End of year | <u>\$8,898,364</u> | <u>\$7,118,780</u> | <u>\$9,446,094</u> |
| Supplemental Disclosure of Cash Flow Information | | | |
| Cash paid for interest | <u>\$ 8,773</u> | <u>\$ 1,462</u> | <u>\$ -</u> |

See notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

Walk-On's Enterprises Franchising, L.L.C.

Baton Rouge, Louisiana

December 27, 2023, December 28, 2022 and December 29, 2021

Note 1 - ORGANIZATION AND NATURE OF BUSINESS

Walk-On's Enterprises Holdings, LLC ("Walk-On's") is the sole member of Walk-On's Enterprises Franchising, L.L.C. (a limited liability company) (the "Company"), which was formed in 2014 to expand the Company brand across the country utilizing the franchise business model. The Company is supported by Company and offers potential franchisees support in real estate selection, construction, training, marketing, and operations.

The Company franchises Walk-On's Sports Bistreaux and Walk-On's Half Court restaurants. The Company currently has eighty-four operating locations in Alabama, Arizona, Arkansas, Florida, Georgia, Indiana, Kansas, Louisiana, Mississippi, Missouri, Nevada, North Carolina, South Carolina, Tennessee, and Texas, and six of these locations are operated by related parties. Thirteen of these locations were opened during the period ended December 27, 2023. The Company expects to open an additional six franchises during the period ending December 25, 2024.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Accounting

The Company issues its financial statements on the accrual method of accounting in accordance with accounting principles generally accepted in the United States of America.

b. Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Cash and Cash Equivalents

The Company considers all demand deposits at commercial banks and highly liquid debt instruments with original maturity dates of three months or less to be cash equivalents. There were no cash equivalents as of December 27, 2023, December 28, 2022 and December 29, 2021.

d. Accounts Receivable

The Company regularly extends credit to its customers on an unsecured basis. Accounts receivable are stated at the amount management expects to collect based on their review of outstanding balances. Management provides for probable uncollectible amounts through a charge to earnings and a credit to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. Management provided an allowance for credit losses of \$155,365 for the period ended December 27, 2023. There was no allowance for credit losses for the period ended December 28, 2022 and December 29, 2021. Bad debt expense for the period ended December 27, 2023 totaled \$239,665. There was no bad debt expense for the periods ended December 28, 2022 and December 29, 2021.

The Company estimates credit losses associated with accounts receivable using an expected credit loss model, which utilizes an aging schedule methodology based on historical information and adjusted for asset-specific considerations and current economic conditions.

The Company's approach considers a number of factors, including overall historical credit losses and payment experience, as well as current collection trends such as write-off frequency.

e. Leases

The Company is a lessee in two noncancelable building leases. If the contract provides the Company the right to substantially all the economic benefits and the right to direct the use of the identified asset, it is considered to be or contain a lease. Right-of-use (ROU) assets and lease liabilities are recognized at the lease commencement date based on the present value of the future lease payments over the expected lease term. ROU assets are also adjusted for any lease prepayments made, lease incentives received, and initial direct costs incurred.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

e. Leases (Continued)

Lease liabilities are initially and subsequently recognized based on the present value of their future lease payments. Variable payments are included in the future lease payments when those variable payments depend on an index or a rate.

ROU assets for operating leases are subsequently measured throughout the lease term at the amount of the remeasured lease liability (i.e., present value of the remaining lease payments). ROU assets for operating leases are amortized on a straight-line basis over the lease term.

The Company has elected the option to use the risk-free rate as the discount rate since the implicit rate is not readily determinable. The risk-free rate was determined using a period comparable to the lease terms.

Right-of-use assets and lease liabilities as of December 27, 2023 and December 28, 2022 are presented as separate line items on the Company's Balance Sheets.

f. Property and Equipment

The Company capitalizes all property and equipment over \$5,000. The Company records purchases of property and equipment at cost at the date of acquisition. Repairs and maintenance are charged to expense as incurred; major renewals and replacements and betterments are capitalized. Depreciation is provided using the straight-line method over the estimated useful lives of the respective assets. Equipment has an estimated useful life of five years.

g. Deferred Revenues

Deferred revenues consists of certain initial franchise fees and prepaid royalties paid by franchisees upon entering into a franchise arrangement with the Company. Under the franchise arrangement, the Company is obligated to provide training and other startup services to the franchisees prior to opening. The Company considers its obligations under the franchise arrangement met and revenue from the initial franchise fee recognized when the initial and first year performance obligations are met by the Company.

Franchisees that enter into an agreement with the Company by purchasing existing franchises that are already operating pay an agreed upon amount of prepaid royalties in lieu of the initial franchise fee or pay an initial franchise fee. The Company recognizes the prepaid royalties as they become due from the franchisees.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h. Other Liabilities

Other liabilities consist of area development fees deemed refundable or nonrefundable that may be recognized by the Company due to cancelling or amending the area development agreement. Other liabilities totaled \$120,000, \$240,000 and \$330,000 as of December 27, 2023, December 28, 2022 and December 29, 2021, respectively.

i. Advertising and Promotions

Advertising and promotions are generally charged to operations in the period incurred. Advertising and promotions totaled \$205,068, \$445,825 and \$409,703 for the periods ended December 27, 2023, December 28, 2022 and December 29, 2021, respectively.

j. Revenue Recognition

The Company recognizes revenue under Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) Accounting Standards Codification (ASC) Topic 606, "*Revenue from Contracts with Customers*" (ASC 606).

Franchise Revenues

Franchise revenues consist primarily of royalties and initial and renewal franchise fees. Under franchise agreements, the Company provides the franchisees with (i) a franchise license and development agreements, (ii) pre-opening services, such as training and inspections, and (iii) ongoing services, such as restaurant monitoring, menu items, and inspections. The services provided under the franchise agreements are highly interrelated and dependent upon the franchise license. As a result, it is concluded that the services do not represent individually distinct performance obligations. Consequently, the Company has bundled the franchise license performance obligation and promises to provide services into a single performance obligation under ASC 606, which the Company satisfies by providing the right to certain services over the term of the franchise agreements.

Royalties are calculated as a percentage of franchise restaurant sales over the term of the franchise agreement. The Company's franchise agreement royalties represent sales-based royalties that are entirely related to the Company's performance obligation under the franchise agreement and are recognized as franchise sales occur. Additionally, under ASC 606, certain initial and renewal franchise fees are recognized as revenue when the performance obligations are met by the Company. Renewal franchise fees will be recognized over the new terms of the agreement. The

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j. Revenue Recognition (Continued)

Franchise Revenues (Continued)

Company's performance obligation under area development agreements generally consists of an obligation to grant exclusive development rights over a stated term. These development rights are not distinct from franchise agreements, so upfront fees paid by franchisees for exclusive development rights are deferred and apportioned to each franchise restaurant opened by the franchisee. The pro rata amount apportioned to each restaurant is accounted as an initial franchise fee.

k. Income Taxes

The Company is considered a disregarded entity for Federal and state income tax purposes. As such, the sole member reports the Company's taxable income or loss on its income tax return. Accordingly, no provision for income tax is made by the Company.

Accounting standards provide detailed guidance for financial statement recognition, measurement, and disclosure of uncertain tax positions recognized in an entity's financial statements. These standards require an entity to recognize the financial statement impact of a tax position when it is more likely than not that the position will not be sustained upon examination. As of December 27, 2023, management believes that the Company has no uncertain tax positions that qualify for either recognition or disclosure in the financial statement or notes to the financial statement. The Company recognizes interest and penalties, if any, related to unrecognized tax benefits in interest expense. Tax years ended December 30, 2020 and later remain subject to examination by the taxing authorities.

l. New Accounting Standards Adopted

Measurement of Credit Losses

In June 2016, the FASB issued ASU No. 2016-13, "*Financial Instruments - Credit Losses*" (Topic 326). The ASU introduces a new credit loss methodology, Current Expected Credit Losses (CECL), which requires earlier recognition of credit losses, while also providing additional transparency about credit risk. Since its original issuance in 2016, the FASB has issued several updates to the original ASU.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

l. New Accounting Standards Adopted (Continued)

Measurement of Credit Losses (Continued)

The CECL methodology utilizes a lifetime “expected credit loss” measurement objective for the recognition of credit losses for loans, held-to-maturity securities and other receivables at the time the financial asset is originated or acquired. The expected credit losses are adjusted each period for changes in expected lifetime credit losses. The methodology replaces the multiple existing impairment methods in current GAAP, which generally require that a loss be incurred before it is recognized. For available-for-sale securities where fair value is less than cost, credit related impairment, if any, is recognized through an allowance for credit losses and adjusted each period for changes in credit risk. The ASU was adopted for the period ended December 27, 2023.

m. Subsequent Events

Management evaluates events occurring subsequent to the date of the financial statements in determining the accounting for and disclosure of transactions and events that affect the financial statement. Subsequent events have been evaluated through April 30, 2024, which is the date the financial statement was available to be issued.

Note 3 - CONCENTRATIONS OF RISK

The Company maintains its cash balances in a local financial institution where accounts are insured by the Federal Deposit Insurance Corporation up to \$250,000 per bank. As of December 27, 2023, the Company had approximately \$8,910,000 in uninsured bank deposits.

**Exhibit D
(Continued)**

Note 4 - ACCOUNTS RECEIVABLE

Accounts receivable balances are comprised of amounts currently due from customers (e.g., for royalties and franchise fees).

The following table summarizes receivables and related allowance for credit losses as of December 27, 2023, December 28, 2022 and December 29, 2021.

| | December 27, 2023 | December 28, 2022 | December 29, 2021 |
|--|----------------------|----------------------|----------------------|
| Accounts receivable, gross | \$ 2,851,350 | \$ 3,232,126 | \$ 2,643,954 |
| Allowance for credit losses | (155,365) | - | - |
| Accounts receivables, net of credit losses | <u>\$ 2,695,985</u> | <u>\$ 3,232,126</u> | <u>\$ 2,643,954</u> |

Many of the Company's loss estimation techniques rely on delinquency-based models, therefore, delinquency is an important indicator of credit quality in the establishment of the Company's allowance for credit losses. The Company manages the receivables using delinquency as a key credit quality indicator.

The following table presents the delinquency status as of December 27, 2023, December 28, 2022 and December 29, 2021:

| | 2023 | 2022 | 2021 |
|----------------------------|--------------------|--------------------|--------------------|
| Current - 30 days | \$ 554,188 | \$ 233,740 | \$ 195,870 |
| 31-60 days | 1,586 | 287,657 | 340,000 |
| 61-90 days | 22,643 | 15,467 | 225,000 |
| Greater than 90 days | <u>2,272,933</u> | <u>2,695,262</u> | <u>1,883,084</u> |
| Accounts receivable, gross | <u>\$2,851,350</u> | <u>\$3,232,126</u> | <u>\$2,643,954</u> |

The Company estimates credit losses on receivables by applying an expected credit loss model, which relies on historical loss data to calculate default probabilities. The assessment of default probabilities includes receivables delinquency status, historical loss experience and how long the receivables have been outstanding.

Note 4 - ACCOUNTS RECEIVABLE (Continued)

Activity for the periods ended December 27, 2023, December 28, 2022 and December 29, 2021 in the allowance for credit losses for the accounts receivable were as follows:

| | 2023 | 2022 | 2021 |
|---------------------------------------|------------|------|------|
| Beginning allowance for credit losses | \$ - | \$ - | \$ - |
| Bad debt expense | 239,665 | - | - |
| Write-offs | (84,300) | - | - |
| Ending allowance for credit losses | \$ 155,365 | \$ - | \$ - |

Note 5 - PROPERTY AND EQUIPMENT

Property and equipment as of December 27, 2023, December 28, 2022 and December 29, 2021 consists of the following:

| | 2023 | 2022 | 2021 |
|-------------------------------|----------|----------|-----------|
| Leasehold improvements | \$45,746 | \$42,238 | \$ - |
| Equipment | 14,927 | 14,927 | 14,927 |
| | 60,673 | 57,165 | 14,927 |
| Less accumulated depreciation | (11,277) | (4,891) | (498) |
| Net property and equipment | \$49,396 | \$52,274 | \$ 14,429 |

Depreciation expense was \$6,386, \$4,393 and \$498 for the periods ended December 27, 2023, December 28, 2022 and December 29, 2021, respectively.

Note 6 - LEASE COMMITMENTS

The Company leases certain office space at various terms under long-term non-cancelable operating lease agreements. The terms of these leases range from 19 to 36 months. Monthly payments range from \$2,758 to \$13,152. The Company includes in the determination of the right-of-use assets and lease liabilities any renewal options when the options are reasonably certain to be exercised. The Company's operating leases provide for increases in future minimum annual rental payments.

The weighted-average discount rate is based on the discount rate implicit in the lease. The Company has elected the option to use the risk-free rate determined using a period comparable to the lease terms as the discount rate for leases where the implicit rate is not readily determinable. The Company has applied the risk-free rate option to the building class of assets.

Note 6 - LEASE COMMITMENTS (Continued)

Reported under FASB ASC 842 for the periods ended December 27, 2023 and December 28, 2022:

| | 2023 | 2022 |
|---|---------------------------|-----------|
| Lease Cost | | |
| Operating lease costs | \$178,262 | \$106,712 |
| Cash Flow Items | | |
| Cash paid for amounts included in the measurement of lease liabilities: | | |
| Operating cash flows from operating leases | \$179,299 | \$105,676 |
| Right-of-use assets obtained in exchange for lease liabilities: | | |
| Operating leases | \$442,126 | \$138,504 |
| Operating Leases | | |
| Right-of-use assets | \$402,959 | \$128,800 |
| Lease liabilities | \$402,959 | \$129,836 |
| Weighted-Average Information | | |
| Weighted-average remaining lease in years | 2.3 | 1.3 |
| Weighted-average discount rate: | | |
| Operating leases | 4.58% | 1.20% |
| Future Minimum Lease Payments | | |
| | Period Ending December | Amounts |
| | 2024 | \$185,404 |
| | 2025 | 157,824 |
| | 2026 | 78,912 |
| Total lease payments | | 422,140 |
| Less amounts representing interest | | (19,181) |
| Present value of lease liabilities | | 402,959 |
| Less current maturities | | (184,647) |
| Long-term lease obligation | | \$218,312 |

Note 7 - LOAN PAYABLE

On April 7, 2020, the Company received a \$860,291 loan from JPMorgan Chase Bank, N.A. under the Paycheck Protection Program (PPP) of the U.S. Small Business Administration (SBA). Interest on the loan was 1%. On March 25, 2021, the PPP loan amount was forgiven and recorded as revenue on the Statements of Income and Changes in Members' Equity.

On March 1, 2021, the Company received a \$1,117,600 loan from Fidelity Bank under the PPP of the SBA. Interest on the loan was 1%. On December 15, 2021, the PPP loan amount was forgiven and recorded as revenue on the Statements of Income and Changes in Members' Equity.

Note 8 - NOTE PAYABLE

On May 22, 2020, the Company obtained a loan from the SBA in the amount of \$150,000. The loan has a fixed interest rate of 3.75% and requires monthly payments of \$731 including principal and interest originally beginning May 22, 2021. In 2021, the SBA extended the first payment due date on the loan to May 22, 2022. Payments are first applied to accrued interest. This note is due on May 22, 2050. The note payable balance was \$150,000 as of December 27, 2023, December 28, 2022 and December 29, 2021.

The future maturities of notes payable as of December 27, 2023 are as follows:

| <u>Year Ending December</u> | |
|---------------------------------|------------------|
| 2024 | \$ - |
| 2025 | - |
| 2026 | - |
| 2027 | 2,704 |
| 2028 | 3,305 |
| Thereafter | <u>143,991</u> |
| Total | <u>\$150,000</u> |

Interest expense for the periods ended December 27, 2023 and December 28, 2022 was \$5,610 and \$14,579, respectively. There were no interest expense for the period ended December 29, 2021.

Note 9 - DEFERRED REVENUE

Deferred Revenues - Franchise Fees

Deferred revenues consist of certain initial and renewal franchise fees paid by franchisees resulting from initial and renewal franchise fees paid by franchisees, as well as upfront fees paid by area developers, which are generally recognized when a franchise location opens, transfers, or renews. The Company classifies these contract liabilities as deferred revenues on the Balance Sheets. The following reflects the change in deferred revenues for the periods ended December 27, 2023, December 28, 2022, and December 29, 2021:

| | <u>2023</u> | <u>2022</u> | <u>2021</u> |
|--|---------------------|--------------------|---------------------|
| Beginning balance | \$6,870,000 | \$6,605,663 | \$ 6,082,331 |
| Revenue recognized that was included in the deferred revenue balance at the beginning of the period | (780,000) | (1,415,663) | (796,668) |
| Increase, excluding amounts recognized as revenue during the period | 330,000 | 1,590,000 | 1,680,000 |
| Transfers from (transfers out) to other liabilities for cancelled area development agreements or franchise agreements pending refunds to developers or recognition of revenues in future years | <u>(1,200,000)</u> | <u>90,000</u> | <u>(360,000)</u> |
| Ending balance | <u>\$ 5,220,000</u> | <u>\$6,870,000</u> | <u>\$ 6,605,663</u> |

The following illustrates estimated revenues expected to be recognized in the future related to performance obligations that are unsatisfied as of December 27, 2023:

| <u>Year Ending December</u> | <u>Franchise Fees - Unopened Locations</u> |
|---------------------------------|--|
| 2024 | \$ 360,000 |
| 2025 | 600,000 |
| 2026 | 420,000 |
| 2027 | 180,000 |
| 2028 | 60,000 |
| Thereafter | <u>3,600,000</u> |
| Total | <u>\$5,220,000</u> |

Note 10 - RELATED PARTY TRANSACTIONS

Advances to related parties totaling \$13,535,973, \$13,033,304, and \$7,390,264 as of December 27, 2023, December 28, 2022 and December 29, 2021, respectively, relate to transfers of prepaid franchise fees and royalty revenues. Advances from related parties are for management fees and other operating expenses that were funded by related parties, and the balances outstanding were \$240,127, \$403,773, and \$426,291 as of December 27, 2023, December 28, 2022 and December 29, 2021, respectively.

Accounts payable to related parties of \$572,683, \$139,179, and \$133,247 as of December 27, 2023, December 28, 2022 and December 29, 2021, respectively, relate to operating expenses paid by a related party.

Pursuant to a management agreement, the Company engages WOE Operations, an affiliate, to administer the Company's general operations and negotiate franchise arrangements with potential franchisees. Management fees paid to WOE Operations were \$1,200,000 for the both of the periods ended December 27, 2023 and December 28, 2022 and \$1,080,000 for the period ended December 29, 2021.

Note 11 - COMMITMENTS

Under the Company's conventional franchise arrangement, the Company is obligated to provide training and other startup services to the franchisees prior to the opening of a new restaurant. The Company also has made area development agreements with several developers to develop a certain number of franchises in specific locations. As of December 27, 2023, the Company had not yet fulfilled its initial obligations under 23 area development agreements and 11 separate franchise arrangements, for 87 franchises in development. Initial franchise fees totaling \$5,220,000 relating to these obligations are included in deferred revenues on the Balance Sheet as of December 27, 2023. As of December 28, 2022, the Company had not yet fulfilled its initial obligations under 29 area development agreements and 12 separate franchise agreements. Initial franchise fees totaling \$6,870,000 relating to these obligations are included in deferred revenues on the Balance Sheet as of December 28, 2022. As of December 29, 2021, the Company had not yet fulfilled its initial obligations under 22 area development agreements and 12 separate franchise agreements. Initial franchise fees totaling \$6,240,000 relating to these obligations are included in deferred revenues on the Balance Sheet as of December 29, 2021.

Note 12 - RETIREMENT PLAN

Effective January 1, 2017, the Company adopted a salary reduction plan under the provisions of Section 401(k) of the Internal Revenue Code which covers almost all full-time employees. For the periods ended December 27, 2023, December 28, 2022 and December 29, 2021, the Company contributed \$122,269, \$88,574, and \$32,294 to the plan, respectively. The employer match is based on a discretionary percentage determined by management on an annual basis.

**THESE FINANCIAL STATEMENTS ARE PREPARED WITHOUT AN AUDIT.
PROSPECTIVE FRANCHISEES OR SELLERS OF FRANCHISES SHOULD BE ADVISED
THAT NO CERTIFIED PUBLIC ACCOUNTANT HAD AUDITED THESE FIGURES OR
EXPRESSED HIS/HER OPINION WITH REGARD TO THE CONTENT OR FORM.**

**Walk-On's Enterprises Franchising
Balance Sheet
As of 6/26/2024**

| | Total |
|--|-------------------|
| ASSETS | |
| Cash | |
| W-Franchising - Checking Account | 5,815,843 |
| Operations - Checking Account | 11,664 |
| Total Cash | 5,827,508 |
| Accounts Receivable | |
| Accounts Receivable | 2,292,011 |
| Total Accounts Receivable | 2,292,011 |
| Fixed Assets | |
| Assets - Furniture, Fixtures, Equipment & Signs | 263,330 |
| Goodwill | 25,975 |
| Accumulated Depreciation | -13,473 |
| Accumulated Amortization | -14,287 |
| Total Fixed Assets | 261,546 |
| Current Asset | |
| Due To/From - Walk-On's Opelika, AL (Auburn) | 544 |
| Due To/From Columbia, MO (Nursariwala - Taps Management) | -985 |
| Accrued Rebates | -478 |
| Inventory - Restaurant Supplies | 9,122 |
| Total Current Asset | 8,203 |
| Other Assets | |
| I/C Walk-Ons Balance | 14,318,280 |
| Prepaid Expenses | 343,789 |
| Security Deposit | 18,841 |
| Right-of-use (ROU) Assets | 3,647,059 |
| Total Other Assets | 18,327,969 |
| Total ASSETS | 26,717,237 |
| LIABILITIES & EQUITY | |
| Liabilities | |
| Accounts Payable | |
| Accounts Payable | 316,818 |
| JP Morgan Chase CC | 201,255 |
| Total Accounts Payable | 518,073 |
| Current Liabilities | |
| 401(k) Liability | -38,687 |
| HSA Employee Contribution | 612 |
| Accrued Expenses | 1,039,879 |
| Current Operating Lease Liability | 112,953 |
| Total Current Liabilities | 1,114,757 |
| Long Term Liability | |
| Stock Options Liability | 14,800 |
| Long-Term Operating Lease Liability | 3,514,378 |

| | |
|---------------------------------------|-------------------|
| N/P - SBA Disaster Loan | 158,373 |
| Total Long Term Liability | 3,687,551 |
| Other Liabilities | |
| Prepaid Franchise Fees - Liability | 480,000 |
| Deferred Revenue | 3,878,208 |
| Total Other Liabilities | 4,358,208 |
| Total Liabilities | 9,678,590 |
| Equity | |
| Owner's Equity | |
| Retained Earnings | 17,544,029 |
| Walk-On's Enterprises Holdings LLC | 100,000 |
| Suspense - Inactive locations | -11,247 |
| Retained Earnings - old | 403,114 |
| YTD Income | -997,249 |
| Total Owner's Equity | 17,038,647 |
| Total Equity | 17,038,647 |
| Total LIABILITIES & EQUITY | 26,717,237 |

Walk-On's Enterprises Franchising
Profit & Loss - Period and YTD
Period Ending 06/26/2024

| | YTD |
|-----------------------------|------------------|
| Sales | |
| Sales - Royalties | 7,821,609 |
| Sales - Franchise fee | 105,000 |
| Sales - Transfer Fee Income | 90,000 |
| Sales - Development Revenue | 209,500 |
| Total Sales | 8,226,109 |
| Net Sales | 8,226,109 |
| Cost of Sales | |
| COGS - Food Menu | |
| COGS - Sauce & Seasoning | -133 |
| Total COGS - Food Menu | -133 |
| Total Cost of Sales | -133 |
| Gross Profit | 8,226,243 |
| Operating Expenses | |
| Salaries and Wages | |
| Hourly Labor | |
| Training | 776 |
| Casual Labor | 54,471 |
| Total Hourly Labor | 55,246 |
| Payroll Adjustments | 330 |
| Payroll Tax Expense | 221,310 |
| Salaries - Management | 2,869,808 |
| Salaries - Bonuses | 815,910 |
| 401(k) Match | 76,782 |
| Salaries - Severance | 802,190 |
| Total Salaries and Wages | 4,841,576 |

Controllable Expenses

| | |
|------------------------------|---------|
| Office Supplies | 35,094 |
| Postage | 7,235 |
| TV, Phone & Internet | 13,915 |
| Computer/Software - Contract | 723,497 |
| Computer Expense | 82,000 |
| Employee Incentives | 3,606 |
| Equipment Rental | 14,676 |
| House Entertainment | 638 |
| Security & Alarm | 75 |
| Parking & Storage | 7,965 |

Rest. Supplies

| | |
|----------------|-------|
| Rest. Supplies | 6,643 |
|----------------|-------|

Rest. Sup. - FOH - Direct Dining

| | |
|--|-------|
| Rest. Sup. - FOH - Dining Room | 364 |
| Rest. Sup. - FOH - Other | 250 |
| Rest. Sup. - FOH - Paper & Plastic | 375 |
| Rest. Sup. - FOH - Linens | 742 |
| Rest. Sup. - FOH - To-Go & Catering | 942 |
| Rest. Sup. - FOH - Equipment | 332 |
| Rest. Sup. - FOH - Chemicals | 94 |
| Rest. Sup. - FOH - China/Glass/Silver | 35 |
| Total Rest. Sup. - FOH - Direct Dining | 3,133 |

Rest. Sup. - HOH - Direct Kitchen

| | |
|---|--------|
| Rest. Sup. - HOH - Others | 9,669 |
| Rest. Sup. - HOH - Chemicals | 2,239 |
| Rest. Sup. - HOH - Equipment | 1,678 |
| Res. Sup. - HOH - Smallwares | 701 |
| Rest. Sup. - HOH - Paper & Plastic | 634 |
| Rest. Sup. - HOH - Linens | 16 |
| Total Rest. Sup. - HOH - Direct Kitchen | 14,938 |

| | |
|----------------------|----|
| Rest. Sup. - Medical | 67 |
|----------------------|----|

| | |
|-----------------------|--------|
| Rest. Sup. - Uniforms | 46,917 |
|-----------------------|--------|

| | |
|--------------------------------|-------|
| Rest. Sup. - Training Supplies | 2,254 |
|--------------------------------|-------|

| | |
|----------------------|--------|
| Total Rest. Supplies | 73,952 |
|----------------------|--------|

Repairs & Maintenance

| | |
|--------------------------|--------|
| R&M - Janitorial Service | 11,825 |
|--------------------------|--------|

| | |
|-----------------------|-----|
| Repairs & Maintenance | 271 |
|-----------------------|-----|

| | |
|----------------|-------|
| R&M - Building | 1,859 |
|----------------|-------|

| | |
|-----------------------------|-------|
| R&M - Plumbing & Electrical | 3,012 |
|-----------------------------|-------|

| | |
|------------|-----|
| R&M - HVAC | 202 |
|------------|-----|

| | |
|-----------------|-------|
| R&M - Equipment | 2,543 |
|-----------------|-------|

| | |
|--------------------|-------|
| R&M - Pest Control | 1,467 |
|--------------------|-------|

| | |
|------------------------|-------|
| R&M - Lawn Maintenance | 2,625 |
|------------------------|-------|

| | |
|-----------------------------|--------|
| Total Repairs & Maintenance | 23,804 |
|-----------------------------|--------|

Utilities

| | |
|-----------|-------|
| Utilities | 1,648 |
|-----------|-------|

| | |
|-------------|--------|
| Electricity | 20,714 |
|-------------|--------|

| | |
|-----------------------------------|-----------|
| Water | 1,075 |
| Waste Removal | 805 |
| Total Utilities | 24,242 |
| NRO Expenses | |
| NRO-Per Diem | 8,214 |
| NRO-Employee Incentives | 2,576 |
| NRO-Video & Audio | 1,800 |
| Total NRO Expenses | 12,590 |
| Total Controllable Expenses | 1,023,289 |
| Marketing & Public R. | |
| M & P - Media Print | 12,022 |
| M & P - Media | 20,847 |
| M & P - Sponsorships | 12,125 |
| M & P - Social Media | 304 |
| M & P - Misc Print | 2,426 |
| M & P - Donations | 40,000 |
| M & P - Production/Photography | 1,898 |
| M & P - Promotional Items | 7,762 |
| M & P - Season Tickets | 1,100 |
| M & P - Website/Digital | 3,500 |
| M & P - Signs | 3,033 |
| M & P - Events | 1,680 |
| Total Marketing & Public R. | 106,697 |
| Admin. & General Exp. | |
| Automobiles | 103,212 |
| Business Licenses & Permits | 1,740 |
| Business Gifts | 5,185 |
| Dues & Subscriptions | 17,261 |
| Fintech Fees | |
| Insurance | |
| Insurance | 8,442 |
| Ins. - GL-UM-AUTO-TM-EPL | 90,588 |
| Ins. - Property/Flood | 9,606 |
| Ins. - Workers Comp | 17,003 |
| Ins. - COBRA | 21,475 |
| Ins. - Health/Dental/Suppl & Life | 115,306 |
| Total Insurance | 262,420 |
| Legal & Professional | |
| Legal & Professional | 242,973 |
| Legal - General Services | 92,212 |
| Prof. Services - Architects | 36,401 |
| Prof. Services - General | 20,725 |
| Prof. Services - Audit & Tax | 9,000 |
| Prof. Services - Consulting | 86,776 |
| Prof. Services - Northstar | 294,942 |
| Prof. Services - Recruiting Fees | 305,885 |
| Professional Services | 49,444 |
| Total Legal & Professional | 1,138,358 |

| | |
|---------------------------------|------------------|
| Lease Expenses | |
| Lease - Rent | 137,269 |
| Lease - Insurance | 2,314 |
| Lease - CAM | 3,674 |
| Total Lease Expenses | 143,257 |
| Merchant Services | |
| Toast Merchant Service Fees | 102 |
| Total Merchant Services | 102 |
| Meals | 61,602 |
| Entertainment | 5,178 |
| Miscellaneous Expense | 771 |
| Meeting Expense | 1,791 |
| WOU Expenses | 4,698 |
| Research & Development | 3,748 |
| Seminars/Conferences | |
| Seminars/Conferences | 60,567 |
| Total Seminars/Conferences | 60,567 |
| Tax Expenses | |
| Tax Expenses | 28,519 |
| Taxes - Business P. Property | 17,720 |
| Total Tax Expenses | 46,240 |
| Telephone | 16,369 |
| Travel & Lodging | 620,260 |
| Accounting Expenses | |
| Accounting Expenses | 100 |
| Total Accounting Expenses | 100 |
| Development Expenses | |
| Development Expenses | 267,558 |
| Total Development Expenses | 267,558 |
| Payroll Fee | 16,334 |
| Technology Expenses | 792 |
| TOAST Project Expenses | |
| Toast - POS Install / Setup | 6,244 |
| Total TOAST Project Expenses | 6,244 |
| Corporate Office | |
| Office Equipment & Furniture | 3,834 |
| Total Corporate Office | 3,834 |
| Total Admin. & General Exp. | 2,787,619 |
| Total Operating Expenses | 8,759,182 |
| Total Operating Income | -532,939 |
| Other Expenses | |
| Other Expenses | |
| Other Expenses | 114,223 |
| Interest Expense | 2,805 |
| Depreciation | 2,197 |
| Amortization | 1,299 |
| Special Events - Donations | 608 |
| Management Fee | 300,000 |

| | |
|-----------------------------|-----------------|
| Total Other Expenses | 421,131 |
| Total Other Expenses | 421,131 |
| Other Income | |
| Other Income | |
| Other Income | 69,144 |
| Income - Misc. | -700 |
| Discounts | -5,446 |
| Bad Debt Income - Expense | -106,178 |
| Total Other Income | -43,179 |
| Total Other Income | -43,179 |
| Net Income (Loss) | -997,249 |
| Net Profit | -997,249 |

EXHIBIT D

STATE FRANCHISE ADMINISTRATORS

STATE FRANCHISE ADMINISTRATORS

Listed here are the names, addresses and telephone numbers of the state agencies having responsibility for franchising disclosure/registration laws. We may not yet be registered to sell franchises in any or all of these states.

CALIFORNIA

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

Los Angeles

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

Sacramento

2101 Arena Boulevard
Sacramento, California 95834
(866) 275-2677

San Diego

1455 Frazee Road, Suite 315 San Diego, California
92108 (619) 525-4233

San Francisco

One Sansome Street, Suite 600
San Francisco, California 94104-4428
(415) 972-8559

ILLINOIS

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

HAWAII

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

INDIANA

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

MARYLAND

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

MINNESOTA

Minnesota Department of Commerce
Securities Section
85 7th Place, Suite 280
St. Paul, Minnesota 55101
(651)-539-1638

NORTH DAKOTA

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

RHODE ISLAND

Director of Business Regulations
State of Rhode Island
John O. Pastore Complex
1511 Pontiac Avenue, Building 69-1
Cranston, RI 02910
(401) 462-9500

VIRGINIA

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

WISCONSIN

Wisconsin Division of Securities
Department of Financial Institutions
4822 Madison Yards Way, North Tower
Madison, Wisconsin 53705
(608) 266-9555

MICHIGAN

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

NEW YORK

NYS Department of Law
Investor Protection Bureau
28 Liberty Street, 21st Floor
New York, New York 10005
(212) 416-8236

OREGON

Department of Consumer and Business Services
Division of Financial Regulation
350 Winter Street NE, Suite 410
Salem, Oregon 97301
(503) 378-4140

SOUTH DAKOTA

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

WASHINGTON

Securities Division
Department of Financial Institutions
P. O. Box 41200
Olympia, Washington 98501-9033
(360) 902-8760

EXHIBIT E
AGENTS FOR SERVICE OF PROCESS

AGENTS FOR SERVICE OF PROCESS

If a state is not listed below, Walk-On's Enterprises Franchising, LLC has not appointed an agent for service of process in that state under the requirements of franchise laws. There may be states in addition to those listed below in which Walk-On's Enterprises Franchising, LLC has appointed an agent for service of process.

CALIFORNIA

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

Los Angeles

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

Sacramento

2101 Arena Boulevard
Sacramento, California 95834
(866) 275-2677

San Diego

1455 Frazee Road, Suite 315 San Diego, California
92108 (619) 525-4233

San Francisco

One Sansome Street, Suite 600
San Francisco, California 94104-4428
(415) 972-8559

ILLINOIS

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

HAWAII

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

INDIANA

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

MARYLAND

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

MINNESOTA

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

NORTH DAKOTA

Securities Commissioner
North Dakota Securities Department
600 East Boulevard Avenue, Suite 414
Bismarck, North Dakota 58505
(701) 328-4712

RHODE ISLAND

Director of Business Regulations
State of Rhode Island
John O. Pastore Complex
1511 Pontiac Avenue, Building 69-1
Cranston, RI 02910
(401) 462-9500

VIRGINIA

Clerk, State Corporation Commission
1300 East Main Street
First Floor
Richmond, Virginia 23219
(804) 371-9733

WISCONSIN

Administrator, Division of Securities
Department of Financial Institutions
4822 Madison Yards Way, North Tower
Madison, Wisconsin 53705
(608) 266-2139

MICHIGAN

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

NEW YORK

Attention: New York Secretary of State
New York Department of State
One Commerce Plaza,
99 Washington Avenue, 6th Floor
Albany, New York 12231-0001
(518) 473-2492

OREGON

Department of Consumer and Business Services
Division of Financial Regulation
350 Winter Street NE, Suite 410
Salem, Oregon 97301
(503) 378-4140

SOUTH DAKOTA

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

WASHINGTON

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

EXHIBIT F

STATE SPECIFIC ADDENDA TO FRANCHISE DISCLOSURE DOCUMENT

CALIFORNIA ADDENDUM TO DISCLOSURE DOCUMENT

In recognition of the requirements of the California Franchise Investment Law, California Corporations Code §§ 31000 through 31516, and the California Franchise Relations Act, California Business and Professions Code §§ 20000 through 20043, the Disclosure Document for Walk-On's Enterprises Franchising, LLC in connection with the offer and sale of franchises for use in the State of California is amended to including the following:

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 any other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

OUR WEBSITES HAVE NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF CORPORATIONS. ANY COMPLAINTS CONCERNING THE CONTENTS OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION AT www.dfpi.ca.gov.

ITEM 17 RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

1. California Business and Professions Code Sections 20000 through 20043 provide rights to you concerning termination, transfer or non-renewal of a franchise. If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control.
2. The Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 et seq).
3. The Franchise Agreement contains a provision requiring application of the laws of Georgia. This provision may not be enforceable under California law.
4. The Franchise Agreement requires venue to be limited to the state or federal court of competent jurisdiction located closest to our then current principal business address (currently, Atlanta, Georgia). This provision may not be enforceable under California law.
5. The Franchise Agreement contains a covenant not to compete that extends beyond the termination of the franchise. This provision may not be enforceable under California law.
6. You must sign a general release of claims if you renew or transfer your franchise. California Corporations Code Section 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code Sections 31000 through 31516). Business and Professions Code Section 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 through 20043).
7. California Corporations Code, Section 31125 requires us to give you a disclosure document, approved by the Department of Corporations before we ask you to consider a material modification of your franchise agreement.
8. THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT.

9. Neither we nor any person or franchise broker disclosed in Item 2 of the Disclosure Document is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a *et seq.*, suspending or expelling that person from membership in the association or exchange.
10. The franchise agreement and area development agreement contain a provision requiring you to waive your right to punitive or exemplary damages against us or any of our representatives, limiting your recovery to actual damages. Under California Corporations Code section 31512, these provisions are not enforceable in California for any claims you may have under the California Franchise Investment Law.
11. The Franchise Agreement contains a liquidated damage clause. Under California Civil Code Section 1671, certain liquidated damage clauses are unenforceable.

ITEM 19 FINANCIAL PERFORMANCE REPRESENTATIONS

The financial performance representation does not reflect the costs of sales, operating expenses, or other costs or expenses that must be deducted from the gross revenue or gross sales figures to obtain your net income or profit. You should conduct an independent investigation of the expenses you will incur in operating your Walk-On's franchise. Franchisees or former franchisees, listed in the Franchise Disclosure Document, may be one source of this information.

The registration of this franchise offering by the California Department of Financial Protection and Innovation does not constitute approval, recommendation, or endorsement by the commissioner.

HAWAII ADDENDUM TO DISCLOSURE DOCUMENT

THESE FRANCHISES WILL BE, OR HAVE BEEN, FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION, OR ENDORSEMENT BY THE HAWAII SECURITIES COMMISSIONER, OR A FINDING BY THE HAWAII SECURITIES COMMISSIONER, THAT THE INFORMATION PROVIDED IN THIS DISCLOSURE DOCUMENT IS TRUE, COMPLETE, AND NOT MISLEADING.

THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN HAWAII WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, OR SUBFRANCHISOR, AT LEAST 7 DAYS BEFORE THE SIGNING BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST 7 DAYS BEFORE THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THE DISCLOSURE DOCUMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATED TO THE SALE OF THE FRANCHISE.

THIS DISCLOSURE DOCUMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. YOU SHOULD REFER TO THE FRANCHISE AGREEMENT ITSELF FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS, AND OBLIGATIONS OF BOTH YOU AND THE FRANCHISOR.

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.

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

Our registered agent in the state authorized to receive service of process: Hawaii Securities Commissioner, Department of Commerce and Consumer Affairs, Business Registration Division, 335 Merchant Street, Room 203, Honolulu, Hawaii 96813.

ITEM 20 – OUTLETS AND FRANCHISEE INFORMATION

In recognition of the requirements of the Hawaii Franchise Investment Law, Hawaii Rev. Stat. §§ 428E *et seq.*, the Franchise Disclosure Document for «Client_Name» for use in the State of Hawaii is amended by adding the following language to Item 20:

As of the dates listed on the State Effective Dates page, this registration/exemption is or will be effective in California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin, and exempt from registration in Florida, Kentucky, Nebraska, Texas, and Utah. No states have refused, by order or otherwise, to register these franchises. No states have revoked or suspended the right to offer these franchises. The proposed registration of these franchises has not been involuntarily withdrawn in any state.

ILLINOIS ADDENDUM TO DISCLOSURE DOCUMENT

In recognition of the requirements of the Illinois Franchise Disclosure Act of 1987, Ill. Comp. Stat. §§ 705/1 through 705/44, the Disclosure Document for Walk-On's Enterprises Franchising, LLC for use in the State of Illinois is amended to include the following:

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 any other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

ITEM 13 TRADEMARKS

While we do not own the Proprietary Marks, our parent owns the Proprietary Marks and has licensed us to use them and to sublicense them to our franchisees.

ITEM 17 RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

1. Notice Required By Law

Your rights on termination and non-renewal of a franchise are stated in sections 19 and 20 of the Illinois Franchise Disclosure Act.

2. Illinois law governs the agreements between the parties to this franchise.
3. Section 4 of the Illinois Franchise Disclosure Act provides that any provision in a franchise agreement that designates jurisdiction or venue outside the State of Illinois is void. However, a franchise agreement may provide for arbitration outside of Illinois.
4. Section 41 of the Illinois Franchise Disclosure Act provides that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act **or any other law of Illinois** is void.
5. Section 34.02 ("Your Acknowledgments") is deleted from all Illinois Franchise Agreements.

For information about obtaining a liquor license in Illinois, see the website for the Illinois Liquor Control Commission, located at: <https://www.illinois.gov/ilcc/Pages/Applications.aspx>

MARYLAND ADDENDUM TO DISCLOSURE DOCUMENT

In recognition of the requirements of the Maryland Franchise Registration and Disclosure Law, the Disclosure Document for Walk-On's Enterprises Franchising, LLC for use in the State of Maryland is amended as follows:

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 any other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

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

The following sentence is added as the final sentence of paragraph 2 under the Pre-Opening Obligations, Franchise Agreement heading:

If the Franchise Agreement is terminated because you and we cannot agree on the site for your Walk-On's Restaurant as described in the foregoing sentence, the General Release you must sign will not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

ITEM 12 TERRITORY

The following sentence is added at the end of the paragraph in Item 12, concerning our reservation of territorial rights, after the sentence that begins "Under the terms of the Franchise Agreement, you waive and release any claims, demands or damages arising from or related to any of the activities described above":

These waivers and releases are not intended to nor will they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law. These waivers and releases will not apply to claims arising under the Maryland Franchise Registration and Disclosure Law.

ITEM 17 RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

1. The general release required as a condition of renewal, sale, and/or assignment/transfer will not apply to any liability under the Maryland Franchise Registration and Disclosure Law.
2. The laws of the State of Maryland may supersede the Franchise Agreement, including the areas of termination and renewal of the Franchise.
3. A franchisee may sue in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law. Any claims arising under the Maryland Franchise Registration and Disclosure Laws must be brought within 3 years after the grant of the Franchise.
4. The provision of the Franchise Agreement that provides for termination on your bankruptcy may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101 et seq.).

MINNESOTA ADDENDUM TO THE DISCLOSURE DOCUMENT

In recognition of the requirements of the Minnesota Franchises Law, Minn. Stat. §§ 80C.01 through 80C.22, and of the Rules and Regulations promulgated thereunder by the Minnesota Commissioner of Commerce, Minn. Rules §§ 2860.0100 through 2860.9930, the Disclosure Document for Walk-On's Enterprises Franchising, LLC for the offer of franchises for use in the State of Minnesota is amended to include the following:

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 any other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

Minnesota Rules 2860.4400(G) prohibits a franchisor from imposing on a franchisee by contract or rule, whether written or oral, any standard of conduct that is unreasonable.

ITEM 6 OTHER FEES

We may be limited in the amount of the insufficient funds fee ("EFT NSF Fee") we may charge you as described in Item 6 of this Disclosure Document. The Minnesota Department of Commerce requires us to disclose to you that, currently, the highest such fee permitted under Minnesota Statute 604.113 is \$30. NSF checks and related interest and attorneys' fees are governed by Minnesota Statute § 604.113, which puts a cap of \$30 on initial service charges and requires notice and opportunity to cure prior to assessing interest and attorneys' fees.

The Franchise Agreement contains provisions that may be interpreted as liquidated damages clauses under Minnesota law. Certain liquidated damages clauses are unenforceable.

ITEM 13 TRADEMARKS

The Minnesota Department of Commerce requires us to indemnify Minnesota franchisees against liability to third parties resulting from claims by third parties that the franchisee's use of our trademark infringes on trademark rights of the third party. We do not indemnify against the consequences of a franchisee's use of our trademark except in accordance with the requirements of the Franchise Agreement; and, as a condition to indemnification, you must: (i) provide prompt notice to us of any such claim; (ii) tender the defense of the claim to us; and (iii) cooperate with us in the defense against the claim. If we accept the tender of defense, we have the right to manage the defense of the claim including the right to compromise, settle, or otherwise resolve the claim, and to determine whether to appeal a final determination of the claim.

ITEM 17. RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

Item 17.c., f., and m. - With respect to franchises governed by Minnesota law, we will comply with Minn. Stat. § 80C.14, Subds. 3, 4, and 5, that require, except in certain specified cases, that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice of non-renewal of the Franchise Agreement, and that we not unreasonably withhold consent to the transfer of the franchise.

Item 17.m. - Under Minn. Rule 2860.4400D, any general release of claims a transferor may have against us or our directors, officers, shareholders, and employees, including without limitation claims arising under federal, state, and local laws, rules, and ordinances, excludes claims the transferor may have under the Minnesota Franchises Law or the Rules and Regulations promulgated thereunder by the Minnesota Commissioner of Commerce.

Item 17.v. and w. - Minn. Stat. § 80C.21 and Minn. Rule 2860.4400J prohibit us from requiring that litigation be conducted outside Minnesota. In addition, nothing in the Disclosure Document or Franchise Agreement abrogates or reduces any of your rights provided for in Minnesota statutes Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

NEW YORK ADDENDUM TO DISCLOSURE DOCUMENT

In recognition of the requirements of the General Business Law of the State of New York, Article 33, §§ 680 through 695, the Disclosure Document for use in the State of New York is amended as follows:

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 any other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

WE MAY, IF WE CHOOSE, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE PROSPECTUS. HOWEVER, WE CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL ON YOU TO ACCEPT TERMS THAT ARE LESS FAVORABLE THAN THOSE STATED IN THIS PROSPECTUS.

WE REPRESENT THAT THE PROSPECTUS DOES NOT KNOWINGLY OMIT ANY MATERIAL FACT OR CONTAIN ANY UNTRUE STATEMENT OF A MATERIAL FACT.

ITEM 2. BUSINESS EXPERIENCE

Item 2 of the Disclosure Document lists the directors, principal officers and other executives who will have management responsibility in connection with the operation of our business relating to the franchises offered by this disclosure document, with a statement for each regarding his principal occupations over the past 5 years.

ITEM 3. LITIGATION

Neither we, our affiliates nor any person named in Item 2 above has pending any administrative, criminal or material civil action (or a significant number of civil actions irrespective of materiality) alleging a violation of any franchise law, securities law, fraud, embezzlement, fraudulent conversion, restraint of trade, unfair or deceptive practices, misappropriation of property or comparable allegations.

Neither we, our affiliates nor any person named in Item 2 above has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10 year period immediately preceding the application for registration, has been convicted of a misdemeanor or pleaded nolo contendere to a misdemeanor charge or been held liable in a civil action by final judgment or been the subject of a material complaint or other legal proceeding, if the misdemeanor conviction or charge or civil action, complaint or other legal proceeding involved violation of any franchise law, securities law, fraud, embezzlement, fraudulent conversion, restraint of trade, unfair or deceptive practices, misappropriation of property or comparable allegations.

Neither we, our affiliates, nor any person named in Item 2 above is subject to any currently effective injunctive or restrictive order or decree relating to franchises in general or the franchise offered or under any federal, state or Canadian franchise, securities, antitrust, trade regulation or trade practice law as a result of a concluded or pending action or proceeding brought by a public agency.

ITEM 4. BANKRUPTCY

Neither we nor any predecessor, affiliate, officer or general partner of ours has, during the 10 year period immediately preceding the date of this disclosure document, (a) filed as debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; (b) obtained a discharge of its debts under the bankruptcy code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the U.S. Bankruptcy Code during or within 1 year after the officer or general partner of the Franchisor held this position in the company or partnership.

ITEM 17 RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

1. You may use whatever legal rights you may possess to suspend or discontinue operations due to a breach by us and you may terminate the Agreement on any grounds available by law.

2. Sections 13.01(H) and 14.04(O) of the Franchise Agreement are each amended to include the following language immediately following the requirement that you sign a General Release:

Provided, however, that all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder remain in force; it being the intent of this proviso that the non-waiver provisions of GBL, Section 687.4 and 687.5 be satisfied.

3. The requirements of Section 12.04 and Section 23.01 of the Franchise Agreement that you consent to the entry of an injunction are modified in the State of New York to provide only that you consent to the seeking of such an injunction.

4. The following sentence is added at the end of each of the sections entitled "Modification of the agreement" in Item 17 of the Disclosure Document:

However, any new or different requirement stated will not unreasonably increase your obligations or place an excessive economic burden on your operations.

5. The following language is added to Item 17(w) ("Choice of law"):

The foregoing choice of law should not be considered a waiver of any right conferred on us or on you by Article 33 of the General Business Law of the state of New York.

NORTH DAKOTA ADDENDUM TO DISCLOSURE DOCUMENT

In recognition of the requirements of the North Dakota Franchise Investment Law, N.D. Cent. Code §§ 51-19-01 through 51-19-17, and the policies of the Office of State of North Dakota Securities Commission, the Disclosure Document for Walk-On's Enterprises Franchising, LLC for use in the State of North Dakota is amended as follows:

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 any other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

ITEM 6 – OTHER FEES

The Franchise Agreement contains provisions that may be interpreted as liquidated damages clauses. Under the North Dakota Franchise Investment Law, certain liquidated damages clauses are unenforceable.

ITEM 17 - RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION:

Item 17.c. and m. - A contractual requirement that you sign a general release will not apply to claims you may have under the North Dakota Franchise Investment Law.

Item 17.r. - Covenants not to compete such as those in the Franchise Agreement are generally considered unenforceable in the State of North Dakota.

Item 17.v. - The Franchise Agreement requires that you consent to the jurisdiction of a court in Georgia. This provision may not be enforceable under North Dakota Law because North Dakota Law precludes you from consenting to jurisdiction of any court outside of North Dakota.

Item 17.v. and w. - The provisions of the Franchise Agreement on governing law, jurisdiction, and choice of law will not be a waiver of any right conferred on you by the North Dakota Franchise Investment Law.

Item 17.w. - The Franchise Agreement requires you to waive your right to collect exemplary or punitive damages. This provision may not be enforceable under North Dakota law.

RHODE ISLAND ADDENDUM TO DISCLOSURE DOCUMENT

In recognition of the requirements of the State of Rhode Island Franchise Investment Act (the “Act”), §19-28.1 *et seq.*, the Franchise Disclosure Document submitted by Walk-On’s Enterprises Franchising, LLC for use in the State of Rhode Island is amended as follows:

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 any other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

1. Item 17 w.- Choice of law will comply with §19-28.1-21 of the Act - Private civil actions and be amended to read:

(a.) A person who violates any provision of this Act is liable to the franchisee for damages, costs, and attorneys and experts fees. In the case of a violation of §§ 19-28.1-5, 19-28.1-8, or 19-28.1-17(1)-(5), the franchisee may also sue for rescission. No person shall be liable under this section if the defendant proves that the plaintiff knew the facts concerning the violation.

(b) Every person who directly or indirectly controls a person liable under this section, every principal executive officer or director of the liable person, every person occupying a similar status or performing similar functions, and every agent or employee of a liable person, who materially aids in the act or transaction constituting the violation, is also liable jointly and severally with and to the same extent as the person liable under this section, unless the agent, employee, officer, or director proves he or she did not know, and in the exercise of reasonable care could not have known of the existence of the fact by reason of which the liability is alleged to exist.

2. Item 17 v. - Choice of forum and Item 17 w. - Choice of law will comply with § 19-28.1-14 of the Act - Jurisdiction and venue - and be amended to read:

A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act.

VIRGINIA ADDENDUM TO THE DISCLOSURE DOCUMENT

In recognition of the restrictions in Section 13.1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for use in the Commonwealth of Virginia is amended as follows:

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 any other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

Additional Disclosure: The following statements are added to Item 17. h

Under Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the franchise agreement do not constitute “reasonable cause” as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

WASHINGTON ADDENDUM TO THE DISCLOSURE DOCUMENT

In recognition of the requirements of the Washington Franchise Investment Protection Act, Wash. Rev. Code §§ 19.100.180, the Disclosure Document for Walk-On's Enterprises Franchising, LLC for use in the State of Washington is amended as follows:

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 any other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

Item 17, Additional Disclosures.

The State of Washington has a statute, RCW 19.100.180, which may supersede the Franchise Agreement and Area Development Agreement in your relationship with us, including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the Franchise Agreement and Area Development Agreement in your relationship with us, including the areas of termination and renewal of your franchise.

In the event of a conflict of laws between the Washington Franchise Investment Protection Act and the law chosen in the Franchise Agreement and Area Development Agreement, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.

A release or waiver of rights executed by a franchisee will not include rights under the Washington Franchise Investment Protection Act, except when executed under a negotiated settlement after the franchise agreement is in effect and where the parties are represented by independent counsel. Provisions such as those that unreasonably restrict or limit the statute of limitations period for claims under the Act, rights or remedies under the Act such as a right to a jury trial may not be enforceable.

Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

EXHIBIT G
GENERAL RELEASE

GENERAL RELEASE

Effective _____ (the "Effective Date"), this General Release is given by _____ and _____, and each of their predecessors, corporate parents, subsidiaries, affiliates, successors, assigns, heirs, beneficiaries, executors and administrators; and, all of the respective officers, directors, shareholders, agents, attorneys, contractors and employees of each of the foregoing (in their corporate and individual capacities)(collectively, "you" or "your") to Walk-On's Enterprises Franchising, LLC, and each of its predecessors, corporate parents, subsidiaries, affiliates, successors, assigns, heirs, beneficiaries, executors and administrators; and, all of the respective officers, directors, shareholders, agents, attorneys, contractors and employees of each of the foregoing (in their corporate and individual capacities)(collectively, "we," "us," or "our").

In consideration of _____, and other good and valuable consideration, the receipt of which is acknowledged, on the Effective Date, you forever release and discharge us from all actions, causes of action, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, executions, claims and demands whatsoever, in law or equity, that you now have or ever had against us from the beginning of world to the Effective Date, including without limitation, anything arising out of that certain Franchise Agreement between you and us dated _____, the franchise relationship between you and us, your purchase of any franchise, business opportunity, seller assisted marketing plan from us, any representations or warranties we or our agents have made to you or omitted, and any other relationship, seller assisted marketing plan, or business opportunity between you and us. You release: (a) all claims you have against us, including those of which you are not now aware; and (b) all claims you have against us from anything that has happened up to and including the Effective Date of this Release.

You are bound by this Release. This Release is intended by you to be a full and unconditional general release, as that phrase is used and commonly interpreted, extending to all claims of any nature, whether or not known, expected or anticipated to exist in favor of you against us regardless of whether any unknown, unsuspected or unanticipated claim would materially affect settlement and compromise of any matter mentioned herein. In making this voluntary waiver, you acknowledge that claims or facts in addition to or different from those that are now known or believed to exist with respect to matters mentioned herein may later be discovered and that it is your intention to fully and forever settle and release all matters, regardless of the possibility of later discovered claims or facts. If you are domiciled or have your principal place of business in the State of California, then you waive and relinquish all rights and benefits under Section 1542 of the California Civil Code, which provides: "A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party."

You represent and warrant to us that you have not assigned or transferred to any other person any claim or right you had or now have relating to or against any of us. In this Release, each pronoun includes the singular and plural as the context may require. This Release may not be changed orally. This Release is governed by Georgia law.

IN WITNESS WHEREOF, we signed this Release as of the Effective Date.

By: _____
Name: _____ Individually
Title: _____
Individually

EXHIBIT H
LIST OF CURRENT AND FORMER FRANCHISEES

The following is a list of franchisees currently operating under a franchise agreement for a Walk-On's Restaurants with us as December 27, 2023:

| Franchisee | Address | City | State | Zip | Phone |
|---|---------------------------------|----------------|--------------|------------|---------------------|
| Geaux Route Partners, LLC | 6401 Tattersall Park Drive | Birmingham | AL | 35242 | 2055382700 |
| Geaux Route Partners - Teaux, LLC | 5249 Peridot PL | Hoover | AL | 35244 | (205) 224 - 9810 |
| Select Assets, LLC | 3673 Airport Blvd. | Mobile | AL | 36608 | 2514083055 |
| Select Assets, LLC | 7801 Eastchase Parkway | Montgomery | AL | 36117 | 3343569128 |
| Select Assets, LLC | 3041 Capps Way | Opelika | AL | 36804 | (334) 822 - 3430 |
| Geaux Route Partners, LLC | 464 Main Street | Trussville | AL | 35173 | 205-289-8333 |
| DBMC Restaurants of Tuscaloosa, AL, LLC | 675 Skyland Blvd. | Tuscaloosa | AL | 35405 | 205-722-2045 |
| McJunkins RF - Conway, LLC | 955 South Amity Road | Conway | AR | 72032 | 501-399-4511 |
| McJunkins RF - Fayetteville, LLC | 1199 N Shiloh Dr | Fayetteville | AR | 72704 | 479-322-3022 |
| All-In Restaurant Group #3, LLC | 4306 Phoenix ave | Fort Smith | AR | 72903 | 479-974-9255 |
| Chris McJunkins | 16103 Chenal Parkway, suite 900 | Little Rock | AR | 72223 | 501-501-1881 |
| Walagator, LLC | 4050 S JB Hunt Dr | Rogers | AR | 72758 | 479-551-5500 |
| CAH Adventures | 4928 South Power Road | Mesa | AZ | 85212 | 480-420-0711 |
| WalkingBistreaux1 | 3772 US HWY 98 N | Lakeland | FL | 33809 | 863-345-2500 |
| Walking Tall Brands, LLC | 25372 Sierra Center Blvd | Lutz | FL | 33559 | 8135536500 |
| Fuegeaux Foods, LLC | 8550 Napolo Dr. | Melbourne | FL | 32940 | 321-345-7050 |
| Geaux Time Restaurant Group, LLC | 9065 SW 162nd Ave. | Miami | FL | 33196 | 786-688-6700 |
| DBMC Restaurants of Tallahassee, FL, LLC | 3390 Capital Circle NE | Tallahassee | FL | 32308 | 850-597-7736 |
| Walking Tall Brands, LLC | 1140 Gramercy Lane | Tampa | FL | 33607 | 813-771-7100 |
| Fat Enterprise Group, LLC | 3625 Dallas Highway Suite 785 | Marietta | GA | 30064 | 678-202-4150 |
| Steve L. Rigby | 1070 Highway 96 | Warner Robins | GA | 31088 | (478) 287-2069 |
| Clarksville Ventures, LLC | 970 E Lewis and Clark Parkway | Clarksville | IN | 47129 | (812) 992-9255 |
| Trident Hospitality, LLC | 11655 Fishers Corner Blvd. | Fishers | IN | 46038 | <u>463-252-9255</u> |
| Aramark Food & Support Services Group, Inc. | 101 N. Grant Street | West Lafayette | IN | 47906 | 765-422-5933 |
| GC Restaurant Hospitality, LLC | 1230 McCoy Dr. | Garden City | KS | 67846 | (620) 262 - 2000 |
| 3PRG Management, LLC | 2661 N Maize Road | Wichita | KS | 67205 | (316) 910-4200 |
| All-In Restaurant Group, LLC | 2956 S MacArthur Dr | Alexandria | LA | 71301 | 3187045444 |
| Geaux Eat - Towne Center, LLC | 7425 Corporate Blvd Suite 810 | Baton Rouge | LA | 70809 | 2254483680 |
| Bossier Eats, LLC | 3010 Airline Dr | Bossier City | LA | 71111 | 3187475588 |

| Franchisee | Address | City | State | Zip | Phone |
|--|-----------------------------|-----------------|--------------|------------|--|
| Select Assets, LLC | 110 Celebrity Dr | Broussard | LA | 70518 | 3374453939 |
| Bultra Restaurant Group, LLC | 437 Oak Plaza Blvd | Brusly | LA | 70719 | 225-218-4599 |
| St. Romain / Gallagher III, LLC | 69796 Stirling Blvd | Covington | LA | 70433 | 9859002234 |
| Geaux Eat - Prairieville, LLC | 14569 Airline Hwy | Gonzales | LA | 70737 | 2256739255 |
| Geaux Eat - Gonzales, LLC | 2828 S. Outfitter's Drive | Gonzales | LA | 70737 | 225-647-3304 |
| Geaux Eat - Hammond, LLC | 305 C.M. Fagan Drive | Hammond | LA | 70403 | 985-662-5886 |
| Geaux Eat - Lafayette, LLC | 2336 Kaliste Saloom Rd | Lafayette | LA | 70508 | 3377067433 |
| Geaux Eat - Lake Charles, LLC | 5313 Common St | Lake Charles | LA | 70607 | 3374747333 |
| WO 70006, LLC | 4436 Veterans Memorial Blvd | Metairie | LA | 70006 | 5042731233 |
| WO 70112, LLC | 1009 Poydras St | New Orleans | LA | 70112 | 5043096530 |
| Shreveport Eats, LLC | 7031 Youree Dr | Shreveport | LA | 71105 | 3182204256 |
| Select Assets, LLC | 50 Town Center Pkwy. | Slidell | LA | 70458 | 9856399891 |
| DBMC Restaurants of Thibodaux, LA, LLC | 908 North Canal Blvd | Thibodaux | LA | 70301 | (985) 235 - 2156 |
| West Monroe Eats, LLC | 205 Basic Dr | West Monroe | LA | 71292 | 3188556319 |
| Geaux Eat - Zachary, LLC | 1100 Americana Blvd | Zachary | LA | 70791 | 2255708463 |
| TAPS Management, Inc | 2541 Broadway Bluffs Drive | Columbia | MO | 65201 | 573-615-9255 |
| DBMC Restaurants of D'Iberville, MS, LLC | 11181 Mandal Pkwy | D'Iberville | MS | 39540 | (228) 207 - 0237 |
| Jeff St. Romain & Matt Gallagher | 4400 Hardy Street, Suite A1 | Hattiesburg | MS | 39402 | 6013364073 |
| St. Romain / Gallagher IV, LLC | 1737 B University Avenue | Oxford | MS | 38655 | (662) 636-6200 |
| St. Romain / Gallagher II, LLC | 720 Highland Colony Pkwy | Ridgeland | MS | 39157 | 601-345-4747 |
| GState, LLC (A&A to G & G Holdings, LLC) | 996 MS HWY 12 E Starkville | Starkville | MS | 39759 | (662) 384-6781 |
| Carolina Eats, LLC | 2116 Skibo Road | Fayetteville | NC | 28314 | 9107794901 |
| Carolina Eats, LLC | 3710 Oleander Drive | Wilmington | NC | 28403 | 910-427-8700 |
| Run Walk 1, LLC | 3475 Las Vegas Blvd S | Las Vegas | NV | 89109 | (702) 693-6111 (main Harrah's number) |
| WO Carolina Partners, LLC | 403 College Ave Suite B | Clemson | SC | 29631 | (864) 806-6878 |
| Carolina Eats, LLC | 61 Rodeo Drive | Myrtle Beach | SC | 29579 | 843-428-2800 |
| WO Carolina Partners, LLC | 101 N Strand Pkwy | Myrtle Beach | SC | 29588 | (843) 954-4414 |
| DBMC Restaurants of Bristol, TN, LLC | 226 Stevens Trail | Bristol | TN | 37620 | 423-445-8851 |
| DBMC Restaurants of Knoxville, TN, LLC | 7621 Kingston Pike | Knoxville | TN | 37919 | 865-694-2706 |
| Geaux Eat - Baytown, LLC | 10528 I-10 service rd | Baytown | TX | 77523 | 832-810-9959 |
| McJunkins RF - Rogers, LLC | 4320 State Highway 6 S | College Station | TX | 77845 | 979-282-3800 |
| 7Cactus, Inc | 1000 Outpost Dr. | Conroe | TX | 77304 | (936)388-3077 |

| Franchisee | Address | City | State | Zip | Phone |
|------------------------------------|--------------------------|-------------|--------------|------------|---------------------|
| 415 Trenton, LLC | 415 W Trenton Rd | Edinburg | TX | 78539 | 9562874549 |
| Katy WOSB, LLC | 23213 Grand Circle Blvd. | Katy | TX | 77449 | <u>281-769-5959</u> |
| Brett Gunn & Robert (Mickey) McKee | 10003 Spencer Hwy | La Porte | TX | 77571 | 281-809-6569 |
| Slam Dunk Food #1, LLC | 2630 W Loop 289 | Lubbock | TX | 79407 | 8067931845 |
| Slam Dunk Food #2, LLC | 4605 Whitman Drive | Midland | TX | 79705 | 432-279-1516 |
| Slam Dunk Food #2, LLC | 7280 E Highway 191 | Odessa | TX | 79765 | (432) 698-4100 |
| Geaux Eat - Port Arthur, LLC | 2729 Jimmy Johnson Blvd. | Port Arthur | TX | 77640 | 409-373-3033 |
| Scott Lay | 1400 Pantheon Way | San Antonio | TX | 78232 | 2104510563 |
| WOHO, LLC | 21930 Kuykendahl Rd | Spring | TX | 77389 | 281-801-7171 |
| Brandon Thompson | 5209 W Park Blvd | Texarkana | TX | 75503 | 903-716-6203 |
| Tyler Eats, LLC | 6523 S Broadway Ave | Tyler | TX | 75703 | 9037072087 |
| Waco Eats, LLC | 5601 Crosslake Pkwy | Waco | TX | 76712 | 2547329200 |
| WOWP, LLC | 1250 Fairway Dr | Webster | TX | 77598 | (832)-810-9255 |

The following is a list of franchisees who have signed a franchise agreement for a Walk-On's Restaurants as of December 27, 2023, but who have not yet opened an outlet:

| Franchisee | Main Business Address | Phone | Area |
|----------------------------------|---|--------------|--|
| Select Assets, LLC | 16851 Jefferson Hwy, Baton Rouge, LA 70817 | 225-615-7191 | Huntsville, Alabama |
| Malhi & Sons Cullman, LLC | 1375 Legacy Drive, Birmingham, AL 35242-6094 | | Cullman, AL |
| Geaux Time Restaurant Group, LLC | 4477 Legendary Drive, Unit 1, Destin, Florida 32541 | 502-807-0660 | Seminole County, FL (Orlando, Vineland Pointe) |
| Geaux Time Restaurant Group, LLC | 4477 Legendary Drive, Unit 1, Destin, Florida 32541 | 502-807-0660 | Miramar Beach, FL |
| Select Assets, LLC | 16851 Jefferson Hwy, Baton Rouge, LA 70817 | 225-615-7191 | Jacksonville, Florida (1) |
| WO of Southwest Florida, LLC | 11564 Grey Egret Circle, Fort Myers, FL 33966 | 321-917-3517 | Cape Coral, FL (or Fort Myers) |
| WO Partners, LLC | 159 Nakomis Place, Milton, GA 30004 | 404-514-8575 | Pooler, GA |
| Select Assets, LLC | 16851 Jefferson Hwy, Baton Rouge, LA 70817 | 225-615-7191 | Central, LA |
| Cade & Josh Underwood | 1320 Texas Avenue, Lubbock, Texas 79401 | 806-789-0408 | Abilene, TX |
| Slam Dunk Food Quaker, LLC | 801 2nd Street N, Suite C, Safety Harbor, FL 34695 | 806-790-1187 | Lubbock #2 |
| 97 Bass Pro, LLC | | | Harlingen, TX |
| Deft Ventures, LLC | | | W. Prosper, TX |
| Bret Jordan, Inc | 1001 Sumac Lane, Graford, TX 76449 | | Weatherford, TX |

The following is a list of franchisees who had an outlet terminated, canceled, not renewed, transferred or otherwise voluntarily or involuntarily ceased to do business during our fiscal year ended December 27, 2023:

Transfers

| Reassigned new Franchisee | Selling Franchisee Name | Sellers address | Sellers Phone |
|---|----------------------------------|---|----------------------|
| Waco, TX (From QubAll to Cory & Jenny Davis) | QubAll Holdings, LLC | 4905 115th Street, Lubbock, TX 79424 | 806-790-1187 |
| Hammond, LA (From DBMC to Geaux Eat) | DBMC Restaurants /Shane Morrison | 16851 Jefferson Hwy, Baton Rouge, LA 70817 | 225-615-7191 |
| Zachary, LA (From DBMC to Geaux Eat) | DBMC Restaurants /Shane Morrison | 16852 Jefferson Hwy, Baton Rouge, LA 70817 | 225-615-7192 |
| Lafayette, LA (From DBMC to Geaux Eat) | DBMC Restaurants /Shane Morrison | 16853 Jefferson Hwy, Baton Rouge, LA 70817 | 225-615-7193 |
| Prairieville, LA (From DBMC to Geaux Eat) | DBMC Restaurants /Shane Morrison | 16854 Jefferson Hwy, Baton Rouge, LA 70817 | 225-615-7194 |
| Towne Center, BR, LA (From DBMC to Geaux Eat) | DBMC Restaurants /Shane Morrison | 16855 Jefferson Hwy, Baton Rouge, LA 70817 | 225-615-7195 |
| Gonzales, LA (From DBMC to Geaux Eat) | DBMC Restaurants /Shane Morrison | 16856 Jefferson Hwy, Baton Rouge, LA 70817 | 225-615-7196 |
| Lake Charles, LA (From CO to Geaux Eat) | Tip Off Two, LLC | 4020 Woodcrest Lane, Lake Charles, LA 70605 | 337-249-4010 |
| Port Arthur, TX (From CO to Geaux Eat) | Tip Off Two, LLC | 4021 Woodcrest Lane, Lake Charles, LA 70605 | 337-249-4011 |
| Beaumont, TX (FA: From CO to Geaux Eat) | Tip Off Two, LLC | 4022 Woodcrest Lane, Lake Charles, LA 70605 | 337-249-4012 |

Reacquired By Franchisor

| Location | Franchisee | Address | Phone |
|-----------------------|----------------------|--------------------------------------|--------------|
| DFW #2 (S. Arlington) | QubAll Holdings, LLC | 4905 115th Street, Lubbock, TX 79424 | 806-790-1187 |
| DFW #3 (Frisco) | QubAll Holdings, LLC | 4905 115th Street, Lubbock, TX 79424 | 806-790-1187 |
| Amarillo, TX | QubAll Holdings, LLC | 4905 115th Street, Lubbock, TX 79424 | 806-790-1187 |

Closed

| Location | Franchisee | Address | Phone |
|-----------------------|---|---|--------------|
| Orlando, FL (I-Drive) | Bistreaux Brothers Restaurants, LLC | 8668 Navarre Parkway, #116, Navarre, FL 32459 | |
| Chattanooga, TN | DBMC Restaurants of Chattanooga, TN, LLC | 16855 Jefferson Hwy, Baton Rouge, LA 70817 | 225-615-7195 |
| Pensacola, FL | DBMC Restaurants of Pensacola, Florida, LLC | 16855 Jefferson Hwy, Baton Rouge, LA 70817 | 225-615-7195 |
| Kissimmee, FL | BBR Kissimmee, LLC | 8668 Navarre Parkway, #116, Navarre, FL 32459 | |

EXHIBIT I
STATE EFFECTIVE DATES AND RECEIPTS

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 |
|--------------|--|
| California | July 12, 2024 |
| Hawaii | Pending |
| Illinois | May 8, 2024 |
| Indiana | May 8, 2024 |
| Maryland | June 14, 2024 |
| Michigan | May 13, 2024 |
| Minnesota | August 5, 2024, as amended _____ |
| New York | May 8, 2024 |
| North Dakota | May 10, 2024, as amended on May 24, 2024 |
| Rhode Island | April 29, 2024 |
| South Dakota | May 29, 2024 |
| Virginia | July 12, 2024, as amended _____ |
| Washington | June 3, 2024, as amended _____ |
| Wisconsin | May 9, 2024, as amended _____ |

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 Walk-On’s Enterprises Franchising, LLC offers you a franchise, it must provide this disclosure document to you: (a) 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale; (b) in New York, at the earlier of: (i) your first personal meeting to discuss the franchise, or (ii) 10 business days before you sign a binding agreement with, or make payment to, us or an affiliate in connection with the proposed franchise sale; (c) in Iowa, at the earlier of: (i) your first personal meeting to discuss the franchise; or (ii) 14 days before you sign a binding agreement with, or make payment to, us or an affiliate in connection with the proposed franchise sale; or (d) in Michigan, at least 10 business days before the earlier of when you sign a binding franchise or other agreement or pay any consideration to us (or an affiliate of ours).

If Walk-On’s Enterprises Franchising, LLC 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, DC 20580 and the state agency listed on Exhibit D.

The franchisor is Walk-On’s Enterprises Franchising, LLC, located at 2 Ravinia Drive NE, 5th Floor, Atlanta, Georgia 30346. Its telephone number is (225) 330-4533.

The name, principal business address and telephone number of each franchise seller offering the franchise: Brandon Landry, Chris Porcelli, Jennifer Pecoraro-Stripling, Kelly Parker, Jeanne Stuart, and John Gordon of Walk-On’s Enterprises Franchising, LLC, 2 Ravinia Drive NE, 5th Floor, Atlanta, Georgia 30346, (225) 330-4533. Please list any additional franchise sellers: _____.

Walk-On’s Enterprises Franchising, LLC authorizes the respective state agencies identified on Exhibit E to receive service of process for it in the particular state.

Issuance date: May 8, 2024, as amended August 9, 2024.

I received a disclosure document dated May 8, 2024, as amended August 9, 2024 that included the following Exhibits: Exhibit A: Franchise Agreement and Related Materials (including State Addendum to Franchise Agreement); Exhibit B: Area Development Agreement and Related Materials (including State Addendum to Franchise Agreement); Exhibit C: Financial Statements; Exhibit D: State Franchise Administrators; Exhibit E: Agents for Service of Process; Exhibit F: State Specific Addenda to Franchise Disclosure Document; Exhibit G: General Release; Exhibit H: List of Current and Former Franchisees; Exhibit I: State Effective Dates and Receipts.

Dated: _____

PROSPECTIVE FRANCHISEE:

If a corporation or other business entity

If an individual:

(Name of Entity)

(Signature)

By: _____

(Print Name)

Its _____
(Title)

(Signature)

(Print Name)

(Print Name)

You may return the signed receipt either by signing, dating, and mailing it to Walk-On’s Enterprises Franchising, LLC at 2 Ravinia Drive NE, 5th Floor, Atlanta, Georgia 30346, or by e-mailing a copy of the signed and dated receipt to Walk-On’s Enterprises Franchising, LLC.

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 Walk-On’s Enterprises Franchising, LLC offers you a franchise, it must provide this disclosure document to you: (a) 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale; (b) in New York, at the earlier of: (i) your first personal meeting to discuss the franchise, or (ii) 10 business days before you sign a binding agreement with, or make payment to, us or an affiliate in connection with the proposed franchise sale; (c) in Iowa, at the earlier of: (i) your first personal meeting to discuss the franchise; or (ii) 14 days before you sign a binding agreement with, or make payment to, us or an affiliate in connection with the proposed franchise sale; or (d) in Michigan, at least 10 business days before the earlier of when you sign a binding franchise or other agreement or pay any consideration to us (or an affiliate of ours).

If Walk-On’s Enterprises Franchising, LLC 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, DC 20580 and the state agency listed on Exhibit D.

The franchisor is Walk-On’s Enterprises Franchising, LLC, located at 2 Ravinia Drive NE, 5th Floor, Atlanta, Georgia 30346. Its telephone number is (225) 330-4533.

The name, principal business address and telephone number of each franchise seller offering the franchise: Brandon Landry, Chris Porcelli, Jennifer Pecoraro-Stripling, Kelly Parker, Jeanne Stuart, and John Gordon of Walk-On’s Enterprises Franchising, LLC, 2 Ravinia Drive NE, 5th Floor, Atlanta, Georgia 30346, (225) 330-4533. Please list any additional franchise sellers: _____.

Walk-On’s Enterprises Franchising, LLC authorizes the respective state agencies identified on Exhibit E to receive service of process for it in the particular state.

Issuance date: May 8, 2024, as amended August 9, 2024.

I received a disclosure document dated May 8, 2024, as amended August 9, 2024 that included the following Exhibits: Exhibit A: Franchise Agreement and Related Materials (including State Addendum to Franchise Agreement); Exhibit B: Area Development Agreement and Related Materials (including State Addendum to Franchise Agreement); Exhibit C: Financial Statements; Exhibit D: State Franchise Administrators; Exhibit E: Agents for Service of Process; Exhibit F: State Specific Addenda to Franchise Disclosure Document; Exhibit G: General Release; Exhibit H: List of Current and Former Franchisees; Exhibit I: State Effective Dates and Receipts.

Dated: _____

PROSPECTIVE FRANCHISEE:

If a corporation or other business entity

If an individual:

(Name of Entity)

(Signature)

By: _____

(Print Name)

Its _____

(Signature)

(Title)

(Print Name)

(Print Name)

PLEASE KEEP THIS COPY FOR YOUR RECORDS.