

## Special Risks to Consider About *This Franchise*

Certain states require that the following risks be highlighted:

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration, and/or litigation only in Wisconsin. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost you more to mediate, arbitrate, or litigate with the franchisor in Wisconsin than in your own state.
2. **Spousal Liability.** The franchise owners must each sign personal guaranties making them jointly and severally liable for all obligations of the franchise. These guaranties place each franchise owner's personal assets at risk.
3. **Turnover Rate.** During the last three years, a high percentage of franchised outlets (more than 28%) were not renewed, reacquired, or ceased operations for other reasons. This franchise could be a higher risk investment than a franchise in a system with a lower turnover rate.

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.

**Note 6:** The cost for the computer systems may be higher if you choose to include optional features above our requirements. This estimate is based on the cost to purchase the hardware described in Item 11. Leasing options may be available. Included with this range is your first 3 months of the software maintenance and support fees for the point of sale system and 3 months of fees for the online ordering and loyalty program systems. You must participate in our loyalty program. If you need to purchase a computer system, these costs will be additional to the ones listed in this estimate. Our Revel computer system which is specified for E & G Restaurants in Traditional Locations is available for you to purchase from an approved supplier at between \$5,000 and \$7,500 for a 4-terminal POS computer system, the software maintenance from Revel is estimated at between \$350 and \$400 per month, and the cost of the loyalty program system from Punchh is \$130 per month. You must also subscribe to the online ordering platform provided by our approved supplier, Zuppler. The cost for the Zuppler system is \$80 per month.

**Note 7:** This item estimates your expenses during the initial 3-month period of operating the Franchised Business (other than the items identified separately in this table). These expenses include estimated rent, payroll costs, benefits, the cost to have your utilities, additional inventory requirements, supplies, etc., but do not include Royalty Fees, Advertising Fees or an owners' draw or salary. These figures are estimates, and you may have additional expenses in order to start the business. Your costs will depend on factors similar to these: how closely you follow our methods and procedures; your management skill, experience and business acumen; local economic conditions; the local market for your products and services; the prevailing wage rate; competition; and sales level reached during the initial period.

**Note 8:** These figures are estimates only, and it is possible that you may have additional or greater expenses during this period. Your costs will vary depending on the size of your Franchised Business, your geographic area, economic and market conditions, interest rates, competition, wage rates, sales levels attained, and other economic factors. Your financial condition and arrangements negotiated by and the business decisions made by you will also affect these costs. ~~There can therefore be no assurance that the experience of a particular franchisee will correspond with the information presented above.~~

**Non-Traditional Location Outlet**

Type of Expenditure (Note 1)	Amount	Method of Payment	When Due	To Whom Payment is to be Made
Initial Franchise Fee	\$5,000	Lump Sum	At signing of Franchise Agreement	Company
Initial Advertising Fee	\$750	Lump Sum	At signing of Franchise Agreement	Company
Leasehold Improvements (Note 2)	\$0 - \$100,000	Lump Sum	Before Opening	Suppliers or Landlord
Travel and Living Expenses for your Key Operator During Training	\$1,000 - \$2,500	As Incurred	During Training	Employees, Airlines, Hotels and Restaurants
Opening Inventory of Supplies, Food and Beverages	\$1,000 - \$3,000	Supplier Terms	As Arranged	Suppliers

These figures are estimates only, and it is possible that you may have additional or greater expenses during this period. Your costs will vary depending on the size of your Franchised Business, economic and market conditions, local market conditions, the availability of labor, interest rates, competition, wage rates, sales levels attained, and other economic factors. Your financial condition and arrangements negotiated by and the business decisions made by you will also affect these costs. ~~There can therefore be no assurance that the experience of a particular franchisee will correspond with the information presented above.~~

## **ITEM 8**

### **RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES**

#### **Obligation to Purchase or Lease Products and Services only from Company or Affiliate**

The Company is a designated or approved supplier for certain products and services. These items currently include certain menu boards, wall murals, wall art, owner/operator plaques, inspiration plaques, literature holders, gift cards, loyalty cards and other miscellaneous items, and may in the future include other signs, merchandising items, menu items and equipment. During the last fiscal year ending December 31, 2023, the Company received \$1,310.53 in revenue for items purchased from the Company by franchisees.

#### **Obligation to Purchase or Lease Products or Services only from Designated Suppliers**

In order to ensure that you adhere to the uniformity requirements and quality standards associated with all E & G Restaurants, you must purchase certain foods, beverages, products, computer systems, payment processor and services only from designated sources specified by us in writing. We will provide a written list of the designated suppliers for these foods, beverages, products and services. We will also notify you of any additions to or deletions from the list of designated suppliers. We may, from time-to-time withhold, condition and/or revoke our approval of particular items or suppliers in our reasonable discretion. We have imposed these requirements in order to assure quality and uniformity of the decor and products sold to customers. Approved suppliers will be designated in the Manual or some other writing delivered to you. We may modify the list of approved brands, products and suppliers, and will notify you, in writing, of any modification. You may pay more for products and services that are required to be purchased from required third-party suppliers than you could acquire similar items for from non-required third-parties. Consistency of products and services, however, is important to the System and important to building brand value through consistent consumer experiences with E & G Restaurants, generally.

If you want to purchase products or services subject to approved supplier requirements from a supplier who has not been previously approved by us, then you must, at your expense, send representative samples or specifications of that supplier's goods or services, and certain other information about the supplier's products and business, to us. We also can inspect the supplier's facilities. We may also require you to pay a reasonable fee based on the cost of the test or inspection made by us or by an independent testing laboratory designated by us. Within 45 days after receiving the necessary samples and information, we will notify you in writing as to whether the supplier's products or services comply with the uniformity requirements, quality standards and specifications established by us, and whether the supplier's business reputation, delivery performance, credit rating and other relevant information are satisfactory. The criteria for supplier approval are available to franchisees upon request.

#### **Obligation to Purchase or Lease Products or Services that Meet Standards and Specifications**

You must purchase or lease certain products and services which satisfy our standards and specifications. This requirement is necessary to ensure that you adhere to the uniformity requirements and quality standards associated with all E & G Restaurants. We will provide you with written standards and specifications for

**TABLE NUMBER 1**  
**Systemwide Outlet Summary for Years 2021 To 2023**

<b>Outlet Type *</b>	<b>Year</b>	<b>Outlets at the Start of the Year</b>	<b>Outlets at the End of the Year</b>	<b>Net Change</b>
<b>Franchised</b>	2021	73	69	-4
	2022	69	65	-4
	2023	65	<del>65</del> 60	-5
<b>Company-Owned**</b>	2021	3	3	0
	2022	3	3	0
	2023	3	4	+1
<b>Total Outlets**</b>	2021	76	72	-4
	2023	72	68	-4
	2022	68	64	-4

\* Outlets include both Traditional Locations and Non-Traditional Locations.

\*\*We do not have any company-owned outlets at this time. However, our affiliates own and operate E & G Restaurants.

**TABLE NUMBER 2**  
**Transfers of Outlets From Franchisee to New Owners (Other than the Franchisor)**  
**For Years 2021 To 2023**

<b>State</b>	<b>Year</b>	<b>Number of Transfers</b>
<b>Colorado</b>	2021	0
	2022	0
	2023	0
<b>Florida</b>	2021	0
	2022	0
	2023	0
<b>Illinois</b>	2021	0
	2022	0
	2023	0
<b>Indiana</b>	2021	0
	2022	0
	2023	0
<b>Iowa</b>	2021	0
	2022	0
	2023	0
<b>Michigan</b>	2021	0
	2022	0
	2023	0
<b>Minnesota</b>	2021	1
	2022	6
	2023	2

## EXHIBIT G

### LIST OF STATE AGENCIES/AGENTS FOR SERVICE OF PROCESS

NOTE: SOME STATES REQUIRE THAT THE FRANCHISE BE REGISTERED WITH A STATE AGENCY. WE DO NOT OFFER OR SELL FRANCHISES IN ANY OF THOSE STATES UNLESS WE ARE REGISTERED, AND THE LISTING OF A STATE BELOW DOES NOT MEAN THAT WE ARE SO REGISTERED.

#### California

Department of Business Oversight  
One Sansome Street, Suite 600  
San Francisco, CA 94104  
(415) 557-3787  
(866) 275-2677

#### Florida

Department of Agriculture and  
Consumer Services  
Division of Consumer Services  
227 N. Bronough Street  
City Centre Building, 7<sup>th</sup> Fl  
Tallahassee, FL 32301  
(904) 922-2770

#### Hawaii

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

#### Illinois

Office of Attorney General  
Franchise Division  
500 South Second Street  
Springfield, IL 62706  
(217) 782-4465

#### Indiana

Indiana Secretary of State  
Securities Division  
302 West Washington Street  
Room E-111  
Indianapolis, IN 46204  
(317) 232-6681

#### Maryland

Office of Attorney General  
Maryland Division of Securities  
200 St. Paul Place  
Baltimore, MD 21202-2020

(410) 576-6360

#### Michigan

Attorney General  
Consumer Protection Division  
525 W. Ottawa Street  
G. Mennen Williams Bldg. 1<sup>st</sup> Fl  
Lansing, MI 48913  
(517) 373-7117

#### Minnesota

Department of Commerce  
~~Registration and Licensing~~  
85 7<sup>th</sup> Place East, Suite 500280  
St. Paul, MN 55101  
~~(612) 296-6328~~  
(651) 539-1600

#### Nebraska

Department of Banking & Finance  
1526 K Street, Suite 300  
Lincoln, NE 68508  
(402) 471-3445

#### New York

NYS Department of Law  
Investor Protection Bureau  
28 Liberty Street, 21st Floor  
New York, NY 10005  
(212) 416-8236

#### North Dakota

North Dakota Securities  
Department  
600 East Boulevard, State Capitol,  
5th Floor, Dept. 414  
Bismarck, ND 58505-0510  
(701) 328-4712

#### Oregon

Dept. of Ins. and Finance  
Corporate Securities Section  
Labor and Industries Building  
Salem, OR 97310

(503) 378-4387

#### Rhode Island

Dept. of Business Regulation  
Division of Securities  
233 Richmond Street, Suite 232  
Providence, RI 02903  
(401) 222-3048

#### South Dakota

Dept. of Insurance  
Securities Regulation  
124 S Euclid, Suite 104  
Pierre, SD 57501  
(605) 773-3563

#### Texas

Secretary of State  
Statutory Document Section  
P.O. Box 13563  
Austin, TX 78711  
(512) 475-1769

#### Virginia

State Corporation Commission  
Division of Securities and  
Retail Franchising  
1300 E. Main Street, 9<sup>th</sup> Floor  
Richmond, VA 23219  
(804) 371-9672

#### Washington

Securities Administrator  
Department of Financial  
Institutions  
Securities Division  
P.O. Box 9033  
Olympia, WA 98507-9033  
(360) 902-8760

#### Wisconsin

## **Agents for Service of Process**

### **California**

Commissioner of Business Oversight  
California Dept. of Business Oversight  
320 West 4<sup>th</sup> Street, Suite 750  
Los Angeles, California 90013-2344  
(213) 576-7505  
(866) 275-2677

### **Hawaii**

Commissioner of Securities  
Business Registration Division  
335 Merchant Street, Room 203  
Honolulu, HI 96813  
(808) 586-2722

### **Illinois**

Illinois Attorney General  
500 South Second Street  
Springfield, Illinois 62706  
(217) 782-1090

### **Indiana**

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

### **Maryland**

Maryland Securities Commissioner  
200 St. Paul Place  
Baltimore, Maryland 21202-2020  
(410) 576-6360

### **Michigan**

Department of Commerce,  
Corporations and Securities Bureau  
6546 Mercantile Way  
Lansing, Michigan 48910  
(517) 334-6212

### **Minnesota**

~~Commissioner of Commerce~~  
Department of Commerce  
85 7<sup>th</sup> Place East, Suite ~~500~~280  
St. Paul, Minnesota 55101  
~~(612) 296-4026~~  
(651) 539-1600

### **New York**

New York Secretary of State  
New York Department of State  
One Commerce Plaza  
99 Washington Avenue, 6<sup>th</sup> Floor  
Albany, New York 12231  
(518) 473-2492

### **North Dakota**

North Dakota Securities Department  
600 East Boulevard, State Capitol  
5th Floor, Dept. 414  
Bismarck, ND 58505-0510  
(701) 328-4712

### **Oregon**

Director of Oregon  
Department of Insurance and Finance  
700 Summer Street, N.E., Suite 120  
Salem, Oregon 97310  
(503) 378-4387

### **Rhode Island**

Director of Rhode Island  
Department of Business Regulation  
233 Richmond Street, Suite 232  
Providence, Rhode Island 02903-4232  
(401) 222-3048

### **South Dakota**

Director of South Dakota Division of Insurance  
124 S Euclid, Suite 104  
Pierre, South Dakota 57501  
(605) 773-3563

### **Virginia**

Clerk of the State Corporation Commission  
1300 East Main Street, 1st Floor  
Richmond, Virginia 23219  
(804) 371-9672

### **Washington**

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

### **Wisconsin**

Wisconsin Commissioner of Securities  
345 W. Washington Ave., 4th Floor  
Madison, Wisconsin 53703  
(608) 261-9555