

## FRANCHISE DISCLOSURE DOCUMENT



Doctor's Associates LLC  
A Florida Limited Liability Company  
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www.subway.com

As a Subway® franchisee, you will sell foot-long and other sandwiches, salads and other food items from a retail establishment.

The initial investment necessary to begin operation of a single new Subway® franchise ranges from ~~\$233,550~~238,623 to ~~\$526,800~~536,745 (~~\$194,050~~199,135 to ~~\$393,800~~403,745 for a non-traditional location). This sum includes an estimated \$18,432 to \$43,117 (including an initial franchise fee of \$15,000) that must be paid to us or our affiliate.

The initial investment necessary to begin operation of 2 to 10 new Subway® franchises under the multi-unit development program ranges from ~~\$241,050~~246,123 to ~~\$594,300~~604,245 per restaurant (~~\$201,550~~206,635 to ~~\$461,300~~471,245 for a non-traditional location). This sum includes an estimated \$48,432 to \$193,117 (including a development fee of \$22,500 to \$82,500) 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, 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 to you. To discuss the availability of disclosures in different formats, contact the Franchise Development Team at 1 Corporate Drive, Suite 1000, Shelton, CT 06484, (800) 888-4848, franchise@subway.com.

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

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

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

Issuance Date: ~~April 25, 2023, amended August 31, 2023~~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 B.
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 <del>financial</del> <u>financial</u> 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 Subway® 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 Subway® franchisee?	Item 20 or Exhibit B 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.



## NOTICE-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:**

- (a) A prohibition on the right of a franchisee to join an association of franchisees.
- (b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.
- (c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than thirty (30) days, to cure such failure.
- (d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) the term of the franchise is less than 5 years and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise.
- (e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.
- (f) A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.
- (g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:
  - (i) The failure of the proposed transferee to meet the franchisor's then current reasonable qualifications or standards.
  - (ii) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor.
  - (iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.

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

To simplify language in this Disclosure Document, “we”, “us”, “DAL” or “Doctor’s Associates” means Doctor’s Associates LLC, the franchisor. “You” means the person(s) or entity that is granted the franchise, as well as all parties who own any interest in an entity that is the franchisee.

***The Franchisor, Its Parent, Predecessor, and Affiliates.***

*Franchisor and its Predecessor*

We are a Florida limited liability company, doing business as “Subway” through various affiliates. We converted from a Florida corporation to a Florida limited liability company on October 29, 2018, and changed our name to “Doctor’s Associates LLC”. Under Florida law, we are still the same entity that existed before the conversion. Our address is 1 Corporate ~~Drive~~Dr., Suite 1000, Shelton, CT 06484. Our agents for service of process are disclosed in Exhibit I. ~~As of December 31, 2022, we have sold 38,940 franchises, of which 20,576 are open and 75 are in development.~~ We previously offered plush toy business franchises from 1982 to 1983 but did not sell any. Aside from the plush toy business and Master Franchise Businesses described below, we have not offered franchises in any other line of business. We have no predecessors.

Since ~~May 2022~~August 2021 we and our affiliate SIBV have offered Subway® restaurant master franchise businesses (a “Master Franchise Business”) outside of the United States. A Master Franchise Business is operated by an independent third party who is given a license from us to offer direct unit Subway® restaurant franchises to third parties pursuant to unit franchise agreements. We have sold ~~one~~ Master Franchise ~~Business~~Businesses in ~~Brazil and one, China, Costa Rica, Panama and Uruguay, and our affiliate SIBV has sold~~ Master Franchise ~~Business in China, both~~Businesses in Bahrain, Bangladesh, Belgium, Czech Republic, France, Georgia, Guatemala, India, Kuwait, Luxembourg, Peninsula Malaysia, the Kingdom of Saudi Arabia, Sri Lanka, Russia, Thailand, Turkey, and United Arab Emirates, all of which are currently open and operating.

*Parents*

Our ultimate parent is Subway Worldwide, Inc. (“SWI”). Its principal address is the same as ours.

*Affiliates*

We are affiliated with the following companies that provide goods, services, or both, to us, our franchisees, our affiliates, or our affiliates’ franchisees. All share the same principal business address of 1 Corporate ~~Drive~~Dr., Suite 1000, Shelton, CT 06484.

<i>Name</i>	<i>Products and/or Services Provided</i>
Subway IP LLC (formerly known as Subway IP Inc.) (“SIP”)	SIP is the owner and licensor of the Subway® trademark, and all recipes, formulas, food preparation procedures, business methods, business forms, and business policies (the “System”). SIP licenses the System to us to develop Subway® restaurants in the United States and its territories.
Subway Franchisee Advertising Fund Trust Ltd. (“SFAFT”)	SFAFT provides advertising services to Subway® franchisees, administers the advertising contributions paid by franchisees in the United States and its territories, and interacts with local advertising fund entities around the world that are associated with the Subway® brand.
Subway Franchisee Advertising Fund Trust BV (“SFAFT BV”)	SFAFT BV provides advertising services to Subway® franchisees in U.S. Virgin Islands, and otherwise operates, is administered, and is governed, in substantially the same manner as SFAFT.
Franchise World	FWH provides services to us, our franchisees, our affiliated franchisors and their franchisees,

Headquarters, LLC (“FWH”)	including processing franchise sales paperwork, research and development, marketing franchises, franchisee training, retail technology, POS System support, restaurant design, legal and accounting services. FWH also provides services to our affiliate leasing entities and Subway® franchisees around the world, including negotiating, administering, and renewing leases/licenses for restaurant premises.
FWH Technologies, LLC (“FWHT”)	FWHT is the owner of SubwayPOS®, the point of sale computer based software required for use in Subway® restaurants. FWHT granted us the right to license the SubwayPOS® software to you through a licensing agreement.
Subway MyWay, LLC (“Subway MyWay”)	Subway MyWay administers the Subway® MVP Rewards loyalty <a href="#">program</a> and the funds associated with the program.
Subway Real Estate, LLC (“SRE”)	SRE holds prime leases that are subleased or sublicensed to franchisees for the operation of Subway® restaurants.
Subway Realty, LLC (“SRL”)	In limited circumstances, SRL holds prime leases that are subleased or sublicensed to franchisees for the operation of Subway® restaurants.
SBD Ventures, LLC (“SBDV”)	SBDV may enter into the master lease agreements for non-traditional locations and may sublease or assign the right to operate these locations to franchisees.
Subway Restaurants, LLC (“SR”)	SR leases restaurant premises and may enter into a Sublease with you.
Subway Sandwich Shops, LLC (“SSS”)	SSS leases restaurant premises and may enter into a Sublease with you.
Subway Payment Services, LLC (“SPS”)	SPS manages credit card payments and gift cards.

None of the foregoing affiliates offer franchises in any line of business nor do they conduct the type of business operated by franchisees.

SIP or a licensed affiliate licenses the following affiliates to use the Subway® System and to offer restaurant franchises or sublicenses. These affiliates may offer franchises through separate Disclosure Documents. None of the following affiliates have offered franchises in any other line of business.

<i>Name</i>	<i>Type of Entity</i>	<i>Principal Business Address</i>	<i>Franchises Offered (and Services Provided, if Applicable)</i>
Subway Systems Colombia S.A.S. (“SSCS”)	Colombian simplified stock company	C/o Paniagua & Tovar Abogados S.A., Calle 107 A No. 11A – 69, Bogotá D.C., Colombia	SSCS is licensed by DAL to offer and sell franchises in Colombia and is the successor to Subway Partners Colombia C.V. <del>As of December 31, 2022, 541 franchises were sold, of which 227 are open and 1 is in development.</del>

<i>Name</i>	<i>Type of Entity</i>	<i>Principal Business Address</i>	<i>Franchises Offered (and Services Provided, if Applicable)</i>
Subway Systems Singapore Pte. Ltd. (“SSSPL”)	Singaporean private company limited by shares	8 Temasek Blvd., Suntec Tower 3, Level 35-01, Republic of Singapore 038988	SSSPL began franchising in 2020. It sells franchises for Subway® restaurants and subleases restaurant premises to Subway® franchisees in Singapore and elsewhere in the Asia Pacific region. On January 2, 2020, SIBV assigned all of its existing franchise agreements in Singapore to SSSPL. <del>As of December 31, 2022, 199 franchises were sold, of which 132 are open and 8 are in development.</del>
Subway International B.V. (“SIBV”)	Netherlands limited liability company	IJDOCK 27 – 9th Floor 1013 MM Amsterdam, Netherlands.	SIBV began franchising in 1998. SIBV was granted a license from SIP to offer and sell franchises all over the world, except in the United States, Canada, Australia, Colombia, and Brazil. SIBV granted a sublicense to our <del>affiliates</del> <u>affiliate</u> , <del>SSF and SRMS</del> , to offer licenses for Subway® restaurants in South Africa <del>and China respectively. As of December 31, 2022, 16,782 franchises were sold, of which 7,397 are open and 446 are in development.</del>
Subway Franchise Systems of Canada, ULC (“SFSC”)	Canadian unlimited liability corporation	C/o Field Law LLP 400 - 444 7 Ave SW Calgary AB T2P 0X8, Canada	SFSC began franchising in 1987. SFSC offers and sells franchises for Subway® restaurants in Canada, leases equipment to Subway® franchisees in Canada, and sometimes owns and operates Subway® restaurants in Canada that had been previously franchised. <del>As of December 31, 2022, 4,237 franchises were sold, of which 2,878 are open and 29 are in development.</del>
Subway Systems Australia Pty. Ltd. (“SSA”)	Western Australian private company limited by shares	Level 9, Transport House, 230 Brunswick Street, Fortitude Valley, Queensland 4006, Australia	SSA began franchising in 1987. The company sells franchises for Subway® restaurants in Australia. <del>As of December 31, 2022, 1,930 franchises were sold, of which 1,204 are open and 9 are in development.</del>
Sandwich and Salad Franchises of South Africa (Pty.) Ltd. (“SSF”)	South African private company limited by shares	8 Eybers Street, Farrarmere, Benoni, 1501, South Africa	SSF began franchising in 1997. It sells franchises for Subway® restaurants in South Africa. <del>As of December 31, 2022, 78 franchises were sold, of which 0 are open and 0 are in development.</del>
Subway <del>Restaurant Management (Shanghai) Co. Ltd</del> <u>Franchise Systems Brazil Ltda.</u> (“SRMS <u>SFSB</u> ”)	<del>Chinese</del> <u>Brazilian</u> limited liability company	<del>Room 205, 2nd Floor, West Part 707 Zhangyang Road China (Shanghai) Pilot Free Trade Zone Shanghai 200120, China</del> <u>São Paulo, Alameda Santos, 1.293, 4th floor, part, Cerqueira César, CEP 01419-904</u>	<del>SRMS</del> <u>SFSB</u> began franchising in <del>2019</del> <u>2023</u> . <del>It</del> sells franchises for Subway® restaurants in China, and it also owns and operates ten Subway®-restaurants. On July 3, 2020, SIBV assigned all of the 653 existing and active franchise agreements in China to SRMS (out of a total of 990 franchises sold by SIBV in China). <del>As of December 31, 2022, 1,456 franchises were sold, 479 of these are open and 71 are in development.</del> <u>Brazil.</u>

We disclose the following companies that now offer, or have offered, franchises in the United States, unless otherwise indicated, as our affiliates.

PFG Ventures is an Ohio limited partnership doing business under the name “ProForma” or “PFG Ventures” (“PFG Ventures”). PFG Ventures is a partnership that sells franchises for a brand named ProForma® which specializes in the sale and distribution of printed business products, including business forms, commercial printing, advertising supplies, and related business supplies. We and our affiliates recommend, but do not require, that Subway® franchisees purchase supplies from PFG Ventures’ franchisees. PFG Ventures’ address is 8800 East Pleasant Valley Road, Independence, Ohio 44131. As of December 31, ~~2022~~2023, PFG Ventures sold ~~1,857~~1,862 franchises, and of the total franchises sold by ProForma and PFG Ventures, ~~542~~526 are open, and 0 are in development.

Although we do not consider PFG Ventures to be an affiliate, we disclose it because our Founders, Dr. Peter Buck and the late Fred DeLuca, directly or indirectly invested in them (including successors in interest). However, neither of the Founders have been officers or directors of PFG Ventures, and we do not represent that they, or we, do or did, control it.

#### Potential Sale Transaction

On August 23, 2023, SWI, Subway Worldwide Holdings, LLC (a subsidiary of SWI, “SW Holdings”), and certain of SWI’s stockholders entered into an Equity Purchase Agreement (the “Purchase Agreement”) with Underground Purchaser, LLC (the “Buyer”). Under the Purchase Agreement, after a series of contemporaneous affiliated restructuring transactions, and, if numerous conditions are met, the Buyer will purchase all of the issued and outstanding equity interests of our then-parent company (the “Transaction”). Therefore, if the Transaction is consummated, the Buyer will then become our parent. The Buyer is a Delaware limited liability company owned by several investment funds managed by Roark Capital Management, LLC, an Atlanta-based private equity firm (“Roark”), and shares Roark’s principal business address, 1180 Peachtree Street, N.E., Suite 2500, Atlanta, Georgia 30309-3521. The Transaction is subject to customary closing conditions and regulatory approval. There is no assurance that the Transaction will be consummated, and closing dates have not been established. Our management team remains committed to the future and will continue to execute against its multi-year transformation journey, which includes a focus on menu innovation, modernization of restaurants and improvements to its overall guest experience.

#### *Franchise Systems Affiliated with Buyer and Roark*

Roark controls investment funds that own or control the companies described on Exhibit R, which now offer, or have offered, franchises in any line of business.

***The Franchisor’s Business.*** We offer and sell franchises for Subway® restaurants for locations in the United States and its territories. Though our current policy is to establish all restaurants as franchises, sometimes we may own or operate restaurants previously owned by franchisees until we find a new franchisee. You must purchase through us or lease from us substantially all major items of equipment for your restaurant. [We have been offering franchises for Subway® restaurants since 1974.](#)

We are not engaged in any other business.

***The Subway® Restaurant Franchise.*** Under the Franchise Agreement (the “Franchise Agreement”), which is Exhibit A, we offer qualified purchasers the right to establish and operate, from a single location, a retail establishment preparing and selling foot-long, six-inch, flat bread, and specialty sandwiches, salads, wraps, and other food items. All foot-long sandwiches are required to measure at least 12 inches in length. All six-inch sandwiches are required to measure at least 6 inches in length. The sandwich categories include cold cuts, seafood, steak, pulled pork, chicken and meatballs. Guests may choose between an array of signature sandwiches from our Subway® Series menu, or from a variety of breads, cheeses, vegetables, seasonings, and condiments to make their custom-made sandwich. The breakfast menu is required for all restaurants in the United States and its territories and features egg sandwiches, bacon, sausage, muffins, juice, coffee and other breakfast items. The Franchise Agreement gives you the right to

operate the restaurant under the name and mark Subway® and other marks we designate. You must operate your restaurant in accordance with the rules we establish, including those in the Operations Manual (the “Operations Manual”), which we license from our affiliate and which our affiliate may revise at any time during the term of your Franchise Agreement under any condition and to any extent which we consider necessary to meet competition, protect trademarks, service marks, or trade names, or improve the quality of the product or service provided by Subway® restaurants.

If you meet our qualifications, we may approve of you operating multiple restaurants in accordance with the Development Agreement attached as Exhibit A-12, and one or more Franchise Agreements or the Multi-Unit Franchise Agreement attached as Exhibit A-13. The Development Agreement governs your development obligations, while one or more Franchise Agreements or Multi-Unit Franchise Agreements will govern the development, opening and operation of specific restaurants.

*Programs and Non-Traditional Locations.* We also sell franchises for non-traditional locations, as set forth in the table and notes below. In addition, we offer programs to qualifying franchisees. If you meet our requirements and choose to purchase a franchise for a non-traditional location, or if you qualify and choose to participate in one of our programs, you may be required to sign a rider or addendum described in the table and notes below, which will amend the standard form Franchise Agreement. Alternatively, we may require you to sign a concession or subconcession agreement.

*The non-traditional locations and programs that we offer are as follows:*

<i>Program/Type of Location</i>	<i>Addendum/Rider</i>	<i>Description</i>
General Non-Traditional Location <sup>1</sup>	Franchise Agreement Rider (Exhibit A-1)	Examples of non-traditional locations include convenience stores, gasoline service stations, highway rest stops, department stores, hospitals, parks, universities, schools, sports arenas, convention centers, airports, theme parks, national parks, <a href="#">captive travel plaza</a> , bus and railroad terminals, military bases, business complexes, assisted living/nursing homes and other similar locations. Typically, non-traditional locations are full service restaurants and we license them under our standard form of Franchise Agreement. In some cases, we may waive all or a portion of the initial franchise fee and a portion of the advertising fee and otherwise modify the Franchise Agreement to address different conditions for a non-traditional location.
Community Development Program Location <sup>1</sup>	Franchise Agreement Rider (Exhibit A-1)	We have a program to establish franchises within facilities operated by organizations or individuals that offer support services within the community in which they are located (“Community Development Program”). Examples of these facilities include places of worship, shelters, half way homes, rehabilitation centers, community centers, and disaster relief centers. Under the Community Development Program, you will operate a full-service restaurant serving freshly prepared product located at one of these facilities. The restaurant must be operated with the intent of providing job training to individuals with barriers to employment.

<i>Program/Type of Location</i>	<i>Addendum/Rider</i>	<i>Description</i>
School Lunch Program Location <sup>1, 2</sup>	Franchise Agreement Rider (Exhibit A-1)	We have a program to establish franchises in elementary, middle, or high schools. We will license school systems directly to a Food Service Provider, or experienced individual Subway® franchisees. State law restrictions may prevent a qualified Food Service Provider from directly operating a particular school lunch location. Under these circumstances, we may allow the Food Service Provider to manage the school lunch location operated by a qualified school lunch franchisee. Under the school lunch program, you will operate a restaurant located in the school, serving freshly prepared product. We will charge school lunch franchisees the same non-negotiable royalty fee and advertising fees that apply to other franchisees. If you are an individual, and not a school system or institutional food service provider, you will establish the restaurant in the school as a satellite and you will sign the Franchise Agreement Rider.
School Lunch Delivery Program <sup>3</sup>	N/A  Our approval required only	We may give you permission to enter into an arrangement with a school within a 20-minute drive from your restaurant’s location, for the purpose of delivering freshly-prepared sandwiches for resale in the school’s cafeteria. You and the school must enter into an annual contract which we provide to you.
Military Base Location <sup>1, 4</sup>	NEXCOM, AAFES or MCCS Rider (Exhibit A-6, A-7 or A-8), if applicable	Franchisees may be permitted to establish a restaurant at a site controlled by the Army and Air Force Exchange Service (“AAFES”), the Navy Exchange Service Command (“NEXCOM”) or the Marine Corps Community Services (“MCCS”) which are non-appropriated fund instrumentalities of the United States Government. We may <del>enter into an agreement with AAFES, NEXCOM or MCCS for a specific location and</del> agree to subcontract the right to establish a restaurant at <del>that</del> <u>an AAFES, NEXCOM, or MCCS</u> location to you. <del>Alternatively, one or more of our affiliates have entered into a system-wide</del> <u>In certain circumstances you will enter into an</u> agreement <u>directly</u> with <u>AAFES or NEXCOM or MCCS</u> which grants our affiliate the right to subcontract sites to us so that we may subcontract them to you.  .
Satellite Location <sup>5</sup>	Franchise Agreement Rider (Exhibit A-1)	We also offer to franchise qualified locations as satellite restaurants. Some satellites may operate under the mark Subway EXPRESS™. A satellite location cannot be a full-service restaurant and is intended to operate only with the support of an existing full service Subway® restaurant (the “Base Restaurant”) licensed to the same franchisee, unless we give specific written approval stating otherwise. Generally, the satellite will not be able to bake bread, prepare product, or have adequate storage capacity for product. It may often be in a non-traditional location. Satellite restaurants may be temporary, seasonal, operate with limited hours. The satellite location usually has little or no seating and is for carry-out service or delivery. To keep pace with market trends, we will consider applications for different types of satellite locations upon written request. We alone will determine whether your proposed location and restaurant operations qualify for treatment as a satellite location according to our policies.

<i>Program/Type of Location</i>	<i>Addendum/Rider</i>	<i>Description</i>
Short-Term Satellite Location <sup>6</sup>	Franchise Agreement Rider (Exhibit A-1)	We have a program to establish satellite locations that will operate for a term of one year or less, with the option to renew for an additional 1-year term, if mutually agreed upon by both parties.
Dual Location Test Site <sup>7</sup>	Dual Location Test Rider (Exhibit A-10)	We may deem a restaurant to be located close in proximity to another Subway <sup>®</sup> restaurant owned and operated by the same franchisee a “Dual Location Test Site” so that the franchisee can determine whether both restaurant locations should be operated simultaneously. If we grant you a franchise for a Dual Location Test Site, you may cease operation of the new or existing restaurant, by means other than transfer or assignment, within one year after the new restaurant opens. We will then cancel the Franchise Agreement for the restaurant you cease to operate and refund the franchise fee for the new restaurant. You will pay all expenses and liabilities to terminate the lease for the restaurant that you cease to operate.
Co-Branded Locations <sup>8</sup>	Co-Brand Location Rider (Exhibit A-9)  Walmart <sup>®</sup> Rider (Exhibit A-4), if applicable  Auntie Anne’s <sup>®</sup> Rider (Exhibit A-5), if applicable	We have entered into a co-branding agreement with Auntie Anne’s, Inc. to permit qualified franchisees to establish AUNTIE ANNE’S <sup>®</sup> stores in connection with their Subway <sup>®</sup> restaurants located in certain Walmart and non-traditional locations, as approved by us. These co-brand opportunities are being offered to eligible franchisees on a limited basis.
Subway <sup>®</sup> Catering Program <sup>9</sup>	N/A  Our approval required only	All restaurants are required to participate in our basic catering program, <a href="#">which may include online catering</a> . The catering menu features the following core items: sandwich platters, Subway to Go! <sup>™</sup> lunch box meals, cookie platters, lemonade by the gallon, and toppings platters. You also have the option to participate in ezOrdering, the white label online ordering experience powered by ezCater and ezCater Marketplace.
Store Option Programs (“SOP”), Marketwide Option Programs (“MOP”), and Product Innovation <sup>10</sup>	N/A  Our approval required only	In addition to our core menu offerings, we have other product options that fall under the SOP or MOP such as packaging materials, cleaning products and food items including but not limited to pizza, cheese, mustard, soda, coffee, cookies, and pie. If we designate a product as a SOP item, we will approve restaurants to use or sell the product on a restaurant-by-restaurant basis. Individual franchisees make the decision on SOP items and these decisions impact only their restaurant. If we designate a product as a MOP item, we will approve restaurants to use or sell the product by advertising markets. We designed the MOP program to promote consistency of items throughout an advertising market. Under the MOP policies, the Business Developers make decisions together that impact all restaurants in the entire market.

<i>Program/Type of Location</i>	<i>Addendum/Rider</i>	<i>Description</i>
<a href="#"><u>Grab &amp; Go Program</u></a>	<a href="#"><u>Grab &amp; Go (On-Site) Rider (Exhibit A-14)</u></a>	<a href="#"><u>If you meet our then current eligibility requirements and receive our approval, you may prepare and sell certain premade products at your restaurant as part of our Grab &amp; Go Program. Terms, conditions, specification and standards for the Grab &amp; Go Program are set forth in the Grab &amp; Go (On-Site) Rider and the Manual, and may be amended from time to time.</u></a>

Note 1:

We may enter into and negotiate Franchise Agreements with large institutional-type franchisees and Food Service Providers that operate non-traditional locations. Examples of large institutional-type franchisees include convenience store operators, food service management companies, large institutions (currently defined as entities which provide their own food services with the number of outlets or net worth we determine appropriate), cooperatives, hospitals, non-profit corporations, colleges, other schools, foundations, or governmental agencies or entities. A Food Service Provider is a company that is either privately owned or publicly traded; is not government owned, supported or operated; provides contract foodservice and/or concession foodservice; meets certain minimum accounts and annual revenue levels on a consolidated basis as we set from time to time. We will not negotiate with individual franchisees who do not represent large institutional accounts, chains, cooperatives, hospitals, non-profit corporations, colleges, other schools, foundations, or governmental agencies or entities.

In view of the different conditions encountered in operating these locations, we have to modify our Franchise Agreement to afford ourselves and our franchisees the opportunity to compete in this type of market. We may also agree on certain variations to the Franchise Agreement, to accommodate differences in corporate operations and expansion goals. Some areas that may change include, but may not be limited to:

1. Timing of reporting sales by the franchisee;
2. Timing and method of payments of royalties and advertising charges;
3. Location of arbitration hearings;
4. The applicability of noncompetition clauses;
5. Commitment to maintain the form of Franchise Agreement for future purchases;
6. Limitation on overall expenses for advertising;
7. Execution of Franchise Agreement with corporation or other entity;
8. Training for the Director of Food Services and the restaurant Manager (new Managers may be required to take the training course);
9. Elimination of the need for our affiliate to lease the premises due to your current control of the location;
10. Sale of additional franchises at the reduced franchise fee even if all existing restaurants are not in substantial compliance (as defined in the Operations Manual), if at least ~~90~~80% of the existing restaurants are in substantial compliance;
11. Locking in of the franchise fee for additional franchises for a number of years or restaurants;
12. Permission for the franchisee to use a different POS System designed for their multiple operations;
13. Waiver of certain future amendments to the Franchise Agreement;
14. A fixed term without automatic renewal.

The Franchise Agreement for these locations consists of our standard form of Franchise Agreement and the Franchise Agreement Rider, which amends the standard form of Franchise Agreement. In some circumstances, we may allow you to establish a satellite or non-traditional location in an airport terminal, theme park, ~~or~~ national park, [or captive travel plaza](#) location and you will also sign the Franchise Agreement Rider. However, the satellite location will not be approved if the Base Restaurant is not located in the same airport terminal, theme park, ~~or~~ national park, [or captive travel plaza](#). Due to the limited value of traditional advertising for these locations, their advertising contribution is lower than the standard contribution for advertising.

An airport terminal is defined as a building at an airport where passengers transfer between ground transportation and the facilities that allow them to board and disembark from airplanes. In certain instances where the franchise is to be located in an airport concession operated by a qualified Airport Concession Disadvantaged Business Entity (“ACDBE”), we may allow the franchisee to assign the Franchise Agreement to the qualified ACDBE. In the event that the franchise is no longer located within the airport concession the ACDBE would be required to assign the franchise agreement back to the franchisee.

A theme park location is defined as an amusement or similar park which meets the following requirements: 1) offers a collection of rides and/or other entertainment attractions; 2) is more elaborate than a simple city park or playground, as it is meant to cater to entertaining large groups of people including, adults, teenagers, and small children and generally uses architecture, signage, and landscaping to help convey the feeling that people are in a different place or time; 3) is a permanent and not a temporary facility; 4) charges a fee for admission; and 5) has at least 400,000 visitors per year.

A national park location is defined as an area of land declared or owned by a government, set aside for human recreation and enjoyment, animal and environmental protection, and restricted from development.

[A Captive Travel Plaza is defined as having an exit and entrance via the highway only and not accessible to the town or city. It provides the only convenient food option for those traveling on the highway and is therefore the primary driver of traffic to the Subway® restaurant. \\_](#)

Note 2:

We may also negotiate with governmental and institutional franchisees purchasing a franchise for a school lunch location, but not with individual franchisees. We may negotiate areas, such as the choice of governing law, insurance, and indemnification provisions, to address the needs of school boards, school districts, and municipalities.

Note 3:

To qualify for the School Lunch Delivery Program you must have owned and operated a Subway® restaurant for at least 6 months and your restaurant must be in substantial compliance (as defined in the Operations Manual). Additionally, you must have established a pre-authorized account and all of your accounts with us must be current. If you are a school lunch delivery franchisee, you may have to modify the food items you offer for sale and buy food products approved for the School Lunch Program in order to satisfy nutritional requirements. This program is not related to the School Lunch Program discussed earlier in this Item.

Note 4:

If you choose to locate your restaurant at an AAFES, NEXCOM or MCCS location, you may be required to receive an AAFES, NEXCOM or MCCS Addendum to this Disclosure Document (as applicable) and you may be required to execute an AAFES, NEXCOM or MCCS Rider to the Franchise Agreement (as applicable) which amends the standard form of Franchise Agreement. Contact the FWH Development Team for more information about these locations, including when an addendum or rider may be applicable.

If your restaurant will be located on a military base, and the franchisee will be a government entity, then solely for the purpose of accommodating state sovereignty, we may negotiate the following requirements of the franchise agreement: waiver of the franchise fee for additional sites on the same military base, arbitration, the venue of the site for settlement of disputes, waiver of trial by jury, and the limitation on liability. Generally, these requirements will not be negotiated with an individual or with a non-government entity establishing a restaurant at a military base.

Note 5:

You may establish a satellite restaurant only if you already operate a Base Restaurant near the proposed satellite location. Your proposed Base Restaurant and all other restaurants that you own must be in substantial compliance (as defined in the Operations Manual) and there must be no material defaults under any of your Franchise Agreements. You must also otherwise qualify under our rules. We grant the franchise for a satellite restaurant separately and under

You may be permitted to offer other products, not designated as SOP or MOP, with our prior written approval, provided you are in compliance with your Franchise Agreement and meet certain other qualifications. Some of these offerings may be test programs. Examples of other products may include, but are not limited to: smoothies, ice cream, bakery/coffee (such as donuts, muffins, cookies, cinnamon rolls and coffee), and snacks (such as pretzels, nachos, ice cream novelties and hot dogs). Any additional products must meet our standards and specifications. The length of time you may be approved to offer an additional product will vary. You will pay royalty and advertising charges on the sale of any additional items from your restaurant. You cannot sell a product that we approve for another franchisee without our written permission and you cannot expect us to grant you the right to offer any additional products, even if you meet our requirements. We reserve the right to offer our own branded products in the future under a separate license that may require you to pay an additional license fee, or to offer them as separate franchises that do not have to be operated in connection with a Subway® restaurant.

As these other products are new, and we may have limited or no experience with them, you assume the risk of the failure of any of these products. You are responsible for all costs associated with offering any of these other products, which may include, but not be limited to, costs for additional equipment and inventory, signage, and counter space. You will have to review your lease to make sure you can prepare and sell the additional products. You will also have to review local regulations to make sure they allow the expanded menu and do not require additional permits or impose other requirements.

\* \* \* \* \*

If you are interested in a non-traditional, satellite, community development, school lunch, military base or co-branded locations, or a dual location test site, or if you are interested in the School Lunch Delivery Program, Subway® Catering Program, SOP, MOP or Product Innovation programs, you should read the rider for these locations and programs (as applicable) and this disclosure document carefully. These riders amend the standard form franchise agreement in several very important respects. We set out the disclosure differences regarding the licensing of these locations and programs in the relevant Items. Except where we point out these differences, references throughout this Disclosure Document to a restaurant and a Franchise Agreement also apply to a non-traditional location, a satellite location, a community development location, a school lunch location, and the Franchise Agreement for these locations.

\* \* \* \* \*

In addition to business laws and regulations, your restaurant is subject to federal, state, and local regulations and guidelines governing the food service industry, including those established by the Food and Drug Administration, the United States Department of Agriculture, the National Restaurant Association, and other food industry organizations. You must be familiar with these regulations, as well as federal, state, and local laws regarding health and consumer protection, food preparation, baking, handling, storage, “Truth in Menu” concerning menu item names and product labeling, nutritional claims, compliance with the federal Americans With Disabilities Act, privacy laws, and compliance with the federal Fair Labor Standards Act and other local labor regulations. You will also be subject to the rules established by the Federal Trade Commission, along with regulations enacted by certain states. Local zoning rules may limit where you can locate a restaurant and may affect design features, including the building facade and signs. You should be aware that federal, state, and local environmental laws may affect the disposal of waste materials and packaging, and may require that you have a permit as a water provider. Local law may require your participation in a waste recycling or diversion program, for which you may have to register and make ongoing fee payments.

On a case-by-case basis we may grant a waiver to serve alcoholic beverages in your restaurant. If a waiver is granted to allow your restaurant to serve alcoholic beverages you will be responsible for obtaining all necessary licenses and permits, and you will have to know the laws and regulations governing the sale of these items including but not limited to: minimum age restrictions for purchasers and employees who sell, special training requirements, and regulations on the hours of sale for these products. You may be required to obtain additional insurance coverage, which may increase your premium payments, if you are permitted to serve alcohol in your restaurant.

We have a [global privacy ~~notice for franchisees~~ statement](#), attached as Exhibit M, which outlines the purpose for collection and use of personal information that we collect from individuals in accordance with various laws in the

United States concerning privacy. The privacy ~~notice~~[statement](#) may be amended from time to time and is available to you on our website [www.Subway.com](http://www.Subway.com).

People primarily between the ages of 16 to 50 purchase the menu items sold in Subway® restaurants. You may not sell any items to another vendor for resale without our prior written consent. You will have to compete with other restaurants, and food outlets, including franchisees of other franchise chains and other Subway® restaurants.

## Item 2 BUSINESS EXPERIENCE

The following individuals are our officers and/or directors, and/or officers and/or directors of one or more of our affiliates required to be disclosed in this Item. Some of the individuals below may also be directors or officers, or both, of other franchising companies offering Subway® franchises affiliated with us, or affiliated service or real estate leasing companies, or may provide services or advice to these affiliates listed in Item 1. If not specified, each position listed below is based in ~~Milford~~[Shelton](#), Connecticut.

~~President and Chief Executive Officer of SWI; President of FWH: John Chidsey~~

Mr. Chidsey has served as President and Chief Executive Officer of SWI and President of FWH since November 2019. Prior to that, Mr. Chidsey served as Chief Executive Officer of Burger King Holdings, Ltd from April 2006 until April 2011. Since 2011, Mr. Chidsey has been investing in several public and private companies, and currently serves on the board of directors of several organizations.

~~President of North America for of FWH, FWHT, DAL and SIP; Trustee of SFAFT: Trevor Haynes: Doug Fry~~

~~Mr. Haynes has served as Trustee of SFAFT since April 2020, as President of North America for FWH since November 2019, Vice President of FWH since November 2019, President of FWHT since December 2018, President of DAL and SIP since May 2018. Previously, Mr. Haynes served in the following positions for an interim period: President of SWI from October 2018 to November 2019 and Chief Executive Officer and President of FWH from May 2018 to November 2019. He also served as Chief Business Development Officer for FWH from October 2017 to November 2019. Prior to that, he was Vice President of Operations for FWH from October 2015 to October 2017, and Director of Global Restaurant Operations from January 2014 to October 2015. Prior to joining FWH, he was employed by our affiliate, Subway Realty Limited, as a Country Director for the United Kingdom from July 2009 to December 2013 and by our affiliate, SSA, as a Territory Manager in Australia from June 2006 to July 2009. Mr. Haynes will be departing from these roles on or before December 31, 2023.~~

~~President of North America for FWH: Doug Fry~~

Mr. Fry ~~will be~~[has served as](#) President of North America ~~starting in~~[since](#) September 2023. Previously, Doug was the Director of SFSC from October 2022 to August 2023, and the Managing Director of Canada of SFSC from October 2021 to October 2022. Prior to joining Subway, Mr. Fry was the Senior Director of National Operations for McDonald's, and he held that position from June 2012 to August 2021 in Toronto, Ontario.

~~Treasurer of SWI; Vice President and Treasurer of SIP, DAL, Subway MyWay, FWHT and FWH; Trustee of SFAFT; Chief Financial Officer for FWH and SWI: Ben Wells~~

~~Mr. Wells has served as Trustee of SFAFT since April 2020, as well as Chief Financial Officer and Treasurer of FWH and SWI and; Vice President and Treasurer of SIP, DAL, FWHT and FWH and; President and Treasurer of Subway MyWay since January 2020; Vice President of FWH; Trustee of SFAFT: Jeff Shepherd~~

~~Mr. He~~[Shepherd](#) has ~~also~~ served as Chief Financial Officer ~~for of~~ FWH since ~~December 2019, and for SWI since August 2021. Prior to joining FWH, Mr. Wells served as November 2023. Previously he was employed by Advance Auto Parts as Executive Vice President, Chief Financial Officer for Burger King Corporation from May 2005 to March 2011. Between 2009 and 2015, he served on the Board of Trustees for William Woods University as head of the Resource (Finance and Audit) Committee and also on the Board of Trustees for Canisius College as a member of the finance committee and as head of the audit committee, including a term as Vice Chairman. He also performed consulting services from July 2016 to February 2019.~~[from 2018 until 2023, and Senior Vice President, Chief Accounting Officer from 2017 to 2018. Prior to that, he served as Controller, General Motors Europe and Director, Consolidation and SEC Reporting of General Motors from 2010 to 2017.](#)

~~Trustee of SFAFT; Chief Operating and Insights Officer for of FWH: Michael Kappitt~~

Mr. Kappitt has served as ~~Trustee of SFAFT since April 2020 and~~ Chief Operating and Insights Officer since March 2020. Previously he was employed by Bloomin' Brands as President of Carrabba's Italian Grill from ~~March 2014~~ February 2016 to February 2020. Prior to that, he served as Chief Marketing Officer of Burger King from September 2002 to January 2011.

Vice President and Secretary for DAL; Senior Vice President of Business Transformation ~~for~~ FWH: John Scott

Mr. Scott has served as Vice President and Secretary for DAL since April 2020, and as the Senior Vice President of Business Transformation for FWH and Vice President of FWH since March 2020 and Vice President and Secretary of Subway MyWay since April 2020. Previously, he was employed as the Chief Transformation Officer for FWH from July 2019 to March 2020 and the Vice President of Sustainability and Quality for FWH from September 2017 to July 2019. Prior to that, he was self-employed by Carmichael Supply Chain Consulting from September 2016 to September 2017 and worked as Chief Supply Officer for The Chef's Warehouse from May 2013 to September 2017. He also previously worked for PepsiCo as Senior Director, Global Procurement from April 2005 to May 2013.

Chief Legal Officer for FWH; Secretary of SWI; Vice President and Secretary of SIP and FWHT; Vice President of DAL: Ilene Kobert

Ms. Kobert has served as Secretary of SWI, Vice President and Secretary of SIP, FWHT and FWH since April 2020, and as Chief Legal Officer for FWH since February 2020. She has also served as Vice President of DAL since May 2022. Previously, she was a shareholder at Greenberg Traurig, LLP from September 2011 through January 2020, and a Director and Senior Attorney at Burger King from September 2009 through September 2011.

Chief Information Security Officer ~~for~~ FWH: Will Thornhill

Mr. Thornhill has been Chief Information Security Officer for FWH since January 2019. Previously, he was employed by H.R. Berkley as Head of Global Information Security Operations from July 2017 to August 2018, by Bank of America as Chief of Staff for Information Security Operations from May 2014 to June 2017, and by the Teachers Insurance and Annuity Association of America- College Retirement Equities Fund, as Head of Global Information Security Operations from January 2012 to May 2014.

Chief Digital and Information Officer ~~for~~ FWH: Donagh Herlihy

Mr. Herlihy has served as Chief Information Officer since May 2021. Previously, he was employed as the Executive Vice President – Digital and Chief Information Officer of Bloomin' Brands, Inc. in Tampa, FL from September 2014 to January 2020.

Global Chief Development Officer ~~for~~ FWH: Mike Kehoe

Mr. Kehoe will be Global Chief Development Officer starting in October 2023. Previously, Mike was the President of Europe, Middle East, and Africa from August 2023 to May 2020. From 2015 to May 2020, Mr. Kehoe was employed by Focus Brands, Inc. in multiple roles, including President International, in Atlanta, Georgia. Previously, he served as Vice President of International Marketing for Bloomin' Brands, Inc. from 2013 to 2015, in Tampa, Florida.

Senior Vice President of U.S. Marketing ~~for~~ FWH, President of SIP: Cristina Wells

Ms. Wells has served as Senior Vice President of U.S. Marketing since July 2023, and President of SIP since September, 2023. She has served as Vice President of U.S. Marketing from July 2021 to July 2023. Prior to that, she served as Director of SFSC, SFAFC and Subway MyWay of Canada, and Country Director, Canada for FWH from February 2020 to July 2021. She served as Senior Marketing Director from December 2016 to February 2020. Previously she served as Marketing Director for Tim Hortons from January 2016 to December 2016, Senior Digital Marketing & Rewards Manager from February 2015 to January 2016, and Senior Marketing Communications Manager from September 2013 to January 2015. She has engaged in the line of business associated with the franchise since December 2016.

Vice President of Development: ~~William Reno for~~ FWH: Ian Poole

Mr. ~~Reno~~ Poole has served as Vice President of Development since ~~September 2019~~ February 2024. Previously, he was employed by ~~For Eyes By Grandvision~~ Planet Fitness as Vice President of ~~Development and Operations from January 2017 to September 2019, in Ft. Lauderdale, FL~~ Real Estate and Construction of Corporate Clubs from April 2023 until February 2024. Prior to that, ~~he was employed by BMT of Kentucky as Vice President of Operations from February 2013 to January 2017, in Georgetown, KY.~~ Ambrosia QSR as Chief Development Officer from May 2021

until April 2023. He was employed by Dunkin Brands as Director of Real Estate and Construction from April 2007 until May 2021.

Senior Vice President of Operations ~~Strategy for~~ of FWH: Stephen England

Mr. England has served as Senior Vice President of Operations ~~Strategy for~~ FWH since August 2020. Previously, he was employed by B. Good LLC as Chief Operating Officer from July 2017 to August 2020. Prior to that he was employed by Dunkin Brands Inc. as Vice President of Operations from September 2011 to July 2017.

Vice President ~~of Non-Traditional Strategic Growth~~ of FWH: Renee Hourigan

Ms. Hourigan has served as Vice President, Non-Traditional Strategic Growth for FWH since April 2023. She joined FWH in April 2019 as Director, Convenience Innovation. Prior to joining FWH, Ms. Hourigan was the Vice President, Marketing North America for Victorinox Swiss Army, Inc. from October 2016 to January 2019, in Monroe, CT.

Vice President North American Field Operations of FWH: Mary Greenlee

Ms. Greenlee has served as Vice President North American Field Operations for FWH since November 2022 in Atlanta, GA. Prior to that, she was the Senior Director of Business Developer Operations from April 2020 to November 2022 and the Director, Atlanta Territory from April 2019 to April 2020. Before joining FWH, Ms. Greenlee served as the Director, Business Development & General Manager Coca-Cola Freestyle for The Coca-Cola Company from January 2012 to March 2019 in Atlanta, GA.

Director ~~of Development Administration~~ of FWH: Christine Leblond

Ms. Leblond has served as Director, Development Administration since August, 2020. Previously, she was employed by Johnny Rockets Group, Inc. in Wilbraham, Massachusetts as Manager, Legal Services from March, 2018 to August, 2020. Prior to that she was employed by Restaurant Brands International in Miami, Florida as Senior Manager, Franchise Contract Manager from August, 2014 to July, 2017.

Senior Director of ~~Leads and Franchise Sales for FWH: Ursula Lane~~ Growth Initiatives of FWH: Kelly Farley

Ms. ~~Lane~~Farley has served as ~~the Senior~~ Director of ~~Leads and Franchise Sales since April 2021. Previously, she was employed by Checkers Drive In Restaurants, Inc. in Tampa, Florida, from January 2014 until April 2021 where she served as the Director of Franchise Recruitment from 2019 to 2021 and prior to that as the Senior Manager of Franchise Recruitment.~~ Growth Initiatives since January 2023. Prior to that, she was Director of Field Performance for FWH from July 2020 until January 2023. She was Director of a Subway Market Operations July 2018 until July 2020.

Director of ~~New Business Development~~ Sales Operations of FWH: Allison Morrow

Ms. Morrow has served as Director of ~~New Business Development~~ Sales Operations since February 2020. She was previously the Assistant Director of New Business Development from May 2011 to February 2020.

Senior Director of ~~Global Accounts~~ Non-Traditional Franchise Sales of FWH: Renee Borders

Ms. Borders has served as the Director of ~~Global Accounts~~ Non-Traditional Franchise Sales since November, 2023. She was Director of Global Accounts from November 2021 to November 2023. Prior to that, she served as Strategic Account Manager for T-Mobile in Bellevue, WA, from April 2019 to October 2021. From July 2013 to April 2019, she was the Channel Strategy Manager for Sprint in Overland Park, KS.

Global Account Manager of FWH: David Strawhince

Mr. Strawhince has been a Global Account Manager since April 2021. Prior to that, he was the Senior Manager of Store Operations for Staples, Inc. from July 2017 to July 2020, and the Manager, Store Operations for Staples, Inc. from February 2016 to July 2017, both in Framingham, MA.

~~Global Account~~ Senior Non-Traditonal Franchise Sales Manager of FWH: John Edmonds

Mr. Edmonds has been a ~~Global Account Manager~~ Senior Non-Traditonal Franchise Sales Manager since October 2019. Prior to that, he was the National Operations Integration Manager for Chef's Warehouse in Ridgefield, CT from September 2016 to September 2019.

\* \* \* \* \*

**Item 3  
LITIGATION**

Other than the 5060 actions and the 2623 franchisor-initiated actions disclosed in Exhibit L, no other litigation is required to be disclosed in this Item. We estimate that the franchisees we or our affiliates filed actions against in connection with the franchise relationship constitute about 0.2% of the franchisees operating Subway® restaurants globally.

**Item 4  
BANKRUPTCY**

No bankruptcy is required to be disclosed in this Item.

**Item 5  
INITIAL FEES**

All franchise fees are payable in full when you sign the Franchise Agreement. All fees are fully earned when received and are not refundable, except as described below.

Initial Franchise Fees

The following table and notes describe the initial franchise fees:

<i>Type of Fee</i>	<i>Amount</i>	<i>Description</i>
Standard Franchise Fee <sup>1</sup>	\$15,000	This is the standard franchise fee for a Subway® restaurant franchise for all first-time franchisees except: (i) qualified United States Armed Forces Veterans (“US Veterans”) as stated below, or (ii) a qualified Subway® restaurant franchisee of our affiliates, or (iii) those purchasing under our School Lunch or Community Development Programs, or (iv) those purchasing for a qualified Non-Traditional location.
Reduced Fee for Additional Franchises <sup>2, 3-4</sup>	\$7,500	We offer the reduced franchise fee of \$7,500 for the purchase of additional restaurants to qualified existing franchise owners operating restaurants in substantial compliance (as defined in the Operations Manual) and with no material defaults under any of their Franchise Agreements with us.
Reduced Fee for Affiliate Company Subway® Franchise Owners And Business Developers <sup>2, 43</sup>	\$7,500	We offer the \$7,500 reduced franchise fee to qualified Subway® franchisees of our affiliates that offer Subway® franchises. To qualify, we must approve you and you must be in substantial compliance (as defined in the Operations Manual) with no material defaults under any of your Franchise Agreements with our affiliates that offer Subway® franchises.
Reduced Fee for U.S. Armed Forces <sup>2, 43</sup>	\$7,500	We offer the reduced franchise fee to qualified honorably discharged U.S. Veterans purchasing their first franchise.

<i>Type of Fee</i>	<i>Amount</i>	<i>Description</i>
Reduced Fee for Qualified Non-Traditional Locations <sup>2, 3, 4, 5</sup>	\$7,500	You will pay the reduced franchise fee if you are purchasing a franchise for a non-traditional location and: 1) you are an approved convenience store operator, a food service management company, or other company that provides its own food services and you meet certain qualifications regarding number of outlets or net worth as we may require from time to time; 2) you are a cooperative, foundation, a qualified non-profit charity, hospital, university, college, other school, or an Indian nation, or governmental agency or entity; or 3) you are purchasing your franchise for a non-traditional location we approved to be located in a portion of an existing facility you own, lease or otherwise control under a management agreement and you are a franchisee in good standing of a nationally branded gasoline or convenience store retailer.
Add-on Fee	\$3,750	If you qualify for the reduced fee and you want to add an individual owner who is not already a Subway® franchisee, you must also pay the add-on fee in addition to the reduced fee. We may change or eliminate this add-on fee in the future. We will waive the add-on fee if you are adding your parent, child, or spouse as an owner.
Satellite Franchise Fee <sup>6</sup> Fee <sup>5, 87</sup>	\$5,000	This is the initial franchise fee for a satellite restaurant; however, this fee will be waived if your satellite will be located in the same facility as your Base Restaurant.
Short-Term Satellite Franchise Fee <sup>7</sup> Fee <sup>6, 87</sup>	\$1,000	This is the initial franchise fee if the satellite will be in operation for a term of 1 year or less (“short-term”).
Additional Fee for Non-Compliance	\$7,500	If you or your affiliate are an existing Subway® franchisee, you represent that all your restaurants are in substantial compliance with the Operations Manual and there are no material defaults under the franchise agreement(s) governing the operation of such restaurant(s). If any of the aforesaid representations are not true when your restaurant opens (based upon the most recent restaurant evaluation), you agree to pay us an additional \$7,500.

Note 1:

We may offer financing for franchisees purchasing a franchise for a restaurant to be located in a low-density market. We may stop or modify any loan programs we offer at any time.

[Certain multi-unit operators who sign a Multi-Unit Franchise Agreement or a Development Agreement may qualify for a rebate of some or all of their initial franchise fee if they meet or exceed their development schedule. We may modify or discontinue this policy at any time in our sole discretion.](#)

Note 2:

If you do not qualify for the reduced fee, you must pay the full fee of \$15,000. If you qualify for the reduced franchise fee when you sign the Franchise Agreement, but any of your existing restaurants are out of substantial compliance (based upon your most recent restaurant evaluation) when your restaurant opens, you must pay us the \$7,500 balance of the full franchise fee.

You may not sell, transfer, or assign a franchise you purchase at a reduced fee unless you sell it in conjunction with an open and operating restaurant associated with that franchise. We may change the amount of the initial franchise fee, including eliminating or reducing the discount.

Note 3:

~~Certain large institutional type franchisees who may buy over 50 franchises negotiated the right to buy additional franchises at the former rate of \$2,500, but there are certain time limits and quantity limits for them to buy at this lower rate. They must also meet the reduced fee requirements.~~

Note 4:

If any of these representations are not true when your restaurant opens (based upon the most recent restaurant evaluation), you agree to pay the full initial franchise fee. If we do not approve your location within 90 days after you sign the Franchise Agreement, we may cancel your Franchise Agreement and refund your initial franchise fee.

Note 54:

If you own an oil company that has at least 50 locations and you convert an existing sandwich shop business you created, own and operate at your facility into a Subway® restaurant, we will waive the initial franchise fee.

To qualify to purchase additional franchises for non-traditional locations at the reduced franchise fee, at least ~~90~~80% of the Subway® restaurants you operate must be in substantial compliance (as defined in the Operations Manual), and you must follow all operating policies and procedures for the other chain at the location where you will establish your restaurant. There must also be no material defaults under any of your Franchise Agreements with us.

Note 65:

We may refund the satellite franchise fee if we terminate the Franchise Agreement after 90 days because we or our designated affiliate does not obtain a lease or license for the premises which contains basic economic terms (for example rent, square footage, and length of term), previously consented to by you, and offer you a Sublease or Sublicense. However, this refund will not be issued if: 1) you fail to sign a Sublease or Sublicense that was previously consented to which contains basic economic terms; 2) if it is your fault we disapprove the location or we cannot obtain the lease or license; or 3) you attend training and receive a copy of the Operations Manual in electronic form. The term of the Satellite Franchise Agreement will be from the date of the Franchise Agreement until the expiration or termination of the Base Restaurant Franchise Agreement, with the right for additional 20-year renewals in line with the Base Restaurant Franchise Agreement term. ~~There is no renewal fee.~~

Note 76:

The term of the Franchise Agreement for a short-term satellite location is 1 year or less from the date of the Franchise Agreement Rider or until the termination or expiration of the Base Restaurant Franchise Agreement, whichever occurs sooner. If your Base Restaurant Franchise Agreement has not expired, you may renew the short-term satellite location for an additional 1 year term for a renewal fee of \$1,000.

Note 87:

If, with our approval, you choose to convert your satellite to a full restaurant and terminate your Franchise Agreement for the satellite, we may credit the initial franchise fee you paid. We will not allow credit for expired or terminated Franchise Agreements for the satellite. To qualify for the credit, you must be in substantial compliance (as defined in the Operations Manual) and you must comply with any necessary upgrades or additional requirements to establish a full restaurant at the satellite location.

\*\*\*\*\*

We may offer incentives of up to \$1,000 per referral to existing franchisees if they refer a first-time franchisee who purchases a franchise through a new sale or transfer. If the purchase is via a transfer, the referring franchisee may not be an owner of the restaurant to be transferred. In order to receive the referral bonus, the referring franchisee must be named by the new franchisee as his or her referral source when he or she purchases the franchise. We may also offer to credit franchisees for their qualifying airfare or mileage up to \$1,500 if they visit our offices in Milford, Connecticut, and then purchase a franchise during their visit, subject to compliance with disclosure requirements and

<i>Type of Fee</i>	<i>Amount</i>	<i>Description</i>
<del>Software License Fees<sup>6</sup></del>	<del>\$636.80 for SubShop/2000</del>	<del>You are also required to use point of sale software and web applications that we designate in all of your new and existing restaurants. SubwayPOS<sup>®</sup> is the required software, except for co-branded locations. Certain non-traditional locations may also be exempt from this requirement. Currently, only co-branded locations will be offered licenses for the Sub Shop/2000<sup>™</sup> software (including any additional necessary software or modules) in lieu of the SubwayPOS<sup>®</sup> software.</del>  <del>These Software License Fees must be paid to us, our affiliate or designee.</del>
Payment Terminal Fees <sup>7</sup> Fees <sup>6</sup>	\$237.70 for the P400 payment terminal;  \$320 for the issued/configured terminal;  \$323.30 for the P400 kit	You will pay this amount for the P400 payment terminal, or if you purchase a franchise location, the P400 payment terminal in the location should be part of the purchase.  All new and existing restaurants are required to purchase the P400 payment terminal from our approved vendor.  Certain non-traditional locations are required to use an SVS issued/configured terminal for processing gift card transactions only. There is a \$2.50 monthly maintenance fee payable to SVS.  The kit includes the cables, power cord, and countertop cradle. These Payment Terminal Fees must be paid to us, our affiliate or designee.

Note 1:

The extension fee is due when you sign our then-current form of Franchise Agreement and is nonrefundable. If you are granted an extension, you will have an additional year to open your restaurant with no right to any further extensions. The term of your franchise will then be for the full number of years granted in the replacement Franchise Agreement and you will have no right to any additional extensions. This description of the extension fees also applies if you sign a Franchise Agreement Rider to open a satellite restaurant in a non-traditional location. We may change or eliminate the extension procedures in the future.

The extension fee does not apply to school lunch locations, satellite locations operating in locations other than non-traditional locations, or short-term satellite locations. These locations must be opened within the timeframes set forth in the Franchise Agreement Rider and will have no right to any extension.

Note 2:

For certain non-traditional locations, you may need to sign a concession or subconcession agreement. If your restaurant is a school lunch location, you may enter into the contract, license, or lease directly with the entity controlling the school.

Note 3:

You may experience delays and have higher costs if you seek approval to purchase directly from vendors or from vendors not currently approved. Supply chain challenges and escalating raw material and freight costs have caused material increases in the costs of Equipment, Furniture & Décor.

Note 4:

The purchase prices for these restaurants vary greatly in price. In ~~2022~~2023, we sold ~~100~~79 restaurants ranging in price from \$1 to ~~\$55,000~~70,493.31 and our affiliates sold ~~17~~25 restaurants ranging in price from \$1 to ~~\$27,125~~105,922.25. The purchase price does not represent your total initial investment for these restaurants and may only the costs of existing physical assets, such as leasehold improvements, equipment, signs, any security systems, inventory and supplies. You may have to purchase, finance, or lease required equipment that is not included in the purchase price. You may have to spend additional money to bring the restaurant into compliance with the Operations Manual. We may offer incentives to franchisees purchasing company- or affiliate-owned restaurants that we believe have below average sales. These incentives may include but are not limited to: 1) financing by us or an affiliate for all or a portion of the purchase price at variable terms; or 2) under certain conditions, an obligation in the purchase agreement for us or our affiliate to repurchase the restaurant from the franchisee if the franchisee chooses to terminate the transaction. Under these circumstances, we or our affiliate will not repurchase the restaurant unless it is in substantial compliance as defined in the Operations Manual and the franchisee has maintained or exceeded the Average Unit Volume (AUV) of sales reported for the 12 months prior to our or our affiliate's acquisition of the restaurant from the previous owner.

Note 5:

Additional hardware and services may be added to this base package as the program evolves and/or the technology needs of the brand expand, which may result in additional costs. Additional packages at varying monthly rates may also be offered in the future. These charges do not include the costs to obtain the payment terminal to process credit and debit card payments as well as gift card and loyalty transactions, discussed below in this Item 5. Under the RTaaS program, we may act as collection agents for HP and collect fees you owe through your pre-authorized account. You will also be responsible for any costs you incur in connection with the transition from the current POS System you use to the POS System you obtain under the RTaaS program. All POS software required as of the date you obtain your POS System under the RTaaS program will be pre-installed on your POS System.

Note 6:

~~The license fee for the SubShop/2000™ software is \$636.80, which includes the initial fees for the following additional software: TeamViewer or other remote management software, the Subway® Payment Manager software, and Progress DBMS software). In the future, co-branded locations will be required to discontinue their use of the SubShop/2000™ software in favor of the SubwayPOS® software. There may also be additional fees for software support calls made after the initial installation.~~

~~In the future, we may approve additional software vendors and may charge additional fees for any such future software that we require. You will be required to comply with such changes.~~

~~Note 7:~~

You must use the payment terminal and barcode reader we require for use with your POS System to participate in the required Subway® [Gift Card Program](#), Remote Ordering Program and integrated credit/debit, contactless and mobile device payment options. Certain non-traditional locations are required to use an SVS issued/configured terminal for processing gift card transactions only.

[Puerto Rico franchisees will instead participate in our Global Payment Program to obtain payment terminals. Fees for this program range from \\$650 to \\$850, and include terminals, 60 months of Overnight Replacement Servicing, and the Program Fee.](#)

### *Development Program*

If you participate in our multi-unit development program, with our approval, by executing a Development Agreement, and one or more Franchise Agreements or Multi-Unit Franchise Agreements, you must pay a development fee equal to the then-current standard initial franchise fee (or reduced initial franchise fee, if applicable), multiplied by the number of restaurants to be developed in accordance with the development schedule under your Development Agreement. You will not be required to pay a separate initial franchise fee under any Franchise Agreement or Multi-Unit Franchise Agreement, in each case executed in accordance with your Development Agreement. The development fee is uniformly imposed, fully earned by us when paid by you and non-refundable.

\* \* \* \* \*

**Item 6  
OTHER FEES**

**OTHER FEES\***

<b>Type of Fee</b>	<b>Amount</b>	<b>Due Date</b>	<b>Remarks</b>
Royalty	8% of total gross sales	Payable weekly	See Note 1
Advertising	4.5% of total gross sales	Payable weekly	See Note 2
Audit	Overdue Amount	After billing	See Note 3
Fees for Unpaid Balances	Interest charge of 12% (or maximum rate allowed by law where your restaurant is located) per annum on amount you owe	When payment is more than one week late	See Note 4
	Late fee of 10% or (or maximum rate allowed by law where your restaurant is located) per annum of amount you owe may be charged	When payment is more than one week late	See Note 4
	\$50	When you default on payments because you change banks without notice	See Note 4
	\$20	Bounced check or pre-authorized draft	See Note 4
	Costs of collection, including lawyers' fees	When we or our affiliate incur the expense	See Note 4
<a href="#">Renewal Fee</a>	<a href="#">25% of our then-current franchise fee (currently \$3,750) for a standard renewal</a> <a href="#">25% of our then-current satellite franchise fee (currently \$1,250) for a satellite renewal</a> <a href="#">\$1,000 for a short-term satellite renewal</a>		
Transfer	50% of our then-current franchise fee (currently, \$7,500), plus \$3,000 for any satellite	When you submit your request to transfer	See Note 5. Certain reductions may apply depending upon the nature of the transfer.
Location Rent/License Fee	\$1,000 - \$6,000 per month, estimated	Payable monthly on 1st day of the month; security deposit on signing of Intent to Sublease or Intent to	Security deposit/Advance Fee paid to leasing affiliate or landlord (in our discretion); monthly rent

<b>Type of Fee</b>	<b>Amount</b>	<b>Due Date</b>	<b>Remarks</b>
Optional Restaurant Listing Service	\$100 for each 6-month period	When you list your restaurant for sale with our Help Sell Program	We may waive this fee. Paid by pre-authorized check or electronic funds transfer
Restaurant Technology Fees	<u>Restaurant Technology Fee</u> \$75 per month, subject to future increases.	Monthly	FWH may withdraw these fees from your pre-authorized account with us. See Note 14
	<del>Progress DBMS (Co-branded locations only)</del> <del>\$47 annual fee, payable to a third party, subject to future changes</del>	<del>Payable each year starting when you license the software</del>	<del>This software is only used in conjunction with the Sub Shop/2000™ software</del>
	<del>Fees for Continued use of Sub Shop/2000™ -</del> <del>\$400 annual maintenance fee, subject to future changes</del> <del>\$15 approximate menu management fee, subject to future changes</del>	<del>Payable annually, on anniversary of the license</del> <del>Payable monthly, per terminal</del>	<del>These fees apply to co-brand locations or other locations with a waiver of the requirement to use the SubwayPOS® software, if you continue to use the Sub Shop/2000™ software after the SubwayPOS® software becomes require for your restaurant.</del>
Required Payment Options	<u>Current Payment Processing Fees:</u> -Adyen Acquirer Fee per transaction: Authorization Fee is \$0.005; Capture Fee is \$0.005; Refund Fee is \$0.01, subject to future changes -Network and Interchange Fees vary depending on card brand and type of transaction. Typical Network and Interchange fees for required credit card brands range from <del>\$.22</del> <u>0.22</u> per transaction to 2.4% of the total transaction amount plus \$0.10; subject to future changes - Chargeback Fee is \$1.50 per chargeback for transactions processed through Adyen	Varies, when a guest pays for products at your restaurant using a credit or debit card	Once you sign a Merchant Services Agreement with Adyen and receive the new P400 payment terminal, the Acquirer Fee will be paid to Adyen for card-present transactions (excluding scan and pay). Network and Interchange fees are paid to Adyen; Adyen passes the Network fee to the applicable Credit Card brand (Visa, MC, and Discover) and the Interchange fee to the card holder's bank. We may receive a referral fee. See Note 15
	<u>Payment Terminal Fees</u> - P400 terminal kit is	-Available for purchase from	

<b>Type of Fee</b>	<b>Amount</b>	<b>Due Date</b>	<b>Remarks</b>
	<p>approximately \$323.30 (includes cable, power cord, countertop cradle, key injection and countertop stand; shipping and handling not included)</p> <p>-\$2.30 monthly terminal software fee</p>	our approved terminal vendor	
Subway® <a href="#">Gift</a> Card Fees	<p><a href="#">Currently as follows:</a></p> <p>-Initial fee of approximately \$60 to \$140</p> <p>-Redemption Fee equal to 2.5% of each transaction amount that applies when Subway® <a href="#">Gift</a> Card is redeemed</p> <p>-Additional Subway® <a href="#">Gift</a> Card supply costs \$0.10 per card, \$.06 per envelope and \$20 per display</p> <p>-SVS issued/configured terminal fee of \$320 (for certain non-traditional locations only)</p>	As directed by SVS	<p>Paid to SVS. See Note 15</p> <p><a href="#">Fees are subject to reasonable increases as set forth in the ordering system pricing updated from time to time.</a></p>
SVS Monthly Maintenance Fee	\$2.50	Payable monthly	<p>Payable to SVS. Includes access to technical support, terminal operating software and firmware updates as they become available, and application software updates as they become available.</p> <p><a href="#">Currently, this fee only applies to non-traditional Restaurants.</a></p>
Subway® MVP Rewards Program	1.9%, subject to any annual adjustments, of the gross sales, for each transaction made by a Subway® MVP Rewards program member at your restaurant	Payable weekly	We or FWH will withdraw these fees from your DAL pre-authorized account. See Note 15
POS System Hardware-as-a-Service Fees	Approximately \$57 per month	When you sign up	We may collect fees you owe to the vendor on behalf of the vendor. See RTaaS program discussed in <a href="#">ITEM 5</a> , <a href="#">ITEM 7</a> , <a href="#">ITEM 10</a> and <a href="#">ITEM 11</a> and Note <a href="#">2019</a>
Digital Menu Board Hardware-as-a-Service Fee	\$155 per month	Payable monthly	The digital menu board package includes four 49” professional grade high

Type of Fee	Amount	Due Date	Remarks
			bright displays, dual media players for redundancy and high temperature, media player software license and upgrades, network hardware and security, shipping, professional installation by appointment during off-peak hours, project management and reporting, 24x7x365 support desk, and second business day field service and repair.
Digital Menu Board CapEx Option	<p>CapEx charges are as follows:</p> <p>For a 4-Screen Indoor Digital Menu Board: \$8,200 per restaurant</p> <p>For a 3-Screen Indoor Digital Menu Board: \$7,650 per restaurant</p> <p>For a 2-Screen Indoor Digital Menu Board: \$7,150 per restaurant</p> <p>In all cases: \$39 per month</p>	Payable monthly	For franchisees who do not qualify for credit terms or choose accordingly, they may purchase all components and software required for an indoor digital menu board, installation and operational services.
<u>Kount Fraud Protection Fee</u>	<u>Currently, \$0.0068 per digital transaction, subject to increase if vendor price increases</u>	<u>Monthly</u>	<u>This fee will be billed to your pre-authorized account and paid to our current vendor, Kount, to provide digital transaction fraud protection services.</u>
Other Technology and Digital Initiatives	Varies as we implement various new technology and digital initiatives. Usually paid to a third party	Varies	We or FWH may withdraw fees from your DAL pre-authorized account on behalf of us or a third party. See Note 15
<u>Restaurant Design Charge</u>	<p><u>Currently, as follows:</u></p> <p><u>Remodels: \$1,000 for 1 original plus one revision floor plan; \$250 for additional revisions</u></p> <p><u>New Restaurants and Relocations: \$1,000 for 1 original plus 2 revision floor plans; \$250 for additional revisions</u></p>	<u>Varies</u>	<p><u>For remodels, the \$1,000 charge is waived if the remodel is completed within 6 months from the date the last floor plan was provided. Additional revision charges will not be waived under any circumstance.</u></p> <p><u>For new restaurants and relocations, the \$1,000 charge is waived if the buildout is completed</u></p>

Type of Fee	Amount	Due Date	Remarks
			<p><u>within 12 months from the date the last floor plan was provided. Additional revision charges will not be waived under any circumstance.</u></p> <p><u>Note, you are still required to complete remodels and buildouts in accordance with the time period set forth in your franchise agreement, and failure to do so will be a default of the franchise agreement.</u></p>
Taxes and Other Fees	Varies by State	Payable when fee is due	See Note 16
ServSafe Certification	\$50 every two years	When you apply for and/or renew certification	Fee paid directly to ServSafe or the National Restaurant Association. This certification is currently optional, but you and/or one of your employees may be required to have and maintain this certification in the future.
Training Fee and Costs	<p>No training fee for two persons; \$7,500 for any additional persons trained.</p> <p>On or after June 1, 2020, you must pay all costs for any of your restaurant employees or managers to complete certain required online training courses</p>	<p>Payable at the time of training registration, if applicable.</p> <p>Payable when your employee attends the course</p>	Payable to us. See Note 17
Catering	None; unless you participate in the online catering program powered by ezCater in which case a commission, equal to approximately 5% for ezOrdering or 13% for ezCater Marketplace, of each catering order will be charged plus approximately 2.75% of each catering order will be allocated toward credit card processing	Payable weekly when a guest places an order with the call center or website to be fulfilled by your restaurant	Paid to a third party. See Note 18
<del>Subway Listens Program</del>	<del>None, except each guest completing the survey (via receipt or email invitation) can redeem an offer of two cookies</del>	<del>Varies</del>	<del>See Note 19</del>

Type of Fee	Amount	Due Date	Remarks
	<del>or a 20-ounce drink will cost you approximately \$0.38 per redemption-</del> -		
Restaurant Excellence Visits Revisit Fee	<del>\$132.61</del> <u>136.59</u> per revisit, subject to increase by 3% per year  Effective January 1, <del>2024</del> <u>2025</u> , the Revisit Fee will increase to <del>\$136.59</del> <u>140.69</u> per revisit (subject to increase by 3% per year).	Varies	Paid to a third party. See Note <del>21</del> <u>20</u> .
Legacy Support Fee	\$200 per month of noncompliance	Monthly, as assessed	Paid to us or our affiliate to cover our cost of non-compliance if you do not comply with our technology standards and specifications, fail to return hardware, fail to upgrade systems, fail to allow access in a timely manner, install unauthorized software, or attempt to hack or circumvent our software.

\*The table above and the following notes are a general summary only. You can only obtain a full understanding of the Subway® franchise system and the costs involved by reading all franchise documentation completely, and obtaining independent legal, accounting, and business advice in relation to your proposed investment. Certain State and Federal legislation may affect the respective rights and liabilities under the various agreements to which you and we are both party. We may collect taxes from you that the law requires you or us to pay. These imposed fees are nonrefundable, except we may refund ~~a portion of~~ the transfer fee in limited circumstances. They are payable to us or to others as noted. These fees are the same for all persons currently acquiring a franchise except as noted below.

Note 1. *Royalty Fee*. “Gross sales” includes all sales of every kind made from your restaurant. Gross sales do not include any amounts you collect for state or local sales taxes. If your restaurant is in a non-traditional or school lunch location and you are selling other items from the premises, the Franchise Agreement Rider may help define gross sales subject to the royalty. The royalty is the same for all persons currently acquiring a franchise. If you are operating a non-traditional location at an Airport Terminal, Train Station, or Captive Travel Plaza, we may reduce your royalty rate. These reduced rates will range from 6.5% to 8%. Certain multi-unit franchisees entering into a Development Agreement with us may be eligible for reduced royalty rates ranging from 7.5% to 8%. The royalty is payable to us and is nonrefundable. We may pay up to one-third of collected royalties to third parties who assist with the development of our franchise system, including Business Developers. The royalty is payable weekly and is due on or before the Friday following the close of the business week which is usually Tuesday. You must submit signed forms to allow us to deposit drafts against your bank account for the full amount of the weekly accruals of royalties, advertising fees, and other amounts you will owe us. We may establish a marketing assistance fund that may be used to conduct marketing analyses and related activities regarding specific restaurants located in the vicinity of certain non-traditional locations. We may place a portion of the royalty fees received from Subway® restaurant locations developed by large companies operating 100 or more locations into this fund which will be administered jointly by us and the company developing the locations.

Note 2. *Advertising Fees.* You must pay us 4.5% of gross sales of your restaurant for advertising. The advertising fee is nonrefundable and we will deposit that money into SFAFT or such other marketing fund(s) as we shall designate from time to time. Under earlier forms of franchise agreement, many of which are still in effect, franchisees had the right to increase the advertising percentage temporarily or permanently by a 2/3 vote on the basis of one vote for each operating restaurant. At the time of issuance of this disclosure document, more than 2/3 of restaurant locations were governed by franchise agreements with this legacy provision. While unlikely, it is possible that the franchisees owning at least 2/3 of all restaurants could vote to increase the advertising percentage, but it would be among themselves only, and you would not be bound by any such increase because the current form of franchise agreement fixes the advertising fund contribution at 4.5%. Company- or affiliate-owned restaurants pay advertising fees and have a vote on advertising fund matters.

Certain satellite restaurants and other non-traditional restaurants, certain qualified Food Service Providers, and certain franchisees paying advertising fees under their leases, may each qualify to pay a reduced advertising fee ranging from ~~1.25~~0.5% to 2% of gross sales.

[Certain multi-unit franchisees entering into a Development Agreement with us may be eligible for reduced advertising contributions ranging from 2% to 3.5%.](#)

The advertising fee is the same for anyone currently buying a franchise, except as stated above. Advertising fees are due weekly at the same time as the royalty fees.

Note 3. *Audit Fees.* If we determine, after conducting an audit, that you under-reported gross sales by more than 2% of your reported sales, you will pay us the royalty, advertising contributions and other charges due on the Gross Sales that were not reported, all costs provided in Section 16.E of the Franchise Agreement, plus interest and the late fees (the "Overdue Amount"). This charge covers the damages we suffer for your under-reporting, which is injurious and prejudicial to the Subway® system, the trademarks, and the goodwill associated therewith. If you fail to submit all of your information to be audited, we may estimate your Gross Sales and charge you based upon the estimate. However, we will not impose this charge if you can show that you fully completed all of our control sheets in an accurate manner each week and that your under-reporting was due solely to employee theft that could not be detected with our control systems. We may also terminate your Franchise Agreement if you fail to properly report Gross Sales for any calendar year.

Note 4. *Late Payment Fees.* We may change or eliminate these fees.

Note 5. *Transfer Fee.* A transfer is the sale or other conveyance of any portion of your rights under the Franchise Agreement to another party, including the addition or removal of an individual from the Franchise Agreement. You will pay the standard transfer fee of \$7,500. If you own a satellite restaurant, you must transfer the Franchise Agreement for the satellite restaurant to the same buyer who purchases the Base Restaurant and the Base Restaurant's Franchise Agreement. In limited circumstances, we may allow a transfer of only the satellite restaurant and satellite Franchise Agreement if in our determination there is a good business reason to do so. You must pay a transfer fee of \$3,000 for the transfer of the satellite Franchise Agreement (or \$1,000 if the satellite will be established for one year or less) and a separate transfer fee for the transfer of the Base Restaurant. The transfer fee is payable when you submit a request for transfer.

If you or the buyer cancels the transfer before we have issued the Consent-to-Transfer, we will refund the entire transfer fee. However, if the Consent-to-Transfer has already been issued and you or the buyer cancel the transfer at any point thereafter, or we cancel the transfer because you and the buyer failed to complete the transfer within 60 days after the Consent-to-Transfer was issued, the full transfer fee will be retained by us. We may allocate a portion of any refund of the transfer fee toward any past due amounts owed to us by the party that tendered the transfer fee under the terms of their Franchise Agreement.

Notwithstanding the above, if the transfer is cancelled for any reason and the buyer attended any portion of our training course, the full transfer fee will be retained by us as full and final payment for the training given to the buyer. Any transfer fee being refunded in connection with the foregoing will be refunded to the party that tendered the transfer fee.

If you and the buyer mutually wish to reactivate a transfer that was cancelled, and we approve the reactivation, in addition to the transfer fee, a \$1,500 US per restaurant reactivation fee (\$750.00 US per Satellite, if any) is required. We will apply any portion of the initial transfer fee paid which was not refunded or applied to outstanding amounts owed to us toward the transfer fee of the reactivated transfer. The transfer will not be reactivated until all monies and documents required to complete the transfer are received by us.

In limited circumstances, a reduction in the transfer fee may apply, as outlined below.

- Standard Transfers to new or existing franchisees: \$3,200
- Transfers to next of kin or in the context of divorce: \$200
- All other transfers (additions, deletions, entity conversion, entity change of ownership, and family transfers): \$2,000, unless a lower fee is stated in your franchise agreement.
- ~~If you transfer your Franchise Agreement to your spouse or child, or add your spouse or child to your Franchise Agreement, we may reduce the transfer fee to \$3,750 plus \$1,500 for any satellite location (or \$500 for any satellite that will be established for one year or less).~~
- ~~If the buyer(s) is an existing Subway® franchisee, the standard transfer fee may be discounted by 25%. This discount may also apply if you add one or more individuals to the Franchise Agreement, and each individual added to the Franchise Agreement is an existing franchisee.~~
- ~~If the buyer is an existing Subway® franchisee that is purchasing 4 or more Subway® franchises from the same seller at the same time, then we may discount the standard transfer fee by 25% for the first 3 franchises and by 50% for any of the remaining franchises.~~
- ~~If the buyer will be a new Subway® franchisee, and is purchasing 4 or more Subway® franchises from the same seller at the same time, the standard franchise fee will apply for the first 3 franchises, but the transfer fee for any remaining franchises may receive a discount of 50%.~~
- ~~If (i) you are an individual and you transfer ownership of any of your restaurants from yourself to an entity you control in a single transaction, (ii) you are an entity and you add or remove one of your owners, or (iii) you are an entity and you transfer ownership among your existing owners, then the transfer fee will be reduced as follows:~~
  - ~~For Restaurants 1—5: \$2,500 per restaurant~~
  - ~~For Restaurants 6—10: \$2,000 per restaurant~~
  - ~~For Restaurants 11 and subsequent: \$1,500 per restaurant~~

We may change, modify or eliminate any reduction in the transfer fee at any time.

You must pay all related registration fees, taxes, and preparation costs for the filing, including lawyer's costs, to the extent we can require you to do so under local law. You must cancel, and then the buyer must obtain, or you must transfer to the buyer, any permits, licenses, registrations, certifications or other consents required for leasing, constructing, or operating the restaurant. We are authorized to cancel any permits, licenses, registrations, certifications or other consents that you do not cancel within a reasonable time. Any costs for cancellation will be borne by you.

Your final purchase agreement with the buyer for the location must meet our requirements. We will not become involved in the sale of any real estate included or contemplated in your sale terms. We will not be responsible for any loss or gain resulting from any sale, failure to sell or delay of the sale of the real estate. Any such loss or gain shall be incidental, consequential, contingent and not part of the transfer of your restaurant and the Franchise Agreement.

Note 6. *Location Rent.* You pay rent for your restaurant to our leasing affiliate or the landlord of the premises (at our discretion), under either, at our option, a Sublease you enter into with our designated affiliate or a direct lease you enter with the landlord. If you enter into the Sublease, it may contain a rental rate and terms different from the master lease between the landlord and our affiliate, and we or our leasing affiliate may keep the difference between the rent under the master lease and the sublease. Each of your owners will sign and deliver to our affiliate a guarantee of the payment obligations under the Sublease. Our leasing affiliate will require you to personally guarantee the Sublease. The landlord under a direct lease may also require you to personally guarantee the lease and may require a right of first refusal if you want to transfer your restaurant. Our affiliate may assess late payment fees and other costs arising from the administration of the Sublease. Our affiliate has the same rights as the landlord on default to charge you for

Note 13. *Co-Brand Continuing Fee.* We may charge you a co-brand continuing fee on your gross sales from a third party franchisor. The fee will not be greater than 8% of gross sales from the third party franchisor, and will be the same for all franchisees entering into direct franchise agreements with the third party. The percentage may vary for each third party franchise concept. You will pay royalty and advertising fees due to a third party franchisor to us if the third party franchisor directs you to.

Note 14. *Software Maintenance Fees.* You will pay a monthly Restaurant Technology Fee of approximately \$75. In addition to the SubwayPOS<sup>®</sup>, the Restaurant Technology Fee will cover other types of restaurant technology. This monthly Restaurant Technology Fee may be subject to change each year. We may withdraw these fees from your pre-authorized account with us. In addition to the Restaurant Technology Fee, we reserve the right to impose a Digital Technology Fee in the future to cover our costs of development, infrastructure and support of programs including our Subway<sup>®</sup> App, Online Ordering, Third-Party Delivery platform support, Digital Menu Boards and Social Media Platforms.

When you use the SubwayPOS<sup>®</sup> software, you will be bound by the SubwayPOS<sup>®</sup> End User License Agreement in a form substantially similar to Exhibit A-3-1-3. We may make changes to this license agreement at any time in order to keep pace with advances in technology and other initiatives, and you may be required to agree to our then current form of SubwayPOS<sup>®</sup> End User License Agreement in order to access required software updates.

~~At this time, you must use the SubShop/2000<sup>™</sup> software at your co-branded location. You will pay a third party supplier an annual licensing fee of \$47 for the Progress DBMS database management software that is used in conjunction with the SubShop/2000<sup>™</sup> software. This fee may also increase, particularly as more restaurants worldwide transition to the SubwayPOS<sup>™</sup> software. If you use the Sub Shop/2000<sup>™</sup> software, you will be bound by the Sub Shop/2000<sup>™</sup> Software License Agreement in a form substantially similar to Exhibit A-3. In the future, co-branded locations will be required to discontinue their use of the Sub Shop/2000<sup>™</sup> software in favor of the SubwayPOS<sup>®</sup> software. If you do not discontinue your use of the of the Sub Shop/2000<sup>™</sup> software within the time we permit, you will be required to pay us a monthly menu management fee of \$15 for each of your POS terminals and an annual maintenance fee of \$400 to cover our or our affiliate's costs for providing software services to you for the Sub Shop/2000<sup>™</sup> software. These costs may increase. In no way is the assessment of these fees to be construed as permission from us to continue to use Sub Shop/2000<sup>™</sup> software in any restaurant without a waiver, nor will your payment of them relieve you from any default under your Franchise Agreement for the restaurant in which you are not using the SubwayPOS<sup>™</sup> software after it becomes required for the restaurant.~~

~~If you would like updates/enhancements for your SubShop/2000<sup>™</sup> software by disk or other medium, instead of downloading the updates/enhancements from the intranet website, you must order the disk from us and pay the cost of producing the disk, as well as a shipping and handling charge.~~

Support for the required software programs is available from our affiliate, FWH, for an additional fee. You are required to use support software we designate unless you request and are granted a waiver. Currently, this software is BigFix Endpoint Management Software ("BigFix"). We will use this software to remotely access your POS system with your consent in order to maintain system security, perform routine system maintenance, provide technical support, increase operational efficiency, install updates to software programs and/or applications, and install or remove software programs and/or applications. If you receive a waiver, we or our affiliate may not be able to provide you with proper software support, and we or our affiliate may charge you additional fees to provide you with any updates to the ~~Sub Shop/2000<sup>™</sup> software or~~ SubwayPOS<sup>®</sup> software through alternative means.

You are also required to use the Subway<sup>®</sup> Payment Manager ("SPM") software in connection with offering integrated credit/debit, contactless and mobile device guest payment options, Subway<sup>®</sup> [Gift](#) Card Program and Subway<sup>®</sup> MVP Rewards Program. The initial license fee and any maintenance fees for the SPM software are included in the fees reflected in the chart above.

Note 15. *Required Guest Payment Options, Subway<sup>®</sup> [Gift](#) Card Program, Subway<sup>®</sup> MVP Rewards Program, and Other Technology and Digital Initiatives.* These fees represent the costs associated with the offering of integrated credit/debit, contactless and mobile device guest payment options to your guests and your participation in the required Subway<sup>®</sup> [Gift](#) Card Program and Subway<sup>®</sup> MVP Rewards Program. You will be required to participate in these programs and payment options for all of your new and existing restaurants, unless we grant you a waiver.

You are required to use the integrated payment solution we designate, which includes use of a designated acquirer and processor for payment processing services, in all of your new and existing restaurants, unless we grant you a waiver. We may require you to use a different integrated payment solution provider than the one designated in this Item 6. If we do so, you may be required to pay fees to the alternative provider (or to us or our affiliates on the provider's behalf) that are different from the fees for "Required Payment Options" set forth in the table above.

You will be required to purchase the P400 payment terminal kit from a third party we designate for a one-time fee of \$323.30. If you have technical issues with your terminal, our approved supplier may replace the terminal. If you fail to return your terminal within a specified time (currently 25 days), then the supplier may charge us a fee (currently \$150), that we or our affiliate will pass on to you.

If you operate a non-traditional restaurant and are required to purchase an SVS issued/configured terminal, you must pay an initial fee of \$320. If you have technical issues with your terminal, SVS may replace the terminal. If you fail to return your terminal within a specified time (currently 30 days), then SVS may charge us a fee for shipping, installation, and file-building.

You must have a high-speed broadband connection that meets our standards and specifications to process card payments. You are required to accept the following credit card and debit card brands, unless we grant you a waiver: VISA, MasterCard, Discover and American Express. The Acquirer, Network, and Interchange fees will be charged for all credit and debit card purchases regardless of whether they are made remotely through the remote order website, Subway® mobile app or other payment app, or the catering call center ("Card Not Present Transactions") or in-restaurant ("Card Present Transactions"). The Network and Interchange fees vary depending upon the credit card or debit card brand and type of transaction. These fees may be re-negotiated over time and are subject to change.

The Subway® [Gift](#) Card Program is a required program that allows guests to load money on a stored value account and redeem it for menu items. We estimate your total initial fees for the Subway® [Gift](#) Card Program to be approximately \$60 to \$140 (initial Subway® [Gift](#) Card inventory and envelopes). There may be additional costs for additional inventories of Subway® [Gift](#) Cards and envelopes. There may be additional fees for software/hardware support. Certain non-traditional locations that have been granted a waiver of the POS System requirement and/or integrated payment solution requirement must purchase an SVS issued/configured terminal to process gift card transactions.

You are required to participate in the Subway® MVP Rewards program administered by our affiliate, Subway MyWay, LLC, for all of your new and existing restaurants, including AAFES, NEXCOM and MCCS locations. As of the date of this Disclosure Document, your fees will be 1.9%, of the gross sales for each loyalty/reward transaction made by a Subway® MVP Rewards program member at your restaurant, subject to any annual adjustments as stated in the chart in this Item and below. You will be charged this fee on all loyalty/reward transactions made by a program member for all of your new and existing restaurants. By way of example, if a Subway® MVP Rewards program member spends \$10 at your restaurant, you will pay to us a fee of up to \$0.19. All Subway® MVP Rewards program fees will be paid to and administered by Subway MyWay, LLC or another affiliate we designate. You may also incur incidental charges for supplies associated with your participation in the program. For each loyalty/reward purchase in which a \$2 reward or a "Surprise Reward" reward is redeemed by a Subway® MVP Rewards program member, you will be reimbursed for 30.9% of the cash value of a \$2 Rewards and/or "Surprise Reward" redeemed for that purchase. By way of example, if a Subway® MVP Rewards program member redeems \$10 worth of \$2 Rewards or a "Surprise Reward" at the time of purchase, you will be reimbursed \$3.09.

All redemption costs for the Subway® MVP Rewards program will be paid by Subway MyWay, LLC or another affiliate we designate. The fees and reimbursement rates associated with the loyalty/reward program are based on an average cost of goods sold for the US. We will review the average costs of goods sold in the US on an annual basis. As a result, your fees and reimbursement rates for the loyalty/reward program may change annually.

We are developing new technology and digital initiatives to enhance the guest experience, improve the efficiency of restaurant operations, and promote the Subway® brand. We may require you to implement some or all of these programs and initiatives at your expense, within reasonable timeframes we impose. All requirements must be met by the compliance date we establish. In addition to the programs described above in this Note 15, you must provide us with a business email address and cellular phone number that you will use to receive electronic communications and

calls from us or our affiliate. Below is a list of other the technology and digital initiatives you may be required to implement and/or invest in. This list is not exhaustive and will change as we and our affiliates expand and evolve our technology and digital programs.

- a cloud-based storage solution;
- acceptance of debit cards;
- Subway® Pay;
- SMS messaging or email campaigns;
- Social Media applications, software applications and payment applications;
- Mobile device management software;
- guest experience surveys;
- biometric devices;
- guest-facing WIFI;
- remote ordering kiosks;
- a personal computer;
- label printer;
- tablet or iPad;
- wireless internet router;
- hardware or software firewall;
- hand held devices;
- E-learning;
- Digital menu boards;
- Subway® Radio or other music; and
- Internet TV and LCD or plasma monitors.

You may be required to use a supplier we designate for any goods and services associated with these initiatives. We estimate fees for the wireless internet router to be \$15 to \$25 per month and fees to provide free internet to your guests to be \$75 per month. You may be able to purchase the wireless internet router outright for approximately \$600 to \$750. In the future, we may require you to invest in an internet and security package that will provide business class internet services, a hardware or software firewall security system, and guest-facing WIFI. We estimate that the digital menu boards will cost \$8,000 to \$14,000. We estimate that the purchase of a tablet, label printer and mobile device management software may cost \$700 to \$1,000. These fees may also vary by region and may be higher based on product availability and taxes. We cannot estimate the costs for other initiatives listed above as they are in the early stages of planning and costs cannot be estimated at this time.

These fees vary for Puerto Rico franchisees as part of our Global Payment Program, as follows: (1) Acquirer Fee per transaction ranging from \$0.00-\$0.10 subject to future changes; (2) Network and Interchange Fees vary depending on card brand and type of transaction, where typical Network and Interchange Fees for required credit card brands range from \$0.22 per transaction to 2.4% of the transaction total, subject to future changes; (3) fixed \$3 “Monthly Terminal Fee” as well as the variable “Worldpay Rebate” based on transaction volume (both will be collected by the processor—Worldpay or Fiserv—and remitted to us; and (4) fixed \$10 Monthly Switching Fee collected by FreedomPay (collected by the processor—Worldpay or Fiserv—and remitted directly to FreedomPay).

Note 16. *Taxes and Other Fees.* You will pay or reimburse us for payment of any Sales Tax or other tax imposed by law on the Franchise Fee, Royalty, advertising fees, and any other amounts payable under your Franchise Agreement, whether assessed on you or on us. Taxes may be payable to your state, county, or town. We, or another entity to which you pay fees, will pass on to you the cost of any taxes we or the other recipient must pay directly to the taxing authority.

Note 17. *Training Fee.* There is no fee for two persons to attend the Training Program. A training fee of \$7,500 will be charged for any additional persons attending training. You must also pay all costs for any of your restaurant employees or managers to complete in-restaurant certain required online training courses.

Note 18. *Catering Program Fees.* There is no fee for the basic catering program. However, if you participate in the online catering program powered by ezCater, a fee of approximately 7.75% (for ezOrdering) or 15.75% (for ezCater Marketplace) of each catering order will be charged to cover commissions and includes credit card processing fees. This fee may change to reflect costs. We may make additional modifications to the program and you will be responsible for any costs or fees associated with those modifications.

~~Note 19. *Subway Listens Program.* You are required to participate in the Subway Listens program. Under the program, guests will have the opportunity to fill out an online survey at a web address provided on their receipt or by email invitation (for online orders). Upon completion of the survey, the guest will be given a unique offer code. Currently, the offer consists of two free cookies or a 20-ounce fountain drink with the purchase of any sub, melt, wrap, bowl, or salad. Guests may redeem with their offer code at any Subway® restaurant. There are no fees to~~

~~participate in the program except that you will be responsible for the cost of the offer redeemed by the guest. Currently, the cost of the cookies or drink redeemed by the guest is estimated at approximately \$0.38 per offer redeemed. In the future, we may offer guests different incentives, which may increase or decrease your costs. You may review guest survey results and key metrics for your restaurant online or in the guest experience app (<https://subway.medallia.com>). You may be required to respond to certain guest feedback with a specified period of time in accordance with the procedures outlined in the Operations Manual.~~

Note ~~20~~19. *POS System Hardware-as-a-Service Fees*. The amount in the chart represents the estimated cost of the base package in the RTaaS program, exclusive of tax and shipping charges for one POS System. Additional hardware and services may be added to this base package as the program evolves and/or the technology needs of the brand expand, which may result in additional costs. Additional packages at varying monthly rates may also be offered in the future.

Note ~~21~~20. *Restaurant Excellence Visits*. Our third-party provider will perform Restaurant Excellence Visits periodically at your Restaurant to ensure compliance with our standards and specifications, to promote best practices and food safety execution, and to assist with keeping up with industry trends. Franchisees are not charged for periodic visits; however, if your Restaurant receives a “Fail” score from our provider, you will be charged the Revisit Fee. You will receive a revisit until a passing score is achieved, and you will be charged the Revisit Fee for each revisit.

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**Item 7**  
**ESTIMATED INITIAL INVESTMENT**  
**(Single Restaurant)**

Type of Expenditure	Lower Amount	Mid Amount	Higher Amount	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
Initial Franchise Fee (1)(10)	\$ 15,000	\$ 15,000	\$15,000	Lump sum	When you sign Franchise Agreement	Us
Real Property (2)	2,000	5,000	12,000	Lump sum	When you sign Intent to Sublease or Sublicense, or direct lease	Us, Landlord or Licensor See note 2
Leasehold Improvements (3) <i>For a Non-Traditional Location</i>	75,000 *40,900	150,000 *44,750	200,000 *77,000	As incurred	Pro rata during construction	Vendor
Equipment, Furniture and Décor (4)	<del>101,700</del> <u>106,785</u>	<del>150,300</del> <u>157,532</u>	<del>198,900</del> <u>208,845</u>	Lump sum	When you place order	Us or Vendor
Optional Security System (not including monitoring)	2,450	2,850	3,550	Lump sum	When you place order	Vendor
Freight Charges (varies by location) <i>For a Non-Traditional Location</i>	8,000 *3,000	10,400 *3,800	14,000 *4,000	Lump sum	Prepaid when you order or on delivery	Carrier
Outside signage (10) <i>For a Non-Traditional Location</i>	2,000 *1,600	4,000 *4,000	8,000 *8,000	Lump sum	When you place order	Vendor
Opening Inventory	4,400	5,225	6,050	Lump sum	Within 1 week of opening	Vendor
Insurance (5)	1,000	2,000	6,000	As incurred	Before we will order equipment	Vendor
Supplies	500	900	1,300	As incurred	Before opening	Vendor
Training Expenses (6) (including travel & lodging)	2,500	3,500	4,500	As incurred	During training	Hotel, etc.
Legal and Accounting	1,000	2,000	3,500	Lump sum	Before opening	Vendor
Grand Opening Advertising (9) (10)	2,000	3,250	4,000	Lump sum	Around initial opening or after relocation, remodel, and/or transfer to a new franchisee	Vendor
Miscellaneous Expenses (7) (business licenses, utility deposits, & small equipment)	4,000	6,000	8,000	As incurred	As required	Vendor
Additional Funds - three months (8)	12,000	26,000	42,000	As incurred	As required	Note 8
TOTAL (11) <i>For a Non-Traditional Location</i>	<del>\$233,550</del> <u>38,623</u> <del>\$194,050</del> <u>99,135</u>	<del>\$386,425</del> <u>93,927</u> <del>\$274,575</del> <u>82,077</u>	<del>\$526,800</del> <u>6,745</u> <del>\$393,800</del> <u>3,745</u>			

We have recently unveiled a new restaurant décor design, “Fresh Forward”. The “Fresh Forward” décor is the required décor and equipment package for all new restaurants and relocations. Existing locations are required to remodel to the “Fresh Forward” décor and equipment package or an approved variation thereof, such as the “Fresh Start” décor and equipment package, in accordance with the timeframe established in the Operations Manual. The cost of construction and all décor elements and the cost of its installation in the restaurant shall be at your sole expense. This estimate does not include costs to ship required décor elements.

We are currently in the process of assessing costs to build-out a non-traditional location and a freestanding location with a drive thru in accordance with the Fresh Forward décor, but as we are in the initial stages of this process, costs cannot be estimated at this time. We anticipate that costs to build-out a non-traditional location will be higher than those indicated in the chart above in this Item 7 but lower than the additional costs incurred in connection with the build-out of a traditional location in accordance with the Fresh Forward décor. The costs to build out a free standing location with a drive thru may be substantially higher than those indicated in the chart for a traditional location. We exclusively reserve the right to modify any element of the Subway® restaurant décor and equipment package.

Note 4. *Equipment.* You must use an approved POS System in all of your new and existing restaurants, including satellite restaurants. We may waive this requirement in limited circumstances on a case-by-case basis. We have negotiated with Hewlett Packard (“HP”) and you are required to participate in the hardware-as-a-service component of the RTaaS program to obtain the POS System from HP. Under the RTaaS program, we may act as collection agents for HP and collect fees you owe through your pre-authorized account. We estimate the cost to obtain the POS System under the base package of the RTaaS program to be approximately \$57 per month, exclusive of tax and shipping charges. Additional hardware and services may be added to this base package as the program evolves and/or the technology needs of the brand expand, which may result in additional costs. Additional packages at varying monthly rates may also be offered in the future. This amount does not include ~~Sub Shop/2000™ initial license fee of \$636.80 (applicable to co-brand locations only) or~~ the cost of the card reader or barcode reader. The required payment terminal costs are also not included, and will vary; the P400 payment terminal is \$237.70 (assuming you purchase it outright) and the SVS issued/configured terminal for certain non-traditional locations processing gift card transactions only is \$320. The barcode reader is an additional \$170 or \$180 if your restaurant has a drive-thru.

This estimate includes the cost of your initial supply of menu board translates. You must purchase your initial supply of menu board translites from us or SFAFT, unless we designate otherwise. The estimated cost for menu board translites is \$125. You must also buy decals and replacement menu board translites from us or SFAFT, and certain operational items from the supplier we designate. The estimated cost is less than \$600 and is nonrefundable.

You have the option to purchase digital menu boards typically consisting of four television screens, media players, HDMI cables, and menu content management services from us, an affiliate or a designated supplier. The estimated cost to purchase and install the digital menu boards are \$8,000 to \$14,000; however, this estimate is not included in the table above because we anticipate that most franchisees who choose to use digital menu boards will opt to lease them through our approved supplier’s Hardware-as-a-Service program, currently \$155 per month. Ongoing licensing fees and support fees may apply. In the future, we may require you to purchase digital menu boards.

Note 5. *Insurance.* You must purchase the insurance we specify for each of your restaurants, which presently includes statutory Workers’ Compensation and Employers Liability, as required by law, General Liability insurance, including products liability and completed operations coverage in the minimum amount of \$2,000,000 per occurrence/\$4,000,000 general aggregate, and Auto Liability insurance, including owned, non-owned and hired vehicle coverage, in the minimum amount of \$1,000,000. General liability coverage must be written on a per location basis. You must also purchase the insurance required by the Master Lease and state law. If you lease equipment from us, you must purchase property insurance and liability insurance covering the equipment and name us as loss payee. In addition to the foregoing requirements, if you are permitted to sell alcohol at your restaurant, you must carry liquor liability insurance in the minimum amount of \$1,000,000 per location. Your insurance coverage must be primary and non-contributory, and you must name us, our affiliates, SIP, the Business Developer, our agents, representatives, shareholders, directors, officers, employees, and those of our affiliates and the Business Developer, the tenant corporation named in your Sublease or Sublicense and your landlord as additional insureds unless otherwise directed. You must provide us with a copy of your Certificate of Insurance when you return your signed Sublease or Sublicense or finalize your Lease or License. Your insurance carrier must agree to give us prior written notice of termination, expiration, material modification, or cancellation of your policy, or cancellation of us or any of

Type of Expenditure	Lower Amount	Mid Amount	Higher Amount	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
Development fee for 2-10 Restaurants	\$22,500	\$52,500	\$82,500	Lump Sum	When you sign the Development Agreement	Us
TOTAL UNDER DEVELOPMENT PROGRAM <i>For a Non-Traditional Location</i>	<del>\$241,050</del> 46,123 <del>\$201,550</del> 06,635	<del>\$423,925</del> 31,427 <del>\$312,075</del> 19,577	<del>\$594,300</del> 4,245 <del>\$461,300</del> 1,245			

We anticipate that multi-unit developers will also often purchase existing Subway® restaurants. The estimated initial investment under the development program presented above does not take into account the purchase price or other initial investment associated with purchasing existing Subway® restaurants.

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Apart from: (1) entering into the master lease and subleasing the restaurant premises to you; and (2) loans in connection with a Subway® restaurant, we and our affiliates do not offer assistance or financing to you directly or indirectly. The above costs are not refundable, the location security deposit (depending upon the terms of the master lease), and utility deposits (depending on the terms set by each local utility), as long as you are in compliance.

*Additional Menu Items under the Marketwide Option Program.* If you offer additional menu items under the Marketwide Option Program described in Item 1, you will have additional investment costs. We estimate your additional investment costs below for adding our own menu options. If you enter into a franchise agreement or a license with a third party, the third party should provide you with the investment cost information for adding its products and concepts.

This chart is our estimate of your additional investment costs to offer our in-house additional menu programs. If your advertising fund market has approved a menu program we designate as a Marketwide Option Program, or approves the menu program in the future, you will have to make the investment associated with that menu program.

***Costs to Add Additional Menu Items Under the Marketwide Option Program***

	SOUP <sup>1</sup>	OMELET (Induction)
Leasehold Improvements (includes any outside signs)	\$ -	\$200
Equipment (purchase not lease)	0	1,400
Freight Charges	50	200
Opening Inventory	260	200
Supplies	100	100
Opening Advertising (optional)	2,000	2,000
Miscellaneous Expenses	100	100
Additional Funds-3 months (includes incremental labor)	100	1,000
TOTAL <sup>2</sup>	\$2,610	\$5,200

<sup>1</sup> Equipment for the soup program is optional.

<sup>2</sup> All costs are nonrefundable. See Item 10.

amount of time it takes to receive approval from us may vary depending on the supplier, but generally ranges from two months to one year. We may re-inspect and re-evaluate the facilities and products of any previously approved supplier and may revoke its approval if we find the supplier fails to meet any of our standards and specifications at any time.

### **Approved Suppliers**

In any instances where we or our affiliate are an approved supplier, we or our affiliate, as applicable, may derive revenue from your purchases. Otherwise, we and our affiliates do not derive revenue or profit from your purchases or leases but reserve the right to do so in the future.

#### *Equipment*

IPC manages equipment ordering platforms and relationships with equipment suppliers.

Currently, Huntington Technology Finance, Inc. is the sole approved supplier of leasing services for certain leased equipment. To lease the equipment that is part of this program, you will be required to execute the Huntington Technology Finance Equipment Lease attached as Exhibit K-2.

#### *Real Estate*

If you do not own an approved location or lease an approved location directly, then we either designate a real estate leasing company affiliate to enter into the lease or license for the approved location and you sublet or sublicense from our affiliate or we or the real estate leasing company affiliate own the premises and directly lease or license the premises to you. If we or our affiliate act as landlord or licensor, we or our affiliate, as applicable, will derive rental revenues and may retain a profit. If we or our affiliate act as sub-landlord or sub-licensor, we or our affiliate, as applicable, may derive rental revenues and may retain a profit.

The Sublease and Sublicense impose all costs and obligations of the master lease or license on you (except that we reserve the right to earn a profit under the sublease by charging amount in excess of amounts payable under the master lease). We or our real estate leasing company affiliate may derive revenue from the charge of base rent, additional rent, premiums, late payment fees, and other assessment costs and charges and can exercise the same rights as a landlord, including, termination remedies and government payments. As of the issuance date of this Disclosure Document, we have not charged rent.

In accordance with certain state law, including Nevada, you may be required to use an architect licensed in the state of Nevada for the preparation of site-specific drawings to be used in the new construction, alteration, and remodel of Subway® restaurants located in or contemplated in Nevada. You may be required to use the licensed architects that we designate.

#### *POS System Hardware and Software*

Currently, there is only one approved supplier for your POS system hardware. You are required to enroll in the hardware-as-a-service component of our RTaaS program with HP to obtain a POS System.

We and our affiliate, FWHT, developed the SubwayPOS® software. FWHT is the only approved supplier and licenses it to you with various third party components. Currently, there is no monthly software maintenance fee if your restaurant will be located in the United States, but we may charge one in the future; however, if your restaurant is located in a United States territory (not a state), we will charge you a monthly maintenance fee.

~~If you operate a co-branded location, we are the sole approved supplier for the Sub Shop/2000™ software (including Sub Shop/2000™, Sub Shop/2000 HOME OFFICE™ System and Sub Shop/2000 In Store HOME OFFICE Support™ software), which we will license to you. The license fee for the SubShop/2000™ software is \$636.80, which includes the license fees for the following additional software: TeamViewer or other remote management software, the Subway® Payment Manager software, and Progress DBMS software). We are the approved vendor for~~

~~the, and we will license this software to you. We are in the process of phasing out the Sub Shop/2000™ software and will require a transition to the SubwayPOS® software.~~

Our affiliate, FWH, will provide ~~limited software support for Sub Shop/2000™ and~~ full support for the SubwayPOS® software. ~~Support for Sub Shop/2000™ software may also be offered by various third parties.~~ We will receive revenue from the support FWH provides to Subway® franchisees worldwide through the FWH Technology Support Center.

The approved Subway® Payment Manager (“SPM”) software you must install and use to participate in the required Subway® [Gift](#) Card Program, and to offer the required integrated credit/debit, contactless and mobile device payment options is only available from us. We will license the SPM software to you.

You are required to participate in the Subway® MVP Rewards program administered by our affiliate, Subway MyWay, LLC, for all of your new and existing restaurants, including AAFES, NEXCOM and MCCS locations. You will be responsible for all costs associated with the program. As of the date of this Disclosure Document, your fees will be 1.9% of the gross sales, in addition to incidental charges and subject to any annual adjustments, for each loyalty/reward transaction made by a Subway® MVP Rewards program member at your restaurant.

The approved service provider you must use to participate in the required Subway® [Gift](#) Card Program is currently Select Value Services (“SVS”), a division of Comdata Inc. You must execute the Franchisee Participation Agreement attached as Exhibit A-11. We may change the approved service provider from time to time.

You must obtain and use the payment terminal we designate to participate in the required Subway® MVP Rewards Program, Subway® [Gift](#) Card Program, Remote Ordering Program and to offer the required integrated credit/debit, contactless and mobile device payment options, which you may acquire from any approved supplier so long as it conforms to our specifications. Currently, there is one approved acquirer and processor for payment processing services, Adyen. The P400 payment terminal must be purchased from the third-party vendor we designate. We may change the approved terminal and processor from time to time. If your restaurant has a drive-thru, you must purchase a barcode reader from our approved supplier.

Currently, we have one approved supplier for catering call center services.

In-Store Broadcasting Network (“IBN”) is the only approved vendor for Subway® Vision, an in-store media system which includes promotional materials for the Subway® brand, third party advertisements and other entertaining information for guests.

#### *Other Approved Suppliers*

We and IPC, on the one hand, entered into an agreement with Coca-Cola North America, a division of the Coca-Cola Company (“Coke”), on the other hand, designating Coke as the sole approved supplier of certain beverage products and the equipment for those beverage products to franchisees. Under this agreement, you are obligated to enter into a Participation Agreement with Coke, and serve only certain beverages licensed by Coke, subject to limited exceptions. Franchisees of certain non-traditional locations and co-brand locations are exempt from this requirement.

[Beginning January 1, 2025, PepsiCo, Inc. will be the sole approved beverage supplier for most U.S. Subway® restaurants.](#)

In addition to Coke products, we currently designate only one approved supplier for certain other food and beverage products, and other products and materials such as cleaning products, paper products, plates and plasticware.

If you have a school lunch location, you may have only one approved supplier for some food items.

We designate one or more approved insurance brokers and their associated carrier(s) under a Gold Standard Insurance Program and you must purchase your general liability and Workers’ Compensation insurance from one of these brokers and their associated carrier(s) unless permitted otherwise.

We designate suppliers for additional menu items and equipment offered under the optional Store Option Program and Marketwide Option Program. Some of the equipment items for these programs may only be available for purchase through us from time to time. Currently, there is one approved supplier for each of the following menu items and equipment for these programs: omelet (including induction burners, pans, custom cutting board, small-wares).

SubSource, LLC, is an approved supplier of web-based software and services used in Subway® restaurants.

You must use only approved suppliers for third party delivery services. You must provide delivery services in compliance with the Confidential Operations Manual and as we otherwise specify in writing from time to time, and you must pay any commissions charged for their services.

We do not currently, but may in the future, require you to purchase or lease digital menu boards from a sole approved supplier.

### **Interests in ~~Approved~~Required Suppliers**

One or more of our officers ~~owns an interest in Schoox, our training platform, and~~ publicly-traded stock in ~~two~~three of our ~~approved~~required suppliers, PepsiCo, Inc. ~~and~~and The Coca-Cola Company and Microsoft. In addition, some of our franchisees and our Business Developers may have interests in various ~~approved~~required suppliers. Other than that, no current officers of DAL have any ownership interest in any ~~approved~~required supplier that provides goods or services to Subway® franchisees.

### **Purchasing Cooperative, Rebates and Negotiated Prices**

The IPC is a purchasing entity that works with us and our affiliates to approve suppliers and negotiate prices, discounts, and other purchase and distribution arrangements for the benefit of Subway® franchisees throughout the system or in a particular region. The IPC will not have any exclusive rights for the purchase of approved products. The IPC may earn revenue in connection with the services it provides.

Upon signing the Franchise Agreement, IPC's charter documents provide that you are eligible to become a member of IPC that has voting rights on a representative board (a "Member") or an associate Member that benefits from Member activities without voting rights (an "Associate Member") of the IPC. To become a Member or Associate Member, you must complete a membership form prescribed by the board of the IPC. You may opt out of being a Member or Associate Member of the IPC by sending the IPC written notification, and purchase from other third-party vendors instead of from IPC. The IPC may amend its charter documents—changing these membership requirements—from time to time.

We and the IPC may negotiate agreements with approved suppliers, which may require contributions by the suppliers for national or local advertising, research and development, equipment, technology and digital initiatives and other uses benefiting franchisees. The amount of the contributions is usually determined as a specific amount of money per quantity of product purchased by franchisees, or sometimes as a percentage of the supplier's dollar sales to franchisees of the product. In some cases, these contributions are earmarked by a supplier for specific purposes, and we use the funds accordingly. By way of example, suppliers that contribute to funds which benefit franchisees in the United States are making contributions at approximately the following rates based on franchisee purchases: \$0.03 - \$0.10 per pound; \$0.18 - \$1.00 per case; \$0.052 per bag; \$0.97 - \$1.53 per gallon; or 2% to 37% of sales dollars. We and IPC reserve the right to negotiate these arrangements and administer the contributions. There may be an upcharge on certain products as a result of these arrangements.

We or SFAFT may allocate the advertising contributions to a specific region or market at our discretion and we and SFAFT have no obligation to allocate all of the supplier contributions for advertising to any particular market. We cannot quantify or guarantee any benefits to you as a result of any vendor contributions paid on your purchases from a vendor or otherwise.

Vendors and suppliers may also contribute money to our Franchisee Education Fund. This fund is to be used for Subway® franchisee educational and other purposes approved by us. The IPC will manage the solicitation of funds from vendors and suppliers that have been collected from franchisee product purchases, which may reflect a markup.

We currently contribute any income, after expenses, from the annual Subway® convention into the Franchisee Education Fund.

Contributions from suppliers, including manufacturers and distributors, may be negotiated on a local level with the funds being used to promote advertising or some other use benefiting franchisees in the local market. We are not able to provide specific information on any such local programs, but we believe that these suppliers make contributions at rates similar to those previously discussed.

Suppliers may also pay booth fees, sponsorship fees and other fees to participate in franchisee trade shows or conventions. These payments may subsidize our or our affiliate's costs to hold a franchisee convention or field meeting.

We have an arrangement with a payment processing provider whereby we receive the following incentives based on payment processing volume through our provider's network at Subway® restaurants:

- For debit and prepaid transactions, we receive \$0.014 per transaction.
- For debit interchange reimbursement fees, we receive a 0.10% incentive.
- For debit prepaid interchange reimbursement fees, we receive a 0.25% incentive.

We may negotiate other arrangements with suppliers, vendors, manufacturers or distributors. We or our designee may receive the contributions we negotiate, or we may direct that any contributions we negotiate be placed into one or more funds to be used for the benefit of franchisees. We cannot guarantee that you will benefit directly from any of these contributions.

### **Overall Required Purchases**

The products or services we require you to purchase or lease from an approved supplier, or purchase or lease in accordance with our standards and specifications, are referred to collectively as your "Required Purchases." We estimate that your Required Purchases will account for approximately 66.5% to 100% of all purchases and leases necessary to open your restaurant, and approximately 29.5% to 37.5% of your annual costs to operate your restaurant. These percentages will vary based on whether you lease or purchase equipment from us and whether you participate in optional programs listed below.

#### *Optional Program Required Purchases*

If you choose to offer the following programs at the restaurant, the Required Purchases are as follows:

*Soup:* The Required Purchases of soup represent 15% of your total purchases in connection with establishing this menu offering and 100% in continuing it.

*Omelet:* The Required Purchase of the required equipment package (including induction burners, pans, custom cutting board, smallwares) may represent almost 30% of your total purchases in connection with establishing this menu offering and 100 % in continuing it.

### **Derived Revenue**

We will derive revenue from purchases you must make in connection with the operation of the restaurant as follows:

1. From direct purchases or payments made to us (used equipment, leased equipment, rental revenue, premium charge, software licenses);
2. Rebates or purchase discounts from approved suppliers you must use.

We may designate ourselves as the sole approved supplier of any item in our discretion. During ~~2022~~2023, we derived ~~\$22,048~~15,211 in revenue from franchisee required purchases, which is approximately ~~0.003~~0.002% of DAL's total revenues of ~~\$880,625,000~~971,919,000.

The basis for the rebates paid by approved suppliers varies but approved suppliers are generally making contributions at approximately the following rates based on required franchisee purchases: \$0.03 - \$0.10 per pound; \$0.18 - \$1.00 per case; \$0.052 per bag; \$0.97 - \$1.53 per gallon; or 2% to 37% of sales dollars.

We also derive revenue from voluntary and involuntary contributions to various strategic funds, market research and development, testing and equipment and purchase discounts from approved suppliers you are not required to use. We collect and administer the contributions in our sole discretion. During ~~2022~~2023, we derived ~~\$59,105,554~~ \$100,530,813 revenue from these various contributions and discounts.

Our affiliates will derive revenue, and have derived revenue during ~~2022~~2023, from purchases you must make in connection with the operation of the restaurant as follows:

1. FWHT received ~~\$12,591,359~~23,334,891 in revenue from franchisee required purchases.
2. FWH collected ~~\$3,952,955~~7,415 in voluntary fees, sponsorships and contributions made by vendors and suppliers that supply items to you.

Except as described above, we and our affiliates do not derive revenue or profit from your required purchases or leases but reserve the right to do so in the future.

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development. Our approval is not a guarantee of your success at the location. We consider the potential guest base in the area when deciding whether to approve the location. Other factors we consider in site evaluation include traffic patterns, proximity to strong population back-ups, visibility, and parking. In evaluating a site for a satellite location, we also consider proximity of a proposed satellite restaurant to the Base Restaurant to allow proper servicing of the satellite restaurant. See Franchise Agreement and MUFA, Section 4; Franchise Agreement Rider Section I.C, II.D IV.F, V, VI).

3. If you do not ~~own~~ own an approved site or lease an approved site directly, then we provide assistance in the negotiation of a lease, sublease, license, or sublicense by our affiliate leasing company after you confirm the restaurant's location by signing an Intent to Sublease (Exhibit E). After you sign the Intent to Sublease or Intent to Sublicense, our leasing company affiliate assists us and you with negotiation of the lease or sublicense (as applicable) for your restaurant and will sign the lease or license with the landlord or licensor (as applicable). You will then sign a Sublease or Sublicense (as applicable) with our affiliate. The leasing and extension procedures vary or may not apply under our programs for purchase of a specific location under the Franchise Agreement Rider. Our leasing affiliate may terminate your Sublease if you breach the Sublease or materially breach the Franchise Agreement. See Franchise Agreement and MUFA Section 4; Franchise Agreement Rider Section ~~Section~~-I.C, II.D IV.F, V, VI). If our affiliate leasing entity enters into a license for the restaurant premises, you will be required to execute a Sublicense instead of a Sublease.

4. Standards and specifications for the layout, design, appearance, and equipment for your restaurant. See Franchise Agreement and MUFA Section 5. The Operations Manual contains the standards and specifications.

5. A representative or Business Developer whom you may consult for advice and guidance concerning the operation of your business, during their normal business hours. See Franchise Agreement and MUFA Section 6.

6. Use of the Operations Manual and other materials for the operation of your restaurant. See Franchise Agreement and MUFA Section 9. The Operations Manual and other materials are strictly confidential and their use is subject to Section 15 of the Franchise Agreement and MUFA.

The typical length of time between the time you sign the Franchise Agreement, we approve your location, and you open your business is 2 to 12 months. The factors that affect this time usually include difficulty of obtaining a satisfactory site; ability to obtain a lease, financing, or building permits; zoning and local ordinances; weather conditions; shortages; delivery and installation of equipment, fixtures, and signs; and your timetable.

***Obligations After Opening.*** During the operation of the franchised business we will provide:

1. A representative or Business Developer whom you may consult for advice and guidance during their normal business hours. See Franchise Agreement and MUFA Section 6.

2. A program of assistance, including: (a) periodic consultations with our representative or Business Developer in a location we designate and (b) written materials with new developments and techniques. See Franchise Agreement and MUFA Section 6.

***Advertising Programs.*** We develop advertising programs and materials to promote the Subway® brand. We create advertising programs designed to build restaurant sales and profits, promote the system's identity, and produce advertising materials for use by Subway® restaurant owners.

***Advertising Fee.*** You will pay us the 4.5% advertising fee in accordance with the Franchise Agreement, except as noted below. We recommend you set aside, at your sole option, an additional minimum of 2.5% of gross sales to be used for advertising geared specifically to your restaurant. Any company or affiliate owned restaurants contribute to the Advertising Fund (defined below) on the same basis as franchisees.

The advertising fee is the same for anyone currently buying a franchise, except as stated in Item 6.

***Advertising Fund Administration.*** We will deposit your 4.5% advertising contribution into an advertising fund, which contains all of the advertising contributions paid by franchisees in the United States, and which for accounting

purposes, is not considered a restricted account (the “Advertising Fund”). We and our designee may negotiate programs and advertising contributions with suppliers, and specify that these advertising contributions be placed into the Advertising Fund to be used solely for advertising. In limited circumstances, we or our affiliates may request a vendor to forward its advertising contributions directly to advertising agencies or service providers for the purpose of providing advertising services to franchisees.

SFAFT currently administers the Advertising Fund through a Board of Trustees that we or our affiliates appoint. Those Trustees are all employees and/or officers of us or our affiliates, and the Board of Trustees does not consist of franchisees. The Board of Trustees will consist of 1 or more trustees; currently one. SFAFT BV administers the Advertising Fund in U.S. Virgin Islands. All disclosures in this Item 11 regarding SFAFT also apply to SFAFT BV.

SFAFT will disburse money from the Advertising Fund, including vendor contributions for advertising, to national and local markets solely for advertising related expenses for the benefit of franchisees in conformance with our published policies and procedures, except for the portion of vendor advertising contributions allocated to specific SFAFT promotions. SFAFT will prepare an unaudited annual accounting summary of the Advertising Fund, which will be available upon written request from a franchisee.

SFAFT was not formed to make a profit. If SFAFT has any income, SFAFT will use it solely for the collective advertising and promotional benefit of the Subway® franchisees, and no part will benefit solely us or any individual franchisee.

*Allocation and Use of Advertising Fund Contributions.* The allocation of Advertising Fund contributions is determined by SFAFT with input from us and the franchisee advisory board, in conformance with ~~our~~SFAFT policies and procedures.

Generally, your contributions to the Advertising Fund are allocated to two main areas: overhead or administrative expenses, and national advertising. A portion of your advertising funds may also be used to fully or partially fund advertising and marketing related brand initiatives, such as the Subway® MVP Rewards Program. A small portion of the advertising funds are occasionally used for local and regional promotions. SFAFT does not use any portion of the advertising contributions to solicit new franchise sales. SFAFT plans to commit the advertising funds for advertising for the upcoming year by the end of the fiscal year. Excess funds may be used for media placements or promotions for the upcoming year.

During the last fiscal year of SFAFT ending on December 31, ~~2022~~2023, SFAFT spent approximately ~~74~~73% of its total revenue in the United States on U.S. network media placement and other media-related expenses, ~~24~~18% on production of advertisements, promotional materials, and marketing related activities such as loyalty programs and other technology initiatives, and ~~10~~9% on administrative expenses. Total expenses for ~~2022~~2023 were approximately ~~100~~105% of total revenues.

SFAFT may purchase advertising on radio and television, in newspapers, direct mail, free standing inserts, and other advertising and promotional vehicles, on the national and local level. Advertising expenditures at the local level are intended to benefit all franchisees within the local market and advertising expenditures at the national level are intended to benefit all franchisees in the US.

In the future, we or one of our affiliates may commission the production of advertising materials, including television commercials, which we or they will offer to franchisees on the national and local level. We and our affiliates do not need permission from SFAFT to produce advertising materials. Generally, the costs for production of these materials are included in the portion of Advertising Fund contributions allocated to overhead or administrative expenses. However, in certain circumstances, we and our affiliates may charge a usage fee to franchisees to offset the costs of production, which will be paid from the portion of Advertising Fund contributions allocated to national or local advertising. Alternatively, we or our affiliates may allocate money from the vendor advertising contributions to a national advertising fund to pay for all or a portion of the costs for these materials. ~~In the last fiscal year, all of the vendor contributions for advertising were allocated to SFAFT and we did not actively conduct any advertising campaign except through our support of SFAFT.~~

Neither we nor SFAFT are obligated to advertise in the immediate vicinity of your restaurant; however contributions to the Advertising Fund will be used for the benefit of all Subway® franchisees. We cannot quantify or guarantee any benefits to you as a result of your contributions to the Advertising Fund or any vendor advertising contributions paid on your purchases from a vendor. Disbursements from the Advertising Fund for various advertising and marketing related brand initiatives may not benefit you in proportion to the amounts you contributed or that vendors contributed as a result of your purchases from the vendor.

*Franchisee Advisory Board.* Franchisees that meet certain qualifications have the opportunity to be appointed to a franchisee advisory board. The SFAFT US Advisory Board functions in an advisory capacity and consults with and advises us and SFAFT about advertising, marketing and promoting the Subway® brand nationally in the US.

All requirements, qualifications, and responsibilities with respect to Advisory Board Members are contained in the *Governance Manual* and are subject to change and may be amended by us at any time.

*Franchisee Created Advertising and ~~Subway Fresh Fit for Kids™ Program~~Promotional Programs.* You may develop advertising materials for your own use at your own cost. Individual restaurant advertising includes but is not limited to internet coupons, point of purchase advertising materials, receipt advertising, fliers, billboards, team sponsorships, radio partnerships, cross promotions with other retailers, etc. All advertising materials you develop must be approved by us prior to distribution as provided in the Operations Manual. Any use of Social Media must comply with the Social Media Guidelines as amended and as set forth in the Operations Manual. We have the power to approve or disapprove of any use of the trademarks in advertising or developed by you. You must participate in, and comply with the requirements of, any sales, marketing, advertising, and promotional programs we implement, which may be implemented on a national, regional, or local basis, and you must use only the materials and media for these programs that we designate or otherwise expressly approve.

~~If your restaurant is located in a market which offers the Subway Fresh Fit for Kids™ program you must purchase premiums directly from the distributors we designate in connection with each promotion offered under the program. The premiums may involve the promotion of a movie, or television program or may consist of other licensed property. Typically, four premiums are featured within each Subway Fresh Fit for Kids™ promotion.~~ As part of the overall marketing strategy, SFAFT may offer other promotions with other premiums, in which you may be required to purchase from the participate at your cost, including by purchasing services from distributors we designate.

*Computer and Cash Register Systems.* You must use an approved computer-based point-of-sale system (“POS System”) in all of your new and existing restaurants, with required software. We may waive this requirement for some satellite restaurants, co-brand locations, and some non-traditional locations under certain circumstances. You must also provide us with a business email address and cellular phone number that you will use to receive electronic communications and calls from us or our affiliates. You must report and transmit sales and specified business information to us electronically at weekly or other intervals we direct for all new and existing franchises that you own. Data transmission requirements include but may not be limited to the following: all data generated at the point of sale, including detailed sales transactions; general time punch data without employee identifying information; inventory; and purchase orders for food distributors. You must also use our control systems to manage your business. We may have independent access to your POS information and related data described above, and you are required to connect your POS to our LiveIQ reporting system, which transmits transactional data to us in near real-time.

During the term of the Franchise Agreement, you will be entering into software license agreements and consenting to other technology programs/initiatives electronically in connection with the operation of your restaurant, if permitted by local law. If more than one individual signs the Franchise Agreement, any one individual may accept software license agreements and consent to technology programs/initiatives, like remote access to your POS System, on behalf of all individuals named as franchisee on the Franchise Agreement. By virtue of such acceptance or consent by one of you, all of you agree to be bound by it. You may delegate access to and configuration of your POS System to the manager of your restaurant to permit the manager to configure your POS system for updates on your behalf. However, some POS system updates may only be accessible by you.

You have a contractual obligation to upgrade or update your POS system to maintain full operational efficiency and to keep pace with changing technology and updates to our requirements. We may, from time to time, remotely access your POS System with your consent in order to maintain system security, perform routine system maintenance, provide technical support, increase operational efficiency, install updates to software programs and/or applications, or

install or remove software programs and/or applications. In the event you wish to withdraw consent, you must follow the procedures set out in the Operations Manual. If you withdraw consent, we will not be able to provide you with the proactive support necessary to maintain the optimal functionality of your POS System, including your POS system software.

Your POS software must be upgraded within 3 months of receiving notice of a required software update from us. If you are using the SubwayPOS® software, updates will be sent and installed to your POS system automatically. ~~If you are using the SubShop/2000™ software, you must log on to the Subway® intranet website to download any required update(s).~~

*Approved POS System Hardware and Software.* You are required to use a computer-based point-of-sale system (the “POS System”) which must be obtained from an approved POS hardware vendor. Currently, our approved hardware vendor is Hewlett Packard (“HP”). We may change hardware vendors, or approve one or more additional hardware vendors in the future. You are required to enroll in the hardware-as-a-service component of our Restaurant Technology as a Service (“RTaaS”) program with HP to obtain a POS System. We estimate the cost of the base package in the RTaaS program to be \$57 per month, exclusive of tax and shipping charges. Additional hardware and services may be added to this base package as the program evolves and/or the technology needs of the brand expand, which may result in additional costs. Additional packages at varying monthly rates may also be offered in the future. Under the RTaaS program, we may act as a collection agent for HP and collect fees you owe through your pre-authorized account. You will also be responsible for any costs you incur in connection with the transition from the current POS System you use to the POS System you obtain under the RTaaS program.

The POS System available from HP comes with Windows 10, Intel i5-6500 3.2GHz (quad-core) processor, 15” Projective Capacitive LCD Touch Screen, 32GB USB Flash Drive, 120GB Solid State Drive, 100/1000 Network Card, Integrated fingerprint reader, Integrated Customer Display, Epson TM-T88V Receipt Printer, Powered USB Cable, Media Cash Drawer with till insert and 2 keys, UPS Battery Backup, keyboard, mouse. We estimate that this system will cost approximately \$2,400 plus taxes and shipping. The report printer is a separate charge of \$135. Optional items are available at an additional cost and include USB modem, DVD/CD-ROM, and coin dispenser.

All HP POS systems include a 5 year on-site service warranty. The on-site service is available 7 days a week with a 4 hour response time once a problem is identified.

The specifications of the HP POS System will change as the manufacturer and software providers upgrade their products. Future hardware standards must be met on the compliance date we impose.

The approved POS software (discussed below) is an additional cost, as outlined below; it may come pre-installed on the approved POS hardware, or, you may be required to obtain it separately through us.

~~Currently, we have approved the following POS software: SubwayPOS® software and Sub Shop/2000™ software.~~

• Currently, SubwayPOS® software: is the only approved POS software. SubwayPOS® is the required POS software for all restaurants, ~~except co-branded and exempt non-traditional restaurants.~~ The SubwayPOS® software is owned by our affiliate, FWH Technologies, LLC (“FWHT”), and is licensed to you by us. We may derive revenue from doing so. If you use SubwayPOS® software, you will be bound by the SubwayPOS® End User License Agreement in a form substantially similar to Exhibit A-~~3-1-3~~. The SubwayPOS® End User License Agreement grants you the right to use the software on one or more POS Systems in one or more of your Subway® restaurants, but you acknowledge you must acquire a separate license to use the software on each POS system you operate. A license to use the SubwayPOS® software may not be shared or used concurrently on separate POS systems. You may transfer all or part of your rights under the SubwayPOS® End User License Agreement to another Subway® franchisee in good standing with us with our prior written consent. We may make changes to the SubwayPOS® End User License Agreement at any time in order to keep pace with advances in technology and other initiatives, and you may be required to agree to our then current form of SubwayPOS® End User License Agreement in order to access required software updates.

• ~~Sub Shop/2000™ software: Licenses for the SubShop/2000™ software will only be offered to co-branded locations. The Sub Shop/2000™ software was developed by Franchise Technologies, Inc. (“FTI”). We will license the Sub Shop/2000™ software to you, and may derive revenue from doing so. Before you may place~~

~~an order for the Sub Shop/2000™ software, you must sign a disclaimer acknowledging certain limitations of the software when used outside of the United States and Canada. If you use the Sub Shop/2000™ software, you will be bound by the Sub Shop/2000™ Software License Agreement in a form substantially similar to Exhibit A-3. The Sub Shop/2000™ Software License Agreement grants you the right to use and install one copy of the software on a single POS System and may not be shared or used concurrently on separate POS Systems. You may only transfer the rights granted by the Sub Shop/2000™ Software License Agreement together with the sale or transfer of the POS System to another Subway® franchisee in good standing with us. In order to do so, you must send us a written request to pos\_license@subway.com.~~

One individual listed on the Franchise Agreement or one representative on behalf of an approved entity franchisee may accept the SubwayPOS® End User License Agreement ~~or Sub Shop/2000™ Software License Agreement~~ on behalf of all individuals or the approved entity identified as franchisee on the Franchise Agreement. You must consult with all such individuals or any necessary representatives of an approved entity franchisee before accepting to be bound by the SubwayPOS® End User License Agreement ~~or Sub Shop/2000™ Software License Agreement~~.

The SubwayPOS® ~~and Sub Shop/2000™~~ software are used in conjunction with several software programs and applications, including, but not limited to, front counter, Menu Manager, near-real time reporting (“Subway Live IQ™”), workforce management (“Live IQ - Labor”), business intelligence (“SubwayIQ”), Dashboard, Subway® Payment Manager software, Progress DBMS software, TeamViewer or other remote management software, remote access and software deployment application (“BixFix Endpoint Management Software” or “BigFix”), and antivirus software (Akamai Enterprise Threat Protector and VMware Carbon Black). One or more of the software programs and/or applications described above may only be used in conjunction with ~~Sub Shop/2000™ software or~~ SubwayPOS® software. Also, one or more of these software programs and/or applications be owned by third parties and licensed to one or more of our affiliates with the right to sublicense it to you.

~~For use of the Sub Shop/2000™ software (including any additional necessary software or modules) you will pay us an initial license fee of \$636.80, which includes the initial fees for the following additional software: TeamViewer or other remote management software, the Subway® Payment Manager software, and Progress DBMS software. You will also pay a third party supplier an annual licensing fee of \$47 for the Progress DBMS database management software that is used in conjunction with the SubShop/2000™ software. This fee may also increase, particularly as more restaurants worldwide transition to the SubwayPOS® software.~~

You will pay a monthly Restaurant Technology Fee of approximately \$75. In addition to the SubwayPOS®, the Restaurant Technology Fee will cover other types of restaurant technology. This monthly Restaurant Technology Fee may be subject to change each year. We may withdraw these fees from your pre-authorized account with us. In addition to the Restaurant Technology Fee, we reserve the right to impose a Digital Technology Fee in the future to cover our costs of development, infrastructure and support of programs including our Subway® App, Online Ordering, Third-Party Delivery platform support, Digital Menu Boards and Social Media Platforms.

~~In the future, co-branded locations will be required to discontinue their use of the Sub Shop/2000™ software in favor of the SubwayPOS® software. If you do not discontinue your use of the of the Sub Shop/2000™ software within the time we permit, you will be required to pay us a monthly menu management fee of \$15 for each of your POS terminals and an annual maintenance fee of \$400 to cover our or our affiliate’s costs for providing software services to you for the Sub Shop/2000™ software. These costs may increase. In no way is the assessment of these fees to be construed as permission from us to continue to use Sub Shop/2000™ software in any restaurant without a waiver, nor will your payment of them relieve you from any default under your Franchise Agreement for the restaurant in which you are not using the SubwayPOS™ software after it becomes required for the restaurant.~~

You must also install and use the approved Subway® Payment Manager (“SPM”) software which is only available from us. We will license the SPM software to you. If you use the SubwayPOS® software, your use of the SPM software is subject to the terms and conditions of the SubwayPOS® End User License Agreement. ~~However, if you operate your restaurant at a co-branded location and use the Subshop/2000™ software, you will be required to execute the Subway® Payment Manager Software End User License Agreement electronically or by hard copy in a form substantially similar to Exhibit A-3-2, in order to use the SPM software.~~ One individual listed on the Franchise Agreement or one representative on behalf of an approved entity franchisee may accept the agreement on behalf of all individuals identified as franchisee on the Franchise Agreement or the approved entity franchisee. You must consult with all such individuals or any necessary representatives of an approved entity franchisee before accepting to be bound by the Subway® Payment Manager Software End User License Agreement. The Subway® Payment Manager

Software End User License Agreement grants you the right to use and install one copy of the software on a single POS System and may not be shared or used concurrently on separate POS Systems. You may transfer all or part of your rights under the Subway® Payment Manager Software End User License Agreement to another Subway® franchisee in good standing with us with our prior written consent. We may make changes to the Subway® Payment Manager Software End User License Agreement at any time in order to keep pace with advances in technology and other initiatives, and you may be required to agree to our then current form of Subway® Payment Manager Software End User License Agreement in order to access required software updates. We or an affiliate may earn a profit from the licensing of the SPM software.

You are required to participate in the Subway® [Gift](#) Card and Remote Ordering programs. To support the Subway® [Gift](#) Card Program, you must obtain card services from Comdata Inc. through its Stored Value Solutions division (“SVS”). In connection with this program, you must execute the Franchisee Participation Agreement attached as Exhibit A-11. You will pay SVS an initial fee of \$60 to \$140, which includes initial Subway® [Gift](#) Card inventory, envelopes and a Subway® [Gift](#) Card display. Additional Subway® [Gift](#) Card supply costs about \$0.10 per card, \$.06 per envelope and \$20 per display, plus shipping. Certain non-traditional locations must purchase an SVS issued/configured terminal to process gift card transactions. The cost of the payment terminal is \$320 plus shipping. You will pay SVS a redemption fee equal to 2.5% of each transaction amount in which the Subway® [Gift](#) Card was redeemed by a guest.

You are required to accept credit/debit, contactless and mobile device payments. You are required to use the integrated payment solution we designate, which includes use of a designated acquirer and processor for payment processing services and integration of your payment terminal and bar code reader into your POS system, in all of your new and existing restaurants, unless we grant you a waiver. We are in the process of transitioning to new payment terminals and a new integrated credit/debit payment processor. The P400 payment terminals is required for use in all locations, except certain non-traditional locations which are required to use an SVS issued/configured terminal for processing gift card transactions only.

All new and existing restaurants are required to purchase the P400 payment terminal from our approved supplier. Payment plans will vary depending on when you purchased the P400 payment terminal. You may be required to purchase additional payment terminals from us if you have more than one POS terminal at your restaurant.

We estimate the life cycle of a payment terminal is 5 years. You are required to update your payment terminal or transition to a new payment terminal as we require to maintain operational efficiency and to keep pace with changing technology and updates to our requirements or payment industry standards.

You will purchase the barcode reader from us for \$170 or \$180 if your restaurant has a drive-thru.

You are required to accept the following credit card brands, unless we grant you a waiver: VISA, MasterCard, Discover and American Express. To process card payments, you must have a high-speed broadband connection that meets our standards and specifications. If the transaction is processed through Adyen, you will pay Adyen an Acquirer Fee of approximately \$.010. You will also pay Adyen Network and Interchange Fees, which vary depending upon the credit card brand and type of transaction. Typical Network and Interchange fees for the required credit card brands range from \$.22 per transaction to 2.4% of the total transaction amount plus an additional \$.10 per transaction. Adyen will then forward the Network Fee to the applicable credit card brand and the Interchange fee to the guest’s bank. The Acquirer, Network, and Interchange fees will be charged for all credit and debit card purchases whether they are made remotely through the remote order website, Subway® mobile app or other payment app, or the catering call center (“Card Not Present Transactions”) or in-restaurant (“Card Present Transactions”). These fees may be re-negotiated over time and are subject to change.

In the future, we may approve additional hardware and software vendors. We may charge additional fees for any such future hardware and/or software that we require. You will be required to comply with such changes.

*Approved PC-based POS System Hardware and Software Support:* The FWH Technology Support Center (“Support Center”) will provide limited hardware support, and ~~Sub Shop/2000™ and~~ SubwayPOS® software support. Hardware support available from the Support Center for franchisees using the HP POS Systems with a current warranty is limited to troubleshooting and/or an initial diagnosis of the hardware issue at which time you will be referred to HP

Technical Support. Please do not contact HP directly for hardware support issues until you have been instructed to do so by the Support Center. The initial diagnosis of the hardware issue is provided free of charge for SubwayPOS® users. ~~For Sub Shop/2000™, support is available at the following rates:~~

	<b>Sub Shop/2000™ Support<sup>1,2</sup></b>
<b>Monday—Friday<sup>1</sup>, 7am—9pm</b>	First 2 minutes are free, \$2.60 /minute- (\$26 minimum /\$150 maximum)

~~<sup>1</sup>Critical incidents, such as the inability to ring up sales or process payments, will be given top priority for support. Critical incidents should be addressed over the phone, by calling the FWH Technology Support Center. For non-critical incidents, franchisees should submit an incident report ticket online.~~

~~<sup>2</sup>In the future, we may discontinue support for Sub Shop/2000™.~~

We reserve the right to change this fee structure at any time. Your fees for software support will be higher if you do not provide us with your consent to remotely access your POS System. ~~Once SubwayPOS® is required for all co-branded locations, support for SubShop/2000™ may be discontinued.~~

HP will provide hardware support to franchisees using an HP POS System during normal business hours from 9:00 AM local time to 5:00 PM local time. Extended hours may apply. You may contact HP technical support at the number listed on Subway® intranet site. Hardware support provided by HP is free of charge while the products are under warranty. If a product is no longer under warranty, franchisees will be responsible for the full cost to replace any defective parts.

We currently require all franchisees to use digital transaction fraud protection services provided by Kount. Service fees are currently \$0.0068 per digital transaction, subject to increase if vendor pricing increases.

**Subway® MVP Rewards Program.** You are required to participate in the Subway® MVP Rewards program administered by our affiliate, Subway MyWay, for all of your new and existing restaurants, including AAFES, NEXCOM and MCCS locations. In order to participate, you must have a high speed internet connection and the SubwayPOS® software. Guests who are members of the program will be able to earn and redeem ~~tokens~~points and rewards that may be used toward purchases made at Subway® restaurants. ~~Tokens~~Points are earned through member purchases and bonus programs and promotions.

As of the date of this Disclosure Document, fees will be 1.9% of the gross sales, subject to any annual adjustments as stated below, for each loyalty/reward transaction made by a Subway® MVP Rewards program member at your restaurant. You will be charged this fee on all loyalty/reward transactions made by a program member for all of your new and existing restaurants. All Subway® MVP Rewards program fees will be paid to and administered by Subway MyWay, LLC or another affiliate we designate. You may also incur incidental charges for supplies associated with your participation in the program. For each loyalty/reward purchase in which a \$2 reward or a “Surprise Reward” is redeemed by a Subway® MVP Rewards program member, you will be reimbursed for 30.9% of the cash value of a \$2 Rewards and/or “Surprise Reward” redeemed for that purchase. All redemption costs for the loyalty card/reward program will be paid by Subway MyWay, LLC. The fees and reimbursement rates associated with the loyalty/reward program are based on an average cost of goods sold for the US. We will review the average costs of goods sold in the US on an annual basis. As a result, your fees and reimbursement rates for the loyalty/reward program may change annually. Funds paid to Subway MyWay, LLC may be used for promotional costs, and to support Subway® MVP Rewards program innovation, technology & initiatives.

**Subway® Remote Ordering Program.** You are required to participate in the Subway® Remote Ordering Program to accept and process individual orders for Subway® menu items from guests. The online ordering website and the Subway® mobile application are managed by the FWH Technology Department and its subcontractors. Orders placed by guests online or with the Subway® mobile application will be routed to the guest’s chosen restaurant. To participate in the required Remote Ordering Program, you must review and download the Remote Ordering materials and ensure your POS System and remote order menus are current and by keeping local items up-to-date. You must also display the required signage and install external speakers for your POS hardware. Currently, there are no additional fees to participate; however, you will incur credit card processing fees on these transactions. These processing fees will be charged to you and collected by the credit card acquirer and processor we have designated on a monthly basis.

**Confidential Operations Manual.** You will have access to a copy of the Operations Manual in electronic form on the Subway® intranet website. This electronic version will be updated periodically. We do not normally issue the Operations Manual to prospective franchisees but will permit you to inspect the Operations Manual at FWH's headquarters or at your Business Developer's office or elsewhere, upon your request, before you purchase the franchise.

We may modify the Operations Manual, unilaterally at any time during the term of your Franchise Agreement under any condition and to any extent which we consider necessary, to meet competition, protect trademarks, service marks, copyrights or trade names, or improve the quality of the product or service provided by the Subway® restaurant, if modifications are applicable to all franchisees. We may have policies and procedures which apply only to certain programs, such as satellite, non-traditional, school lunch, catering or the breakfast program, and these policies and procedures do not apply to franchisees not participating in the program.

**Training Programs.** Before you open for business, you or your Designated Manager, and any other employees we require pursuant to the Operations Manual, must successfully complete the Franchisee Training Program (the "Training Program") to our satisfaction. For most effectiveness, we recommend that you schedule your training as close to the restaurant opening as possible. If you are purchasing an existing restaurant through a transfer, we must approve your transfer before the Global Learning and Development Department of FWH will register you for training. You must attend training before the close of the transfer unless we permit otherwise.

You may request permission from us for your restaurant manager to complete the Training Program alongside you or your Designated Manager. ~~Managers that attend training will receive a certificate from us indicating that they have attended the Training Program as a non-owner.~~

If you do not have a Designated Manager successfully complete the Training Program, then you must successfully complete it. Under these circumstances, you will be exempt from attending the Training Program if: 1) you are a current franchisee purchasing an additional Subway® restaurant and previously passed training, 2) you are a former Subway® franchisee but you passed training within the past 2 years, or 3) you are purchasing your first Subway® restaurant but you successfully completed the Training Program less than 2 years ago and after serving as a Designated Manager.

Other than as outlined above, you may apply for a waiver of the Training program if you pass a Training Equivalency Exam as detailed below and: 1) you are currently a franchisee purchasing an additional Subway® restaurant but have not previously attended training, or 2) you are a former franchisee and you have not owned or operated a restaurant in 12 months; or 3) you are purchasing your first Subway® restaurant but you successfully completed the Training Program more than 2 years ago, after serving as a Designated Manager, as described below. The Training Equivalency Exam must be proctored in person by your Business Developer or Subway Market Operations team. If we grant you an exemption and you pass the Training Equivalency Exam, you will be required to complete the Sandwich Artistry Curricula and additional web-based training courses. These training courses are located in the University of Subway® section of our Subway® intranet website. If you fail the Training Equivalency Exam, you will be required to attend and successfully complete the Training Program.

If you sign the Franchise Agreement Rider, Part I.a, you or your Designated Manager and your Director of Food Services or an equivalent individual (if a different person), or, if you sign the Franchise Agreement Rider, Part II, you or your Designated Manager and your Manager of Cafeteria Services and the manager of the restaurant (if a different person) (in each case, the "Manager"), must successfully complete a training program before opening the restaurant. If the Manager is dismissed from the training program, you must appoint an individual to assume the position of the Manager to successfully complete the training program within 30 days after we give you notice. If you replace the Manager of the restaurant, the new manager must successfully complete the training program before assuming the position of manager, or at least within 30 days after the new manager replaces the prior Manager. We or a local Field Operations team member may conduct the training program locally. Training will be at a location or at locations selected by the person providing the training, which may include the city in which your restaurant will be located, or other Subway® restaurants, and may include web-based courses.

We do not charge a fee for the first two persons attending the Training Program prior to the transfer of ownership. However, we charge a cancellation fee if you fail to participate in your scheduled training or if you cancel your

registration with less than 10 business days' notice. For additional persons attending the Training Program, the training fee is \$7,500 per person. You are responsible for all of your personal expenses, and the personal expenses of your Designated Manager, Director, Manager and/or designee (as applicable), including lodging, meals and costs and transportation to and from the in-person and "on-the-job" training sites where you will train.

Your restaurant employees will be required to complete in the restaurant, the Sandwich Artistry 1 course and/or certain other training courses we designate from time to time. You will be responsible for all costs incurred in connection with this requirement.

As part of the Training Program and after you purchase your franchise, we may require you to work at an existing restaurant in your area for a minimum of 60 hours. You will be responsible for all personal expenses. Upon completion of this work, you may be required to successfully complete a test or a course on the University of Subway®, or some other assessment, as we direct. Your Business Developer or Subway Market Operations team will schedule your training shifts in an approved training restaurant. You must also complete and pass our web based training courses in order to progress in the Training Program, including, but not limited to: the Sandwich Artistry and Sandwich Artistry 2 Curricula located in the University of Subway® section of our Subway® intranet website, which will account for 10 hours of training; brand training, which will account for 1 hour of training; and global anticorruption training, which will account for 0.5 hours of training.

You or your Designated Manager may be required to pass all our assessments, business plan reviews, and other assignments during the training program, unless you are otherwise exempt. If you or your Designated Manager fails to fulfill these requirements, you or he/she will have the option to be reassessed, and, with respect to your Designated Manager, you may be required to send a replacement within 30 days. If you or he/she fail the reassessment or opt not to complete it, we may dismiss you from the Training Program, cancel your Franchise Agreement and refund one-half of your franchise fee.

In order to successfully complete the Training Program, you or your Designated Manager must have: (i) 100% participation in all components; (ii) an 80% final grade on all pre-requisite web-based training courses and the in-restaurant component of the course; and (iii) an 80% average on all assessments. You or your Designated Manager will be required to retake and successfully complete the Training Program if you or your Designated Manager fail to complete the program to our satisfaction. We will not reimburse you for any incurred expenses, including travel expenses.

Those attending training will be provided with a copy of the Code of Business Conduct (the "CBC"), which trainees must sign. The CBC requires that all staff, students and guests act in a professional manner at all times during the Training Program. Training attendees must adhere to the CBC while on our property, in training restaurants, at area hotels and while attending any of our functions, dinners and social gatherings which might be considered a Subway® sponsored event. We may dismiss you from the Training Program and terminate your Franchise Agreement if you fail to act in accordance with the CBC. Your franchise fee will not be refunded under these circumstances. We may dismiss your Designated Manager, Director of Food Services or Manager of Cafeteria Services (as applicable) from the Training Program for failure to act in accordance with the CBC. In such an event, you will be required to appoint an individual to assume the position and satisfy our training requirements within 30 days after we give you notice. You or the Designated Manager that attends training must sign a confidentiality agreement.

We offer a portion of the Training Program ~~either~~ by way of online ~~webinar or in-person~~ [webinars](#) which ~~is~~ [are](#) led by our FWH Trainers ~~at our regional training centers~~. The "on-the-job" training site is a Subway® restaurant. You will be responsible for your own transportation to and from ~~the classroom, if applicable, and~~ "on-the-job" training sites. Classroom work accounts for approximately 15 hours, and you will have approximately 60 hours of on-the-job training at nearby restaurants. You will also have from two to three hours of homework per evening. The full franchisee experience is a combination of virtual training, access through our University of Subway platform, in restaurant training and classroom coaching (currently classroom training is virtual).

We may modify the training courses from time to time. Any changes made to the training courses will be referenced in the Operations Manual. The Training Program uses the Operations Manual, a course workbook, and other written materials.

The Training Program is under the guidance of Nicole Misencik, Manager of Global Learning & Development department, accompanied by a full-time trainer who conducts training sessions and field engagement. Ms. Misencik has 10 years of total training experience, including 3 with us. The minimum educational and experience requirements for these individuals are a bachelor's degree with training credentials or corporate training experience. Other members of FWH may assist in the Training Program. Franchisees of the training restaurants and their managers conduct the on-the-job training. All restaurant trainers must successfully complete a training program themselves and receive instruction in training methods.

The Training Program includes instruction in the following subjects:

### TRAINING PROGRAM

Subject	Hours of Prerequisite Web-Based Training Courses	Hours of Facilitated Training	Hours of On-the-Job Training
Sandwich Artistry Curricula	6.0	-	-
Global Anti-Corruption	1.0	-	-
Sandwich Artistry 2 Curricula	4.0	-	-
SubwayPOS™	7.0	-	-
Control Sheets Introduction,•Mechanics & Analysis	<del>3.5</del> 0.5	-	-
Guest Experience & Thru-Put	2.5	-	-
Leadership	0.5	2.0	-
Scheduling Restaurant Employees	1.0	-	-
WISR Introduction, Mechanics & Analysis	<del>4.5</del> 1.0	2.0	-
Goal Setting & Growth Mindset		2.0	
Great Teams: Recruiting & Hiring	1.0	1.0	-
Great Teams: Developing Your Staff	-	0.5	-
Great Teams: Motivating and Inspiring Employees	1.0	0.5	-
Incident Management	1.0	-	-
Subway Reporting & LiveIQ	1.0	-	-
Food Ordering	1.0	-	-
Store Marketing & Strategies for Business Growth	-	2.0	-
In-restaurant Training	-	-	60.0
Assessments	5.0	-	-
<b>Total Hours</b>	<del>40.0</del> 33.5	10.0	60.0

\* Time spent on quizzes for web-based prerequisite training courses is accounted for in the appropriate subject listed above.

Note 1. Trainers rotate so you may have any one of them for a given subject.

Note 2. On-the-job training in local Subway® restaurants consists of 60 hours of instruction. On-the-job training allows you to gain first-hand experience in sandwich preparation, restaurant maintenance and restaurant operations. There is no specific time allocation by subject because this varies with the needs of each training group.

After you purchase your restaurant and successfully complete training, you and your staff may also be required to complete additional courses on the University of Subway®. You will be notified when additional courses become required.

We and our affiliates have offered in the past, and may offer in the future, additional training courses dealing with management, paperwork, advertising systems, and multi-unit ownership. Additional educational materials are available to you and your employees on the University of Subway® and other sources.

**Manager Training Opportunities for Non-Traditional Franchisees.** If you are an institutional-type or other franchisee signing the Franchise Agreement Rider, we may grant you permission to provide your own manager training program which your Managers may complete in lieu of the Training Program. If you sign the Franchise Agreement Rider, the option to train your Manager applies only to a second or subsequent franchise purchase; both the Director and Manager must complete the Training Program in connection with your first franchise purchase. Your Manager must successfully complete the Training Program ~~or the training taught by the Certified Manager Trainer, whichever option applies,~~ before the restaurant opens.

If we determine in our reasonable judgment you are not operating your restaurant up to our standards set out in the Operations Manual, we may require your current manager for your restaurant to ~~attend~~complete remedial training within thirty (30) days after we give you notice.

~~*Non-Traditional Certified Manager Training Program: If you and/or your Manager are certified as a Certified Manager Trainer, this certification remains valid so long as you or the Manager train a minimum of one manager per year. You may then satisfy the training obligation in any of your subsequent Franchise Agreements by having your Certified Manager Trainer train your other managers.*~~

~~Your Business Developer or Director of Franchisee Performance may offer the Manager Training Course for restaurant managers. At our option, this may satisfy the requirement to send your Manager to training. You will pay all personal expenses, transportation, lodging and other expenses your manager will incur to attend an optional training program. Please contact your Business Developer or Director of Franchisee Performance for more details concerning the availability, costs and classes offered for this optional program.~~

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and we shall have the right to charge you for any costs incurred by us, and a reasonable fee, in connection with any such relocation of the Restaurant. We consider the same factors in evaluating any relocation site as we do in evaluating your initial site.

You have only 6 months to relocate and reopen a satellite restaurant under Part IV of the Franchise Agreement Rider. If the satellite will be in operation for one year or less, you are not permitted to relocate the satellite restaurant under Part IV of the Franchise Agreement Rider. If you purchase a school lunch franchise, you can relocate your restaurant only within the same school or the same school district under Part II of the Franchise Agreement Rider. Under Section 24.H of the Franchise Agreement, if the landlord terminates the lease or license (as applicable) for the premises and an arbitrator or court determines you did not breach the Sublease or Sublicense (as applicable) but it was our fault or our affiliate’s fault the landlord terminated the lease, then our obligation to you will be limited to the cost of your leasehold improvements less depreciation using a 5-year life under the straight-line method. We will pay you this amount after you relocate and reopen your restaurant. If the landlord terminates the lease and an arbitrator or court determines you breached the Sublease or Sublicense or it was not our fault or our affiliate’s fault, then we will not have any obligation to you relating to termination of the lease.

**Item 13  
TRADEMARKS**

Prior to January 1, 2016, we were the owner of the System and the marks. Pursuant to a transfer agreement dated January 1, 2016, we assigned all rights, title and interest in and to the System, including the marks, to our affiliate, SIP. On January 1, 2016, SIP entered into license agreement with us to use the System and the marks, and to license others to use the System and the marks to develop Subway® restaurants in the US. Under the Franchise Agreement, we grant you the right and license to use the name and mark Subway® which is owned by SIP, and other marks we designate. The term “marks” means trade names, trademarks, service marks, and logos used to identify your restaurant or the goods or services you offer. You may only use marks we designate for use with your restaurant, and you may use them only in the manner we authorize and permit. The following is a list of the primary marks we may authorize you to use. SIP owns all of the marks listed below. This list does not include all of the marks SIP owns. We may add or subtract from this list. SIP has registered these marks and other marks with the United States Patent and Trademark Office on the Principal Register, and has filed all required affidavits and renewals.

<u>TRADEMARKS AND/OR SERVICE MARKS</u>	<u>REGISTRATION NUMBER</u>	<u>DATE</u>
Subway®	1174608	10/20/1981
Subway®	1307341	11/27/1984
Subway® Logo (Contour Letter with color)	3774480	04/13/2010
Subway® Logo (Contour Letter no color)	3869196	11/02/2010
Subway® Logo (New Vis no color)	5358208	12/19/2017
Subway® Logo (New Vis yellow & white)	5358207	12/19/2017
Subway® Logo (New Vis yellow & green)	5373029	01/09/2018
Choice Mark Logo	5419414	03/06/2018
Choice Mark (white & yellow)	5703803	03/19/2019
Choice Mark (green & yellow)	5532005	07/31/2018
Choose Your Canvas®	5519719	07/17/2018
Color It With Flavor®	5519720	07/17/2018
Our Ingredients. Your Masterpiece.®	5519721	07/17/2018
Subway MyWay®	5476371	05/22/2018
Subway MyWay® <a href="#">Rewards</a> Logo	5487732	06/05/2018

If you offer approved additional menu items you will have the right and license under the Franchise Agreement to use any trademarks and service marks we may designate for the menu items and product lines. The right and license to use any additional trademarks and service marks will terminate if we discontinue your right to participate in the program or if we or SIP discontinue or modify the marks. We and SIP may require a separate license for the marks in the future, which will terminate if we or SIP discontinue or modify the marks. We cannot guarantee you will have the right to use the mark “Subway” in the US, or that you will not have to share use of the mark with third parties in the US. If we lose the right to use or license, or both, the mark “Subway” or have to share use with a third party, we will

have the option and right to modify or discontinue use of the mark “Subway” and to adopt substitute marks. Our liability to you in this case will be limited to your cost to replace signs and store advertising materials. We expressly disclaim all implied warranties.

There are no effective material determinations of the United States Patent and Trademark Office, the Trademark Trial and Appeals Board, the Trademark Administrator of any state or any court in the United States or its territories concerning the material marks. There are no pending infringement, opposition, or cancellation actions concerning the material marks in the United States or its territories. There is no pending material litigation involving the material marks in the United States or its territories. There are no agreements currently in effect which significantly limit our right to use or license the use of any mark in a manner material to the franchise. We do not know of any infringing uses that could materially affect your use of the marks in any state.

We do not entitle you, at any time, either by implication or otherwise, to the Subway® marks or any other marks associated with the system. You will not establish title by use, registration, or other means to similar or related names and marks, including those you and all other franchisees generate while conducting business under the Subway® name. You will not assist any third party or organization to register any Subway® marks or any marks associated with the system. You have limited and temporary rights and you agree you will not, after expiration or termination of your Franchise Agreement, use the marks we licensed to you, directly or indirectly, for any purpose. If you violate this provision, you may be liable to us for \$250 per day. You will not contest the validity or ownership of any marks associated with the system, and you may not register them. **You must display the following notice in a prominent place in your restaurant: “The Subway® trademarks are owned by Subway IP LLC and the independent franchised operator of this restaurant is a licensed user of these trademarks.”**

You will not register an Internet domain name containing the word “Subway” unless it complies with our Domain Name Policy, as amended and as set forth in the Operations Manual. You will not establish a Social Media site unless it complies with our Social Media Guidelines as amended and set forth in the Operations Manual. We may require you to cancel or assign to us or SIP registration of your domain name or Social Media site if you fail to adhere to these guidelines or we or SIP later determine that your domain name or Social Media site creates consumer confusion regarding the marks or Subway® name. See Section 8 of the Franchise Agreement. “Social Media” as used in this Disclosure Document means Internet-based applications which allow for the creation and exchange of user-generated content including, but not limited to: blogs, microblogs, social networks, and photo and video sharing sites. At our request, you must have any information we deem inappropriate and not to be in the best interest of the System removed from any website or Social Media site.

You will use the marks in connection with your restaurant only as we permit and as provided in this Disclosure Document, the Franchise Agreement or in the Operations Manual. You will not use the marks in a manner that degrades, diminishes, or detracts from the goodwill associated with the marks nor will you use the marks in a manner which is scandalous, immoral, or satirical. You agree to promptly change the manner of such use upon our request. You may not use the word “Subway” as part of a corporate or other business name ~~unless it is used in conjunction with the franchise number or the restaurant address~~. If you no longer have a valid franchise agreement with us, you must remove the word “Subway” from any corporate or other business name. Any sign face bearing the name Subway® will remain SIP’s property even though you may have paid a third party to make the sign face. We will have the right to physically remove any signage from your restaurant if we believe its removal is necessary to protect the goodwill associated with the marks. You will not use, offer or sell to other franchisees any software applications or other technology products or services which use the marks unless we approve in writing.

You may not dilute the marks in any way by engaging in advertising or improper behavior that may lessen the Subway® system’s reputation. You will not make, publish, or endorse, directly or indirectly, any disparaging, libelous, or defamatory statement or representation about us, our shareholders, officers, directors, employees, agents, our Affiliates, business developers or the Subway® brand in any public or private forum. “Private forum” shall not include a private forum open only to Subway® franchisees, business developers, and/or our shareholders, officers, directors, employees, agents or Affiliates. At our request, you must remove or retract any disparaging, libelous or defamatory statement or representation. However, you are not prohibited from sharing information in good faith with any prospective franchisees.

FAR Part IV

Your franchise will automatically renew for additional in line with the Base Restaurant Franchise Agreement term. We have the right to refuse to renew if you are not in full compliance. If you dispute our notice of intent not to renew, you must request to arbitrate the decision. Refer to Item 17.u. for arbitration procedures.

Your franchise may be renewed for an additional 1 year term by mutual agreement of the parties, provided you send written notice at least 60 days prior to the expiration of the initial 1 year term. We have the right to refuse to renew if you are not in full compliance. If you dispute our notice of intent not to renew, you must request to arbitrate the decision. Refer to Item 17.u. for arbitration procedures.

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|----|--|--|---|
| c. | Requirements for franchisee to renew or extend | FA and MUFA Section 3                    | In order to renew, you must (1) have complied with all material provisions of the Franchise Agreement; (2) maintain possession of the premises; (3) provide written notice of intent to renew at least 12 months, but not more than 18 months, prior to expiration of the term; (4) have satisfied all monetary obligations; (5) you agree to execute our then-current form of franchise agreement and pay the renewal fee; (6) comply with our then-current qualifications and training; (7) execute a Renewal Addendum in the form <del>substantially</del> <u>substantially</u> similar to Exhibit G-1; and (8) execute a general release. |
| d. | Termination by franchisee                      | None                                     | You do not have the right to terminate the Franchise Agreement, but if we do not cure a default within 60 days, you can seek arbitration. See Section 22 of the Franchise Agreement.  |
|    |  | FAR Part I, II                           | You may stop operating a school lunch location or a non-traditional location at any time after 30 days' notice.   |
| e. | Termination by franchisor without cause        | None                                     | We may terminate only for good cause.   |
|    |  | FAR Part I                               | We may terminate the Franchise Agreement for a non-traditional location for any reason within 30 days after you sign the Franchise Agreement.   |
| f. | Termination by franchisor with cause           | FA and MUFA Section 22                   | We can terminate if you default. See u. below.  |
| g. | “Cause” defined-curable defaults               | DA Section 7<br>FA and MUFA Section 22.C | You have 10 days to cure: failure to make payments of any amounts due to us or our affiliates for royalty fees, advertising contributions, rents or other obligations owed to us under any lease, purchases from us, our affiliates, suppliers, or vendors, or any other amounts due to us or our affiliates  |

You have 30 days to cure: failure to comply with any other

agreement with us or one of our affiliates; or failure to comply with any other provision of the Franchise Agreement, or any specification, standard or operating procedure prescribed in the Confidential Operations Manual or otherwise in writing by us.

DA Section 7.3

You have 10 days to cure: failure to make payments of any amounts due to us or our affiliates; failure to comply with applicable laws

FAR Part IV

A default under the Base Restaurant Franchise Agreement will be a default under the satellite Franchise Agreement.

h. "Cause" defined-  
non-curable defaults

FA and MUFA Section  
22.B

The Franchise ~~Agreement~~Agreement will terminate automatically upon delivery of notice of termination to you, if you (or any of your owners, officers, or key employees): (1) Fail to develop, decorate, equip or open your restaurant within the time period required by, or fail to satisfactorily complete the training program; (2) have made any material misrepresentation or omission in your application for the franchise or in any report, claim, request for reimbursement, impact survey or other similar document submitted to us; (3) are convicted of or plead no contest to: (i) a felony; or (ii) another crime or offense that is likely to adversely affect your reputation or the reputation of the System; (4) Make any unauthorized use, disclosure or duplication of any portion of the Confidential Operations Manual or duplicate or disclose or make any unauthorized use of any trade secret or Confidential Information provided to you by us; (5) Abandon or fail or refuse to actively operate your restaurant for 2 business days in any 12 consecutive month period, unless your restaurant has been closed for a purpose approved by us or due to an act of God, or fail to relocate to an approved premises within an approved period of time following expiration or termination of the lease for the premises; (6) Surrender or transfer control of the operation of your restaurant, make an unauthorized direct or indirect assignment of the franchise or an ownership interest in you or fail or refuse to assign the franchise or the interest in you of a deceased or disabled controlling owner thereof as herein required; (7) Submit to us at any time during the Term any reports or other data, information or supporting records which understate by more than 3% the royalty fee for any period of, or periods aggregating, 3 or more weeks, and you are unable to demonstrate that such understatements resulted from inadvertent error; (8) Become insolvent, is adjudicated as bankrupt or insolvent, or become subject to similar proceedings; (9) materially misuse or make an unauthorized use of any Marks or commit any act which can reasonably be expected to materially impair the goodwill associated with any Marks; (10) Fail on 3 or more separate occasions within any 12 consecutive month period to comply with the Franchise Agreement, or fail on 2 or more separate occasions within any 6 consecutive month period to comply with the same obligation under this the Franchise Agreement; (11) Violate any health, safety or sanitation law, ordinance or regulation or operate the Restaurant in a manner that presents

a health or safety hazard to your customers or the public and do not begin to cure the violation immediately and correct the violation within seventy 72 hours after receiving notice of such violation from us or any other party, regardless of any longer period of time that any governmental authority or agency may have given you to cure such violation; (12) Create or allow to exist any condition in or at the Restaurant, or in connection with the operation of the Restaurant, that we determine to present an immediate health or safety concern for the Restaurant customers or employees; (13) Fail to pay any third-party, including the landlord of the Premises, any amounts owed in connection with the Restaurant when due, and you do not cure such failure within any applicable cure period granted by such third-party; or (14) Engage in any dishonest or unethical conduct which, in our judgment, is reasonably likely to have an adverse effect on the System, the Marks, the goodwill associated therewith, or our interest therein.

DA Section 7.1 and 7.2

Become insolvent, is adjudicated as bankrupt or insolvent, or become subject to similar proceedings; fail to meet obligations under development schedule; any franchise agreement between you and us is terminated; you are in breach of any of your franchise agreements on 3 or more occasions in any 12-month period.

FAR Part IV

The satellite Franchise Agreement will automatically terminate, regardless of the length of term remaining on the Franchise Agreement for the Base Restaurant, if the lease for the satellite restaurant or Base Restaurant terminates or expires.

- |    |   |  |  |
|----|---|--|--|
| i. | Franchisee's obligations on termination/non-renewal | FA and MUFA Section 23   | Obligations include de-identification (if you receive our written approval to close the restaurant); return of Operations Manual; automatic assignment of telephone numbers, cancellation of any Social Media accounts, domain names, internet addresses, any permits, registrations, certifications or other consents; and you must obtain a mutual release of the lease from the landlord and pay all associated costs. Also see q. and Note 2 below, and Item 15. Your franchise rights revert to us if you abandon or if we revoke the agreement. If we or our affiliate terminate your Sublease, you must quit and surrender the restaurant premises to your sublandlord, but you will be liable for the balance of the rent due under the Sublease and the master lease. |
| j. | Assignment of contract by franchisor                | FA and MUFA Section 18   | No restriction on our right to assign.   |
| k. | "Transfer" by franchisee -definition                | DA Section 8.1<br>FA and MUFA Section 18<br><br>DA Section 8.2 | "Transfer" shall include the voluntary, involuntary, direct or indirect assignment, sale, gift, pledge or other transfer by you or your owners of any interest in any of: (1) the Franchise Agreement; (2) the ownership of you, (3) the Restaurant owned by you, or (4) substantially all of the assets of your Restaurant. An assignment, sale or other transfer shall include   |

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

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

You do not have the right to use the name of a public figure in your promotional efforts or advertising without prior written approval from 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 franchises 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.

We do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. However, if you are purchasing an existing outlet, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting: ~~Steve Rafferty at rafferty\_s@subway.com;~~ the Franchise Development Team at 1-800-888-4848 ~~extension 4027~~—or email ~~Developmentfranchise~~franchise@subway.com. You may also contact the Federal Trade Commission and the appropriate state regulatory agencies.

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

Table No. 1  
System wide Outlet Summary for years ~~2020~~2021 to ~~2022~~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
-	<del>2020</del>	<del>23,799</del>	<del>22,190</del>	<del>-1,609</del>
<del>U.S. Franchised</del>	2021	22,190	21,147	-1,043
<u>U.S. Franchised</u>	2022	21,147	20,576	-571
	<del>2020</del> <u>2023</u>	<del>0</del> <u>20,576</u>	<del>0</del> <u>20,133</u>	<del>0</del> <u>-443</u>
<del>U.S. Company Owned</del>	2021	0	0	0
<u>U.S. Company Owned</u>	2022	0	0	0
	<del>2020</del> <u>2023</u>	<del>23,799</del> <u>0</u>	<del>22,190</del> <u>0</u>	<del>-1,609</del> <u>0</u>
<del>U.S. Total Outlets</del>	2021	22,190	21,147	-1,043
<u>U.S. Total Outlets</u>	2022	21,147	20,576	-571
	<u>2023</u>	<u>20,576</u>	<u>20,133</u>	<u>-443</u>

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Table No. 2  
 Transfer of Outlets from Franchisees to New Owners  
 (other than the Franchisor)  
 For years ~~2020~~2021 to ~~2022~~2023

Column 1 State	Column 2 Year	Column 3 Number of Transfers
	<del>2020</del> 2021	<del>22</del> 18
<a href="#">Alabama</a>	<a href="#">2022</a>	<a href="#">35</a>
	<a href="#">2023</a>	<a href="#">37</a>
<del>Alabama</del>	2021	<del>1</del> 80
<a href="#">Alaska</a>	2022	<del>35</del> 6
	<del>2020</del> 2023	0
<del>Alaska</del>	2021	<del>0</del> 15
<a href="#">Arizona</a>	2022	<del>6</del> 42
	<del>2020</del> 2023	<del>6</del> 52
<del>Arizona</del>	2021	<del>15</del> 24
<a href="#">Arkansas</a>	2022	<del>42</del> 37
	<del>2020</del> 2023	<del>7</del> 25
<del>Arkansas</del>	2021	<del>24</del> 117
-	<del>2022</del>	<del>37</del>
-	<del>2020</del>	<del>55</del>
<del>California</del>	<del>2021</del>	<del>117</del>
<a href="#">California</a>	2022	117
	<del>2020</del> 2023	<del>5</del> 171
<del>Colorado</del>	2021	21
<a href="#">Colorado</a>	2022	35
	<del>2020</del> 2023	<del>3</del> 18
<del>Connecticut</del>	2021	12
<a href="#">Connecticut</a>	2022	14
	<del>2020</del> 2023	<del>0</del> 15
<del>Delaware</del>	2021	0
<a href="#">Delaware</a>	2022	0
	<del>2020</del> 2023	<del>3</del> 1
<del>District of Columbia</del>	2021	4
<a href="#">District of Columbia</a>	2022	1
	<a href="#">2023</a>	<a href="#">4</a>
-	<a href="#">2021</a>	<a href="#">54</a>
<del>Florida</del>	<del>2020</del> 2022	<del>69</del> 80
	<a href="#">2023</a>	<a href="#">103</a>
<del>Florida</del>	2021	<del>54</del> 56
<a href="#">Georgia</a>	2022	<del>80</del> 42
	<del>2020</del> 2023	<del>36</del> 48
<del>Georgia</del>	2021	<del>56</del> 0
<a href="#">Guam</a>	2022	<del>42</del> 1
	<del>2020</del> 2023	0
<del>Guam</del>	2021	<del>0</del> 11
<a href="#">Hawaii</a>	2022	<del>1</del> 8
	<del>2020</del> 2023	<del>4</del> 8
<del>Hawaii</del>	2021	<del>11</del> 17

Column 1 State	Column 2 Year	Column 3 Number of Transfers
<u>Idaho</u>	2022	<del>8</del> <u>12</u>
	<del>2020</del> <u>2023</u>	<del>3</del> <u>1</u>
<del>Idaho</del> <u>Illinois</u>	2021	<del>17</del> <u>26</u>
<u>Illinois</u>	2022	<del>12</del> <u>50</u>
	<del>2020</del> <u>2023</u>	<del>24</del> <u>70</u>
<del>Illinois</del> <u>Indiana</u>	2021	<del>26</del> <u>35</u>
<u>Indiana</u>	2022	<del>50</del> <u>65</u>
	<del>2020</del> <u>2023</u>	<del>27</del> <u>75</u>
<del>Indiana</del> <u>Iowa</u>	2021	<del>35</del> <u>23</u>
<u>Iowa</u>	2022	<del>65</del> <u>24</u>
	<del>2020</del> <u>2023</u>	<del>9</del> <u>28</u>
<del>Iowa</del> <u>Kansas</u>	2021	<del>23</del> <u>1</u>
<u>Kansas</u>	2022	<del>24</del> <u>3</u>
	<del>2020</del> <u>2023</u>	<del>1</del> <u>5</u>
<del>Kansas</del> <u>Kentucky</u>	2021	<del>13</del> <u>35</u>
<u>Kentucky</u>	2022	<del>3</del> <u>23</u>
	<del>2020</del> <u>2023</u>	<del>5</del> <u>32</u>
<del>Kentucky</del> <u>Louisiana</u>	2021	<del>35</del> <u>21</u>
<u>Louisiana</u>	2022	<del>23</del> <u>34</u>
	<del>2020</del> <u>2023</u>	<del>18</del> <u>33</u>
<del>Louisiana</del> <u>Maine</u>	2021	<del>21</del> <u>18</u>
<u>Maine</u>	2022	<del>34</del> <u>23</u>
	<del>2020</del> <u>2023</u>	<del>5</del> <u>21</u>
<del>Maine</del> <u>Maryland</u>	2021	<del>18</del> <u>33</u>
<u>Maryland</u>	2022	<del>23</del> <u>18</u>
	<del>2020</del> <u>2023</u>	<del>15</del> <u>38</u>
<del>Maryland</del> <u>Massachusetts</u>	2021	<del>33</del> <u>11</u>
<u>Massachusetts</u>	2022	<del>18</del> <u>38</u>
	<del>2020</del> <u>2023</u>	<del>6</del> <u>21</u>
<del>Massachusetts</del> <u>Michigan</u>	2021	<del>11</del> <u>50</u>
<u>Michigan</u>	2022	<del>38</del> <u>49</u>
	<del>2020</del> <u>2023</u>	<del>21</del> <u>82</u>
<del>Michigan</del> <u>Minnesota</u>	2021	<del>50</del> <u>84</u>
<u>Minnesota</u>	2022	<del>49</del> <u>52</u>
	<del>2020</del> <u>2023</u>	<del>14</del> <u>29</u>
<del>Minnesota</del> <u>Mississippi</u>	2021	<del>84</del> <u>17</u>
<u>Mississippi</u>	2022	<del>52</del> <u>22</u>
	<del>2020</del> <u>2023</u>	<del>3</del> <u>15</u>
<del>Mississippi</del> <u>Missouri</u>	2021	<del>17</del> <u>23</u>
<u>Missouri</u>	2022	<del>22</del> <u>24</u>
	<del>2020</del> <u>2023</u>	<del>15</del> <u>22</u>
<del>Missouri</del> <u>Montana</u>	2021	<del>23</del> <u>6</u>
<u>Montana</u>	2022	<del>24</del> <u>4</u>
	<del>2020</del> <u>2023</u>	<del>0</del> <u>2</u>
<del>Montana</del> <u>Nebraska</u>	2021	<del>6</del> <u>10</u>
<u>Nebraska</u>	2022	<del>4</del> <u>20</u>
	<del>2020</del> <u>2023</u>	<del>4</del> <u>9</u>
<del>Nebraska</del> <u>Nevada</u>	2021	<del>10</del> <u>5</u>
<u>Nevada</u>	2022	<del>20</del> <u>13</u>
	<del>2020</del> <u>2023</u>	<del>8</del> <u>13</u>
<del>Nevada</del>	2021	<del>5</del> <u>16</u>

Column 1 State	Column 2 Year	Column 3 Number of Transfers
<a href="#">New Hampshire</a>	2022	<del>136</del>
	<del>2020</del> 2023	<del>83</del>
<del>New Hampshire</del>	2021	<del>166</del>
-	<del>2022</del>	<del>6</del>
<del>New Jersey</del>	<del>2020</del>	<del>6</del>
	<del>2021</del>	<del>6</del>
<a href="#">New Jersey</a>	2022	4
	<del>2020</del> 2023	<del>6</del> 5
<del>New Mexico</del>	2021	13
<a href="#">New Mexico</a>	2022	12
	<del>2020</del> 2023	<del>17</del> 7
<del>New York</del>	2021	38
<a href="#">New York</a>	2022	63
	<del>2020</del> 2023	<del>29</del> 53
<del>North Carolina</del>	2021	57
<a href="#">North Carolina</a>	2022	47
	<del>2020</del> 2023	<del>17</del> 4
<del>North Dakota</del>	2021	4
<a href="#">North Dakota</a>	2022	4
	<del>2020</del> 2023	<del>0</del> 6
<del>N Mariana Islands</del>	2021	0
<a href="#">N Mariana Islands</a>	2022	0
	<del>2020</del> 2023	<del>3</del> 60
<del>Ohio</del>	2021	42
<a href="#">Ohio</a>	2022	41
	<del>2020</del> 2023	<del>10</del> 67
<del>Oklahoma</del>	2021	16
<a href="#">Oklahoma</a>	2022	13
	<del>2020</del> 2023	<del>18</del> 7
<del>Oregon</del>	2021	18
<a href="#">Oregon</a>	2022	34
	<del>2020</del> 2023	<del>33</del> 26
<del>Pennsylvania</del>	2021	39
<a href="#">Pennsylvania</a>	2022	43
	<del>2020</del> 2023	<del>7</del> 46
<del>Puerto Rico</del>	2021	2
<a href="#">Puerto Rico</a>	2022	5
	<del>2020</del> 2023	<del>6</del> 15
<del>Rhode Island</del>	2021	6
<a href="#">Rhode Island</a>	2022	1
	<del>2020</del> 2023	<del>27</del> 1
<del>South Carolina</del>	2021	18
<a href="#">South Carolina</a>	2022	23
	<del>2020</del> 2023	<del>3</del> 28
<del>South Dakota</del>	2021	1
<a href="#">South Dakota</a>	2022	12
	<del>2020</del> 2023	<del>14</del> 9
<del>Tennessee</del>	2021	17
<a href="#">Tennessee</a>	2022	41
	<del>2023</del>	<del>40</del>
	<del>2021</del>	<del>58</del>

Column 1 State	Column 2 Year	Column 3 Number of Transfers
<u>Texas</u>	<del>2020</del> 2022	<del>37</del> 108
	<u>2023</u>	<u>208</u>
<del>Texas</del>	2021	<del>58</del> 13
<u>Utah</u>	2022	<del>108</del> 13
	<del>2020</del> 2023	<del>3</del> 19
<del>Utah</del>	2021	<del>13</del> 0
<u>Vermont</u>	2022	<del>13</del> 2
	<del>2020</del> 2023	<del>7</del> 0
<del>Vermont</del>	2021	0
-	<del>2022</del>	<del>2</del>
-	<del>2020</del>	<del>0</del>
Virgin Islands U.S.	<del>2021</del> 2022	0
	<del>2022</del> 2023	0
-	<del>2020</del>	<del>19</del>
<del>Virginia</del>	2021	44
<u>Virginia</u>	2022	55
	<del>2020</del> 2023	<del>20</del> 83
<del>Washington</del>	2021	28
<u>Washington</u>	2022	29
	<del>2020</del> 2023	<del>1</del> 48
<del>West Virginia</del>	2021	2
<u>West Virginia</u>	2022	5
	<del>2020</del> 2023	<del>13</del> 18
<del>Wisconsin</del>	2021	35
<u>Wisconsin</u>	2022	50
	<del>2020</del> 2023	<del>1</del> 20
<del>Wyoming</del>	2021	0
<u>Wyoming</u>	2022	2
	<del>2020</del> 2023	<del>7</del> 103
<del>TOTAL</del>	2021	1,220
<u>TOTAL</u>	2022	1,505
	<u>2023</u>	<u>1,764</u>

Attached as Exhibit B-1 is a list of the outlets which changed ownership two or more times during the same fiscal years ~~2020~~2021 to ~~2022~~2023. In the list, a Business Developer Buy Back indicates that an outlet was purchased from a franchisee by the Business Developer with a waiver of the franchise fee and a mutual release. A Company Store Transfer indicates that an outlet was re-purchased by the company and then sold to a new or different franchisee. An Out Right Sale indicates that an outlet was sold directly from one Business Developer or franchisee to another franchisee. Additions/Deletions to Contract indicates that a franchisee has been added to or deleted from the Franchise Agreement for that outlet. Similarly, a Divorce Deletion indicates the deletion of one of the franchisees from the Franchise Agreement specifically due to a divorce. Ownership Change – Divorce means the ownership of an outlet has changed entirely, also as the specific result of a divorce. Next of Kin indicates that ownership of that outlet has passed from a franchisee to his/her next of kin upon the franchisee’s death.

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Table No. 3  
Status of Franchised Outlets  
For years ~~2020~~2021 to ~~2022~~2023

Column 1 State	Column 2 Year	Column 3 Outlets at Start of Year	Column 4 Outlets Opened <sup>1</sup>	Column 5 Terminations/ <del>Ter-</del> <del>minations</del> <sup>2</sup>	Column 6 Non-Renewals	Column 7 Reacquired By Franchisor	Column 8 Ceased Operations – Other Reasons <sup>2</sup>	Column 9 Outlets at the End of the Year
-	2020	417	11	0	0	0	28	399
Alabama	2021	399	15	0	0	10	26	384
Alabama	2022	384	15	0	0	4	14	381
	<del>2020</del> 2023	<del>58</del> 381	<del>2</del> 10	0	0	<del>0</del> 2	<del>5</del> 9	<del>55</del> 380
Alaska	2021	55	2	0	0	0	9	48
Alaska	2022	48	5	0	0	0	5	48
	<del>2020</del> 2023	<del>42</del> 48	<del>8</del> 4	0	0	0	<del>3</del> 0	<del>40</del> 45
Arizona	2021	404	5	0	0	30	19	389
Arizona	2022	389	8	0	1	13	7	388
	<del>2020</del> 2023	<del>266</del> 388	<del>6</del> 5	0	<del>0</del> 2	<del>1</del> 0	<del>1</del> 88	<del>254</del> 383
Arkansas	2021	254	21	0	0	0	14	244
Arkansas	2022	244	6	0	0	0	4	246
	<del>2020</del> 2023	<del>2,417</del> 246	<del>3</del> 86	0	<del>0</del> 1	<del>9</del> 0	<del>21</del> 5	<del>2,227</del> 245
California	2021	2,227	35	0	1	139	156	2,098
California	2022	2,098	34	2	1	4	107	2,018
	<del>2020</del> 2023	<del>3,992</del> 018	<del>14</del> 32	0	<del>0</del> 2	<del>0</del> 11	<del>35</del> 103	<del>3,761</del> 934
Colorado	2021	376	9	0	0	20	23	358
Colorado	2022	358	8	0	0	5	19	342
	<del>2020</del> 2023	<del>310</del> 342	<del>4</del> 9	0	0	<del>1</del> 0	<del>2</del> 6	<del>285</del> 329
Connecticut	2021	285	12	0	0	3	17	277
Connecticut	2022	277	30	0	0	0	15	262
	<del>2020</del> 2023	<del>27</del> 262	<del>0</del> 4	0	0	0	<del>4</del> 11	<del>23</del> 255
Delaware	2021	23	3	0	0	0	2	21
Delaware	2022	21	2	0	0	0	1	22
	<del>2020</del> 2023	<del>7</del> 0	<del>2</del> 2	0	0	0	<del>1</del> 6	<del>5</del> 4
District of Columbia	2021	54	4	0	0	0	3	55
District of Columbia	2022	55	4	0	0	0	2	57
	<del>2020</del> 2023	<del>1,375</del> 57	<del>2</del> 9	0	0	<del>3</del> 0	<del>1</del> 3	<del>1,260</del> 56
Florida	2021	1,260	58	0	1	113	79	1,219
Florida	2022	1,219	50	0	1	17	60	1,191
	<del>2020</del> 2023	<del>801</del> 1,191	<del>1</del> 2	<del>1</del> 0	<del>0</del> 1	<del>2</del> 4	<del>6</del> 6	<del>743</del> 1,152
Georgia	2021	743	17	0	0	3	45	713
Georgia	2022	713	15	0	1	2	22	703
	<del>2020</del> 2023	<del>15</del> 703	<del>1</del> 1	0	<del>0</del> 1	<del>0</del> 5	<del>1</del> 2	<del>15</del> 688
Guam	2021	15	10	0	0	0	1	15
Guam	2022	15	0	0	0	0	1	14
	<del>2020</del> 2023	<del>10</del> 9	<del>3</del> 0	0	0	<del>1</del> 0	<del>1</del> 3	<del>9</del> 9
Hawaii	2021	99	2	0	0	0	6	95

Column 1 State	Column 2 Year	Column 3 Outlets at Start of Year	Column 4 Outlets Opened <sup>1</sup>	Column 5 Terminations/ Terminations <sup>2</sup>	Column 6 Non-Renewals	Column 7 Reacquired By Franchisor	Column 8 Ceased Operations – Other Reasons <sup>2</sup>	Column 9 Outlets at the End of the Year
<a href="#">Hawaii</a>	2022	95	4	0	0	0	10	89
	<del>2020</del> 2023	<del>127</del> 89	<del>0</del> 3	0	0	0	<del>4</del> 5	<del>123</del> 87
<a href="#">Idaho</a>	2021	123	2	0	0	0	1	124
	2022	124	1	0	0	0	7	118
	<del>2020</del> 2023	<del>1,070</del> 118	<del>20</del> 1	0	0	<del>5</del> 0	<del>103</del> 3	<del>981</del> 116
<a href="#">Illinois</a>	2021	981	44	0	0	<del>6</del> 5	74	942
	2022	942	<del>24</del> 28	0	2	<del>9</del> 6	69	886
	<del>2020</del> 2023	<del>625</del> 886	<del>13</del> 7	0	0	<del>0</del> 13	<del>42</del> 31	<del>583</del> 879
<a href="#">Indiana</a>	2021	583	8	0	0	<del>1</del> 0	34	555
	2022	555	<del>13</del> 12	0	2	<del>2</del> 1	13	551
	<del>2020</del> 2023	<del>293</del> 551	<del>3</del> 5	0	0	<del>2</del> 1	<del>16</del> 9	<del>280</del> 546
<a href="#">Iowa</a>	2021	280	5	0	0	<del>0</del> 2	16	267
	2022	267	4	0	0	<del>2</del> 0	9	260
	<del>2020</del> 2023	<del>247</del> 260	<del>9</del> 6	0	<del>6</del> 0	<del>0</del> 2	<del>17</del> 5	<del>233</del> 259
<a href="#">Kansas</a>	2021	233	6	2	0	0	33	203
	2022	203	<del>5</del> 4	0	0	<del>1</del> 0	8	199
	<del>2020</del> 2023	<del>387</del> 199	<del>7</del> 7	0	0	<del>2</del> 0	<del>21</del> 2	<del>371</del> 204
<a href="#">Kentucky</a>	2021	371	9	0	0	2	21	359
	2022	359	10	0	0	<del>0</del> 2	13	356
	<del>2020</del> 2023	<del>456</del> 356	<del>5</del> 4	0	0	<del>1</del> 0	<del>31</del> 9	<del>428</del> 351
<a href="#">Louisiana</a>	2021	428	16	0	0	<del>2</del> 1	39	405
	2022	405	<del>17</del> 18	0	0	<del>0</del> 2	16	406
	<del>2020</del> 2023	<del>111</del> 406	<del>1</del> 8	0	<del>0</del> 1	<del>0</del> 1	<del>9</del> 13	<del>103</del> 399
<a href="#">Maine</a>	2021	103	0	0	0	0	3	100
	2022	100	<del>2</del> 6	0	0	0	2	100
	<del>2020</del> 2023	<del>437</del> 100	<del>5</del> 5	0	0	<del>2</del> 4	<del>34</del> 4	<del>407</del> 97
<a href="#">Maryland</a>	2021	407	12	0	0	<del>1</del> 2	25	393
	2022	393	<del>10</del> 13	0	2	1	20	380
	<del>2020</del> 2023	<del>348</del> 380	<del>6</del> 14	0	0	<del>0</del> 4	<del>33</del> 11	<del>319</del> 379
<a href="#">Massachusetts</a>	2021	319	10	0	0	<del>2</del> 0	32	297
	2022	297	<del>5</del> 13	0	0	<del>0</del> 2	22	280
	<del>2020</del> 2023	<del>864</del> 280	<del>15</del> 13	0	0	<del>1</del> 8	<del>93</del> 11	<del>784</del> 274
<a href="#">Michigan</a>	2021	784	21	0	0	<del>2</del> 1	70	734
	2022	734	<del>25</del> 28	0	0	<del>1</del> 2	32	726
	<del>2020</del> 2023	<del>450</del> 726	<del>3</del> 27	0	<del>0</del> 1	<del>2</del> 4	<del>36</del> 28	<del>416</del> 720
<a href="#">Minnesota</a>	2021	416	10	0	0	<del>1</del> 2	16	408
	2022	408	<del>7</del> 6	1	0	<del>2</del> 1	12	400
	<del>2020</del> 2023	<del>292</del> 400	<del>5</del> 3	0	0	<del>0</del> 1	<del>17</del> 9	<del>280</del> 393
<a href="#">Mississippi</a>	2021	280	9	0	0	0	15	272
	2022	272	11	1	0	<del>2</del> 0	7	273
	<del>2020</del> 2023	<del>512</del> 273	<del>9</del> 3	0	<del>5</del> 0	<del>0</del> 2	<del>32</del> 9	<del>484</del> 265
<a href="#">Missouri</a>	2021	484	10	0	0	0	50	444
	2022	444	10	0	0	0	20	434
	<del>2020</del> 2023	<del>804</del> 434	<del>0</del> 8	0	<del>0</del> 1	0	<del>4</del> 15	<del>764</del> 426

Column 1 State	Column 2 Year	Column 3 Outlets at Start of Year	Column 4 Outlets Opened <sup>1</sup>	Column 5 Terminations/ Terminations <sup>2</sup>	Column 6 Non-Renewals	Column 7 Reacquired By Franchisor	Column 8 Ceased Operations – Other Reasons <sup>2</sup>	Column 9 Outlets at the End of the Year
Montana <u>Montana</u>	2021	76	1	0	0	0	4	73
	2022	73	0	0	0	0	2	71
	<del>2020</del> 2023	<del>196</del> 71	<del>1</del> 0	0	0	0	<del>13</del>	<del>184</del> 70
Nebraska <u>Nebraska</u>	2021	184	3	0	0	0	14	173
	2022	173	5	0	0	0	8	170
	<del>2020</del> 2023	<del>202</del> 170	3	0	0	<del>10</del>	<del>235</del>	<del>182</del> 168
Nevada <u>Nevada</u>	2021	182	6	0	0	<del>0</del> 1	13	175
	2022	175	6	0	0	0	9	172
	<del>2020</del> 2023	<del>92</del> 172	<del>16</del>	0	0	0	<del>76</del>	<del>86</del> 172
New-Hampshire <u>New Hampshire</u>	2021	86	4	0	0	0	9	80
	2022	80	<del>2</del> 1	0	0	<del>10</del>	3	78
	<del>2020</del> 2023	<del>217</del> 78	<del>72</del>	0	0	0	<del>270</del>	<del>193</del> 80
New Jersey <u>New Jersey</u>	2021	193	6	0	0	<del>40</del>	18	180
	2022	180	<del>43</del>	0	0	<del>14</del>	18	165
	<del>2020</del> 2023	<del>172</del> 165	<del>20</del>	0	0	0	<del>16</del> 10	<del>156</del> 155
New Mexico <u>New Mexico</u>	2021	156	5	0	0	<del>20</del>	11	150
	2022	150	4	0	0	<del>02</del>	6	148
	<del>2020</del> 2023	<del>937</del> 148	<del>232</del>	<del>10</del>	0	<del>130</del>	<del>936</del>	<del>855</del> 144
New York <u>New York</u>	2021	855	21	1	1	<del>11</del> 13	81	785
	2022	785	<del>30</del> 24	0	1	<del>8</del> 11	52	754
	<del>2020</del> 2023	<del>786</del> 754	<del>5</del> 10	<del>02</del>	0	<del>02</del>	<del>53</del> 43	<del>738</del> 717
North Carolina <u>North Carolina</u>	2021	738	15	0	0	0	55	698
	2022	698	<del>8</del> 13	0	0	0	38	668
	<del>2020</del> 2023	<del>666</del> 668	<del>114</del>	0	0	<del>05</del>	<del>124</del>	<del>666</del> 53
North Dakota <u>North Dakota</u>	2021	66	1	0	0	0	3	64
	2022	64	0	0	0	0	1	63
	<del>2020</del> 2023	<del>263</del>	<del>01</del>	0	0	0	<del>02</del>	<del>262</del>
N-Mariana-Islands <u>N Mariana Islands</u>	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	<del>2020</del> 2023	<del>1,085</del> 2	<del>130</del>	0	0	<del>120</del>	<del>600</del>	<del>1,031</del> 2
Ohio <u>Ohio</u>	2021	1,031	8	0	0	<del>7</del> 12	60	976
	2022	976	<del>19</del> 18	2	2	<del>37</del>	40	948
	<del>2020</del> 2023	<del>369</del> 948	<del>56</del>	0	0	<del>72</del>	<del>292</del> 8	<del>345</del> 924
Oklahoma <u>Oklahoma</u>	2021	345	9	0	1	<del>07</del>	33	318
	2022	318	6	0	1	<del>20</del>	20	301
	<del>2020</del> 2023	<del>281</del> 301	<del>85</del>	0	<del>01</del>	<del>32</del>	<del>217</del>	<del>268</del> 296
Oregon <u>Oregon</u>	2021	268	4	0	0	<del>03</del>	11	259
	2022	259	<del>64</del>	0	0	<del>20</del>	6	257
	<del>2020</del> 2023	<del>774</del> 257	<del>131</del>	0	0	<del>70</del>	<del>817</del>	<del>701</del> 251
Pennsylvania <u>Pennsylvania</u>	2021	701	18	0	0	<del>57</del>	54	664
	2022	664	<del>17</del> 16	0	1	<del>15</del>	58	621
	<del>2020</del> 2023	<del>179</del> 621	<del>010</del>	0	0	<del>10</del>	<del>1130</del>	<del>168</del> 601
Puerto Rico	2021	168	0	0	0	<del>01</del>	12	155

Column 1 State	Column 2 Year	Column 3 Outlets at Start of Year	Column 4 Outlets Opened <sup>1</sup>	Column 5 Terminations/ Terminations <sup>2</sup>	Column 6 Non-Renewals	Column 7 Reacquired By Franchisor	Column 8 Ceased Operations – Other Reasons <sup>2</sup>	Column 9 Outlets at the End of the Year
<u>Puerto Rico</u>	2022	155	9	0	0	0	5	159
	<del>2020</del> 2023	<del>71</del> 159	<del>14</del>	0	0	<del>10</del>	<del>85</del>	<del>64</del> 158
<del>Rhode Island</del>	2021	64	1	0	0	<del>0</del> 1	1	64
<u>Rhode Island</u>	2022	64	<del>0</del> 2	0	0	0	4	60
	<del>2020</del> 2023	<del>369</del> 60	<del>14</del> 1	0	0	<del>8</del> 2	<del>22</del> 4	<del>359</del> 55
<del>South Carolina</del>	2021	359	11	0	0	<del>2</del> 8	24	346
<u>South Carolina</u>	2022	346	9	0	1	<del>0</del> 2	9	345
	<del>2020</del> 2023	<del>93</del> 345	<del>3</del> 0	<del>0</del> 1	0	0	<del>1</del> 08	<del>86</del> 335
<del>South Dakota</del>	2021	86	3	0	0	0	6	83
<u>South Dakota</u>	2022	83	3	0	0	0	4	82
	<del>2020</del> 2023	<del>589</del> 82	<del>9</del> 3	<del>1</del> 0	0	<del>1</del> 0	<del>3</del> 14	<del>566</del> 81
<del>Tennessee</del>	2021	566	16	0	0	<del>0</del> 1	33	548
<u>Tennessee</u>	2022	548	<del>1</del> 514	0	1	<del>1</del> 0	16	545
	<del>2020</del> 2023	<del>2,065</del> 545	<del>34</del> 7	0	<del>0</del> 1	<del>4</del> 0	<del>1</del> 5213	<del>1,942</del> 538
<del>Texas</del>	2021	1,942	49	0	0	<del>5</del> 4	114	1,876
<u>Texas</u>	2022	1,876	<del>3</del> 637	1	0	<del>1</del> 5	85	1,825
	<del>2020</del> 2023	<del>2081</del> ,825	<del>0</del> 47	0	<del>0</del> 4	<del>0</del> 2	<del>1</del> 559	<del>1931</del> ,807
<del>Utah</del>	2021	193	5	0	0	0	7	191
<u>Utah</u>	2022	191	2	0	0	0	8	185
	<del>2020</del> 2023	<del>48</del> 185	<del>0</del> 3	0	0	0	3	<del>4</del> 5185
<del>Vermont</del>	2021	45	1	0	0	0	2	43
<u>Vermont</u>	2022	43	<del>2</del> 1	0	0	<del>1</del> 0	1	43
	<del>2020</del> 2023	<del>65</del> 443	<del>7</del> 2	0	<del>0</del> 1	<del>1</del> 0	<del>4</del> 43	<del>61</del> 741
<del>Virginia</del>	2021	617	12	0	0	<del>0</del> 1	26	603
<u>Virginia</u>	2022	603	<del>1</del> 516	0	0	0	36	582
	<del>2020</del> 2023	<del>7</del> 582	<del>0</del> 10	0	0	<del>0</del> 1	<del>0</del> 17	<del>7</del> 574
<del>Virgin Islands- US</del>	2021	7	0	0	0	0	1	6
<u>Virgin Islands- US</u>	2022	6	0	0	0	0	0	6
	<del>2020</del> 2023	<del>5</del> 596	<del>4</del> 0	<del>1</del> 0	0	<del>2</del> 0	<del>4</del> 70	<del>5</del> 156
<del>Washington</del>	2021	515	21	0	0	<del>0</del> 2	26	509
<u>Washington</u>	2022	509	<del>1</del> 918	0	0	<del>2</del> 0	30	496
	<del>2020</del> 2023	<del>179</del> 496	<del>3</del> 6	0	<del>0</del> 2	1	<del>1</del> 224	<del>170</del> 475
<del>West Virginia</del>	2021	170	4	0	0	<del>0</del> 1	11	161
<u>West Virginia</u>	2022	161	<del>5</del> 3	0	0	<del>2</del> 0	3	161
	<del>2020</del> 2023	<del>54</del> 6161	<del>1</del> 0	0	0	<del>1</del> 0	<del>1</del> 76	<del>530</del> 155
<del>Wisconsin</del>	2021	530	4	0	0	<del>0</del> 1	45	488
<u>Wisconsin</u>	2022	488	<del>9</del> 8	1	1	<del>1</del> 0	16	478
	<del>2020</del> 2023	<del>61</del> 478	<del>3</del> 1	0	0	<del>3</del> 0	<del>4</del> 14	<del>59</del> 465
<del>Wyoming</del>	2021	59	1	0	0	<del>1</del> 3	2	58
<u>Wyoming</u>	2022	58	3	0	0	<del>0</del> 1	0	61
	<del>2020</del> 2023	<del>23,799</del> 61	<del>3</del> 780	<del>4</del> 0	<del>1</del> 10	<del>9</del> 80	<del>1,882</del> 1	<del>22,190</del> 60
<del>TOTAL</del>	2021	22,190	584	3	4	<del>9</del> 098	1,505	21,147
<u>TOTAL</u>	2022	21,147	<del>5</del> 32529	8	18	<del>8</del> 290	995	20,576
	<del>2020</del> 2023	<del>20,576</del>	<del>3</del> 96	<del>3</del>	<del>1</del> 9	<del>7</del> 9	<del>7</del> 33	<del>20,133</del>

<sup>1</sup>Numbers provided in Column 4 include restaurants that were closed temporarily in a previous year and reopened in the applicable fiscal year. For the most recent fiscal year, reopens account for approximately ~~73~~63% of outlets reported in this column.

<sup>2</sup>Numbers provided in Columns 5 and 8 include locations that may have been closed temporarily as of the fiscal year end. Many of these locations will re-open in a subsequent fiscal year.

Table No. 4  
 Status of Company-Owned Outlets  
 For years ~~2020~~2021 to ~~2022~~2023

Column 1 State	Column 2 Year	Column 3 Outlets at Start of Year	Column 4 Outlets Opened <sup>1</sup>	Column 5 Outlets Reacquired from Franchisee	Column 6 Outlets Closed <sup>2</sup>	Column 7 Outlets Sold to Franchisee	Column 8 Outlets at End of the Year
Alabama	2020	0	0	1	0	1	0
Alabama	2021	0	0	2	0	2	0
	2022	0	0	4	0	4	0
Alaska	<del>2020</del> 2023	0	0	<del>0</del> 2	0	<del>0</del> 2	0
Alaska	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
Arizona	<del>2020</del> 2023	0	0	<del>3</del> 0	0	<del>3</del> 0	0
Arizona	2021	0	0	1	0	1	0
	2022	0	0	1	0	1	0
Arkansas	<del>2020</del> 2023	0	0	0	0	0	0
Arkansas	2021	0	0	1	0	1	0
	2022	0	0	0	0	0	0
California	<del>2020</del> 2023	0	0	<del>13</del> 0	0	<del>13</del> 0	0
California	2021	0	0	5	0	5	0
	2022	0	0	4	0	4	0
Colorado	<del>2020</del> 2023	0	0	<del>2</del> 1	0	<del>2</del> 1	0
Colorado	2021	0	0	0	0	0	0
	2022	0	0	5	0	5	0
Connecticut	<del>2020</del> 2023	0	0	<del>2</del> 0	0	<del>2</del> 0	0
Connecticut	2021	0	0	5	0	5	0
	2022	0	0	3	0	3	0
Delaware	<del>2020</del> 2023	0	0	0	0	0	0
Delaware	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
District of Columbia	<del>2020</del> 2023	0	0	0	0	0	0
District of Columbia	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
Florida	<del>2020</del> 2023	0	0	<del>4</del> 0	0	<del>4</del> 0	0
Florida	2021	0	0	2	0	2	0
	2022	0	0	17	0	17	0
Georgia	<del>2020</del> 2023	0	0	<del>3</del> 4	0	<del>3</del> 4	0
Georgia	2021	0	0	1	0	1	0
	2022	0	0	2	0	2	0
Guam	<del>2020</del> 2023	0	0	<del>0</del> 5	0	<del>0</del> 5	0
Guam	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
Hawaii	<del>2020</del> 2023	0	0	0	0	0	0
Hawaii	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
Idaho	<del>2020</del> 2023	0	0	0	0	0	0

Column 1 State	Column 2 Year	Column 3 Outlets at Start of Year	Column 4 Outlets Opened <sup>1</sup>	Column 5 Outlets Reacquired from Franchisee	Column 6 Outlets Closed <sup>2</sup>	Column 7 Outlets Sold to Franchisee	Column 8 Outlets at End of the Year
<u>Idaho</u>	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
<del>Illinois</del>	<del>2020</del> <u>2023</u>	0	0	<del>7</del> <u>0</u>	0	<del>7</del> <u>0</u>	0
<u>Illinois</u>	2021	0	0	1	0	1	0
	2022	0	0	9	0	9	0
<del>Indiana</del>	<del>2020</del> <u>2023</u>	0	0	<del>4</del> <u>13</u>	0	<del>4</del> <u>13</u>	0
<u>Indiana</u>	2021	0	0	0	0	0	0
	2022	0	0	2	0	2	0
<del>Iowa</del>	<del>2020</del> <u>2023</u>	0	0	<del>0</del> <u>1</u>	0	<del>0</del> <u>1</u>	0
<u>Iowa</u>	2021	0	0	6	0	6	0
	2022	0	0	2	0	2	0
<del>Kansas</del>	<del>2020</del> <u>2023</u>	0	0	<del>0</del> <u>2</u>	0	<del>0</del> <u>2</u>	0
<u>Kansas</u>	2021	0	0	0	0	0	0
	2022	0	0	1	0	1	0
<del>Kentucky</del>	<del>2020</del> <u>2023</u>	0	0	<del>2</del> <u>0</u>	0	<del>2</del> <u>0</u>	0
<u>Kentucky</u>	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
<del>Louisiana</del>	<del>2020</del> <u>2023</u>	0	0	<del>2</del> <u>0</u>	0	<del>2</del> <u>0</u>	0
<u>Louisiana</u>	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
<del>Maine</del>	<del>2020</del> <u>2023</u>	0	0	<del>0</del> <u>1</u>	0	<del>0</del> <u>1</u>	0
<u>Maine</u>	2021	0	0	3	0	3	0
	2022	0	0	0	0	0	0
<del>Maryland</del>	<del>2020</del> <u>2023</u>	0	0	<del>1</del> <u>4</u>	0	<del>1</del> <u>4</u>	0
<u>Maryland</u>	2021	0	0	0	0	0	0
	2022	0	0	1	0	1	0
<del>Massachusetts</del>	<del>2020</del> <u>2023</u>	0	0	<del>2</del> <u>4</u>	0	<del>2</del> <u>4</u>	0
<u>Massachusetts</u>	2021	0	0	1	0	1	0
	2022	0	0	0	0	0	0
<del>Michigan</del>	<del>2020</del> <u>2023</u>	0	0	<del>3</del> <u>8</u>	0	<del>3</del> <u>8</u>	0
<u>Michigan</u>	2021	0	0	4	0	4	0
	2022	0	0	1	0	1	0
<del>Minnesota</del>	<del>2020</del> <u>2023</u>	0	0	<del>1</del> <u>4</u>	0	<del>1</del> <u>4</u>	0
<u>Minnesota</u>	2021	0	0	0	0	0	0
	2022	0	0	2	0	2	0
<del>Mississippi</del>	<del>2020</del> <u>2023</u>	0	0	<del>0</del> <u>1</u>	0	<del>0</del> <u>1</u>	0
<u>Mississippi</u>	2021	0	0	3	0	3	0
	2022	0	0	2	0	2	0
<del>Missouri</del>	<del>2020</del> <u>2023</u>	0	0	<del>0</del> <u>2</u>	0	<del>0</del> <u>2</u>	0
<u>Missouri</u>	2021	0	0	1	0	1	0
	2022	0	0	0	0	0	0
<del>Montana</del>	<del>2020</del> <u>2023</u>	0	0	<del>1</del> <u>0</u>	0	<del>1</del> <u>0</u>	0
<u>Montana</u>	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
<del>Nebraska</del>	<del>2020</del> <u>2023</u>	0	0	0	0	0	0

Column 1 State	Column 2 Year	Column 3 Outlets at Start of Year	Column 4 Outlets Opened <sup>1</sup>	Column 5 Outlets Reacquired from Franchisee	Column 6 Outlets Closed <sup>2</sup>	Column 7 Outlets Sold to Franchisee	Column 8 Outlets at End of the Year
<a href="#">Nebraska</a>	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
<del>Nevada</del>	<del>2020</del> <a href="#">2023</a>	0	0	0	0	0	0
<a href="#">Nevada</a>	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
<del>New Hampshire</del>	<del>2020</del> <a href="#">2023</a>	0	0	0	0	0	0
<a href="#">New Hampshire</a>	2021	0	0	0	0	0	0
	2022	0	0	1	0	1	0
<del>New Jersey</del>	<del>2020</del> <a href="#">2023</a>	0	0	<u>50</u>	0	<u>50</u>	0
<a href="#">New Jersey</a>	2021	0	0	2	0	2	0
	2022	0	0	1	0	1	0
<del>New Mexico</del>	<del>2020</del> <a href="#">2023</a>	0	0	<u>20</u>	0	<u>20</u>	0
<a href="#">New Mexico</a>	2021	0	0	1	0	1	0
	2022	0	0	0	0	0	0
<del>New York</del>	<del>2020</del> <a href="#">2023</a>	0	0	<u>110</u>	0	<u>110</u>	0
<a href="#">New York</a>	2021	0	0	7	0	7	0
	2022	0	0	8	0	8	0
<del>North Carolina</del>	<del>2020</del> <a href="#">2023</a>	0	0	<u>02</u>	0	<u>02</u>	0
<a href="#">North Carolina</a>	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
<del>North Dakota</del>	<del>2020</del> <a href="#">2023</a>	0	0	<u>05</u>	0	<u>05</u>	0
<a href="#">North Dakota</a>	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
<del>N Mariana- Islands</del>	<del>2020</del> <a href="#">2023</a>	0	0	0	0	0	0
<a href="#">N Mariana Islands</a>	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
<del>Ohio</del>	<del>2020</del> <a href="#">2023</a>	0	0	<u>70</u>	0	<u>70</u>	0
<a href="#">Ohio</a>	2021	0	0	4	0	4	0
	2022	0	0	3	0	3	0
<del>Oklahoma</del>	<del>2020</del> <a href="#">2023</a>	0	0	<u>02</u>	0	<u>02</u>	0
<a href="#">Oklahoma</a>	2021	0	0	3	0	3	0
	2022	0	0	2	0	2	0
<del>Oregon</del>	<del>2020</del> <a href="#">2023</a>	0	0	<u>02</u>	0	<u>02</u>	0
<a href="#">Oregon</a>	2021	0	0	0	0	0	0
	2022	0	0	2	0	2	0
<del>Pennsylvania</del>	<del>2020</del> <a href="#">2023</a>	0	0	<u>50</u>	0	<u>50</u>	0
<a href="#">Pennsylvania</a>	2021	0	0	1	0	1	0
	2022	0	0	1	0	1	0
<del>Puerto Rico</del>	<del>2020</del> <a href="#">2023</a>	0	0	0	0	0	0
<a href="#">Puerto Rico</a>	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
<del>Rhode Island</del>	<del>2020</del> <a href="#">2023</a>	0	0	0	0	0	0
<a href="#">Rhode Island</a>	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0

Column 1 State	Column 2 Year	Column 3 Outlets at Start of Year	Column 4 Outlets Opened <sup>1</sup>	Column 5 Outlets Reacquired from Franchisee	Column 6 Outlets Closed <sup>2</sup>	Column 7 Outlets Sold to Franchisee	Column 8 Outlets at End of the Year
South Carolina	<del>2020</del> 2023	0	0	2	0	2	0
South Carolina	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
South Dakota	<del>2020</del> 2023	0	0	0	0	0	0
South Dakota	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
Tennessee	<del>2020</del> 2023	0	0	0	0	0	0
Tennessee	2021	0	0	0	0	0	0
	2022	0	0	1	0	1	0
Texas	<del>2020</del> 2023	0	0	<u>50</u>	0	<u>50</u>	0
Texas	2021	0	0	7	0	7	0
	2022	0	0	1	0	1	0
Utah	<del>2020</del> 2023	0	0	<u>0</u> <u>2</u>	0	<u>0</u> <u>2</u>	0
Utah	2021	0	0	1	0	1	0
	2022	0	0	0	0	0	0
Vermont	<del>2020</del> 2023	0	0	0	0	0	0
Vermont	2021	0	0	0	0	0	0
	2022	0	0	1	0	1	0
Virginia	<del>2020</del> 2023	0	0	0	0	0	0
Virginia	2021	0	0	1	0	1	0
	2022	0	0	0	0	0	0
Virgin Islands-US	<del>2020</del> 2023	0	0	<u>0</u> <u>1</u>	0	<u>0</u> <u>1</u>	0
Virgin Islands-US	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
Washington	<del>2020</del> 2023	0	0	<u>4</u> <u>0</u>	0	<u>4</u> <u>0</u>	0
Washington	2021	0	0	3	0	3	0
	2022	0	0	2	0	2	0
West Virginia	<del>2020</del> 2023	0	0	<u>0</u> <u>1</u>	0	<u>0</u> <u>1</u>	0
West Virginia	2021	0	0	1	0	1	0
	2022	0	0	2	0	2	0
Wisconsin	<del>2020</del> 2023	0	0	0	0	0	0
Wisconsin	2021	0	0	0	0	0	0
	2022	0	0	1	0	1	0
Wyoming	<del>2020</del> 2023	0	0	<u>2</u> <u>0</u>	0	<u>2</u> <u>0</u>	0
Wyoming	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
TOTAL	<del>2020</del> 2023	0	0	<u>95</u> <u>0</u>	0	<u>95</u> <u>0</u>	0
TOTAL	2021	0	0	67	0	67	0
	2022	0	0	82	0	82	0
	<u>2023</u>	<u>0</u>	<u>0</u>	<u>79</u>	<u>0</u>	<u>79</u>	<u>0</u>

<sup>1</sup>Any numbers provided in Column 4 reflect restaurants that were previously owned by a franchisee, were reacquired and closed temporarily by the franchisor, and then reopened in conjunction with the resale of that outlet to a new franchisee. We do not currently intend to open any company-operated restaurants, but reserve the right to do so in the future.

<sup>2</sup>Numbers provided in Column 6 include locations that may have been closed temporarily as of the fiscal year end. These locations may reopen in subsequent years in conjunction with the resale of the outlet to a new franchisee, at which point they will be reported in Column 4.

Table No. 5  
 Projected Openings as of December 31, ~~2022~~2023

Column 1 State	Column 2 Franchise Agreements Signed But Outlet Not Opened	Column 3 Projected New Franchised Outlet in the Next Fiscal Year	Column 4 Projected New Company-Owned Outlet in the Next Fiscal Year
Alabama	<del>0</del> 3	<del>3</del> 7	0
Alaska	<del>1</del> 0	<del>1</del> 0	0
Arizona	2	<del>2</del> 3	0
Arkansas	1	<del>4</del> 5	0
California	<del>5</del> 13	<del>6</del> 20	0
Colorado	<del>1</del> 0	<del>3</del> 4	0
Connecticut	0	1	0
Delaware	0	0	0
District of Columbia	0	0	0
Florida	3	<del>4</del> 8	0
Georgia	<del>5</del> 7	<del>4</del> 10	0
Guam	0	0	0
Hawaii	0	0	0
Idaho	0	0	0
Illinois	6	<del>1</del> 6	0
Indiana	1	2	0
Iowa	<del>1</del> 0	<del>1</del> 0	0
Kansas	<del>0</del> 2	<del>0</del> 3	0
Kentucky	<del>2</del> 1	<del>2</del> 3	0
Louisiana	<del>0</del> 4	<del>2</del> 5	0
Maine	0	0	0
Maryland	<del>2</del> 3	<del>1</del> 2	0
Massachusetts	0	<del>1</del> 0	0
Michigan	<del>4</del> 1	<del>6</del> 3	0
Minnesota	<del>0</del> 2	<del>0</del> 3	0
Mississippi	0	<del>0</del> 3	0
Missouri	0	<del>0</del> 2	0
Montana	0	0	0
Nebraska	0	0	0
Nevada	<del>0</del> 2	<del>1</del> 6	0
New Hampshire	0	0	0
New Jersey	<del>0</del> 1	<del>1</del> 2	0
New Mexico	0	<del>1</del> 4	0
New York	<del>1</del> 5	<del>2</del> 8	0
North Carolina	3	<del>2</del> 8	0
North Dakota	0	0	0
N Mariana Islands	0	0	0
Ohio	<del>4</del> 2	<del>4</del> 2	0
Oklahoma	<del>6</del> 5	<del>0</del> 3	0
Oregon	0	<del>0</del> 1	0

Pennsylvania	1	<del>3</del> <u>2</u>	0
Puerto Rico	<del>2</del> <u>0</u>	0	0
Rhode Island	0	0	0
South Carolina	0	<del>0</del> <u>1</u>	0
South Dakota	<del>4</del> <u>0</u>	0	0
Tennessee	<del>12</del> <u>13</u>	<del>5</del> <u>14</u>	0
Texas	<del>9</del> <u>16</u>	<del>15</del> <u>38</u>	0
Utah	0	1	0
Vermont	0	0	0
Virginia	<del>0</del> <u>2</u>	<del>2</del> <u>1</u>	0
Virgin Islands US	0	0	0
Washington	1	1	0
West Virginia	1	<del>0</del> <u>1</u>	0
Wisconsin	0	<del>0</del> <u>1</u>	0
Wyoming	0	0	0
State Not Yet Determined	0	0	0
TOTAL	<del>75</del> <u>101</u>	<del>82</del> <u>184</u>	0

During the last three fiscal years, we have signed confidentiality clauses with current or former franchisees which restrict them from speaking openly with you about their experience with us. You may wish to speak with current and former franchisees, but be aware that not all such franchisees will be able to communicate with you.

Attached as Exhibit B are the names, addresses, and telephone numbers of all operating franchisees in the United States and its territories as of December 31, ~~2022~~2023. In order to comply with privacy laws, we have omitted the personal information of these franchisees in this portion of Exhibit B.

Attached as Exhibit B-2 is the name, city, state, and business or home telephone number for every franchisee who had an outlet permanently terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the Franchise Agreement during the fiscal year ~~2022~~2023 or who has not communicated with us within 10 weeks of the Disclosure Document issuance date. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

If your name is included in this Disclosure Document and you notice an error, or if you notice an error in any other franchisee's information, please send notice by registered mail to: Doctor's Associates LLC in care of Franchise World Headquarters, LLC, 1 Corporate Drive, Suite 1000, Shelton, CT 06484.

We have not created, sponsored or endorsed any trademark-specific franchisee organization associated with the Subway® franchise system. The following independent franchisee organization has asked to be included in this Disclosure Document: North American Association of Subway Franchisees, Inc., 357 Commerce Drive, Unit #320955, Fairfield, CT 06825; Telephone: (203) 579-7779; Email: [iberecz@naasf.org](mailto:iberecz@naasf.org); Website: [www.naasf.org](http://www.naasf.org).

***\*Please Note: To comply with privacy laws, we have excluded the personal information of our franchisees referenced in this Item 20 that we are not required by law to disclose.***

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

Attached as Exhibit C to this Disclosure Document are our audited financial statements, for the fiscal years ended December 31, 2023, 2022, and 2021, and ~~2020~~, ~~and~~ our unaudited balance sheet as of March 31, ~~2023~~2024 and statement of income and expenses for the period ended March 31, ~~2023~~2024.

**Item 22**  
**CONTRACTS**

The following contracts are attached to this Disclosure Document:

Franchise Agreement.....	Exhibit A
Franchise Agreement Rider.....	Exhibit A-1
<del>Owners's</del> <u>Owner's</u> Statement .....	.....
Exhibit A-2	
<del>Sub Shop/2000™ Software License Agreement .....</del>	<del>Exhibit A-3</del>
Subway® POS End User License Agreement .....	Exhibit
<del>A-3-1-3</del>	
<del>Subway® Payment Management Manager End User License Agreement .....</del>	<del>Exhibit A-3-2</del>
Walmart® Rider.....	Exhibit A-4
Sub-Sublease Form for Walmart® .....	Exhibit A-4-2
Auntie Anne's® Rider .....	Exhibit A-5
NEXCOM Rider .....	Exhibit A-6
AAFES Rider .....	Exhibit A-7
MCCS Rider .....	Exhibit A-8
Co-Brand Location Rider .....	Exhibit A-9
Dual Location Test Rider .....	Exhibit A-10
Franchisee Participation Agreement (SVS) .....	Exhibit A-11
Development Agreement .....	Exhibit A-12
Multi-Unit Franchise Agreement .....	Exhibit A-13
Sublease.....	Exhibit D
Franchisor Lease Rider .....	Exhibit D-1
Lease Amendment .....	Exhibit D-2
Sublicense.....	Exhibit D-3
Subconcession Agreement.....	Exhibit D-4
Sub Contract.....	Exhibit D-5
<u>Franchisee Acceptance of Renegotiation.....</u>	<u>Exhibit D-6</u>
<u>Lease and Sublease Termination Agreement.....</u>	<u>Exhibit D-7</u>
Intent to Sublease.....	Exhibit E
Pre-Authorized Bank Form.....	Exhibit F
Renewal Addendum .....	Exhibit G-1
Transfer Addendum .....	Exhibit G-2
DAL Promissory Note and Security Agreement .....	Exhibit K-1
Huntington Technology Finance Equipment Lease .....	Exhibit K-2
<del>Franchisee</del> <u>Subway Global</u> Privacy	
<del>Notice.....</del> <u>Statement.....</u>	<u>.....</u>
Exhibit M	
General Release .....	Exhibit O
State Addenda (including state-specific Franchise Agreement Riders).....	Exhibit P

**Item 23**  
**RECEIPTS**

**KEY CONTRACT DATA**

Name of Franchisee: \_\_\_\_\_

State of Incorporation: \_\_\_\_\_

Type of Entity:  LLC     Corp.     Other: \_\_\_\_\_

**Principal Fee(s):**

**Initial Franchise Fee:**

\_\_\_\_\_ a. **Standard Franchise Fee.** \$15,000

\_\_\_\_\_ b. **Reduced Franchise Fee.** \$7,500

- \_\_\_\_\_ Additional franchise purchase (if qualified)
  - \_\_\_\_\_ Number of owners new to the System (additional \$3,750 for each owner who is not an existing Subway® franchisee or owner of a Subway® franchisee; for example, if one owner is an existing franchisee and the other owner is not, the total Franchise Fee would be \$7,500 plus \$3,750, or \$11,250)
- \_\_\_\_\_ Initial Franchise Fee for affiliate company (if qualified)
- \_\_\_\_\_ Initial Franchise Fee for a non-traditional franchisee (if qualified)
- \_\_\_\_\_ Honorably discharged veteran of the United States Armed Forces purchasing first franchise (if qualified)

\_\_\_\_\_ c. **Satellite Franchise Fee.**

- \_\_\_\_\_ \$5,000 standard
- \_\_\_\_\_ \$1,000 short-term satellite

~~\_\_\_\_\_ d. **Add-On Franchise Fee.** \$11,250~~

**Additional Fees:**

\_\_\_\_\_ a. **Extension Fee.** \$1,000

\_\_\_\_\_ b. **Other.** \$ \_\_\_\_\_. Describe: \_\_\_\_\_

**Royalty Fee:** \_\_\_\_\_ 8% or \_\_\_\_\_ % of Gross Sales (check one)

**Advertising Contributions:** ~~4.5~~ \_\_\_\_\_ 4.5% or \_\_\_\_\_ % of Gross Sales (check one)

**Approved Location:** \_\_\_\_\_

\_\_\_\_\_ Check here if Approved Location not specified at time of execution

**Your email address:** \_\_\_\_\_

DOCTOR'S ASSOCIATES LLC  
FRANCHISE AGREEMENT

This Franchise Agreement (this “**Agreement**”), made on the date shown on the cover page hereof (the “**Agreement Date**”), by and between Doctor’s Associates LLC, a ~~Florida~~Delaware limited liability company with a principal office in ~~Milford~~Shelton, Connecticut (“**Franchisor**”, “**we**”, “**us**”, or “**our**”), and the party identified as Franchisee in the Key Contract Data at the beginning of this Agreement (“**Franchisee**”, “**you**” or “**your**”).

1. **Background Information.**

A. Our affiliate, Subway IP LLC (“**SIP**”) is the owner of a proprietary system for establishing and operating restaurants featuring sandwiches, pizza and salads under our trade name and service mark, Subway<sup>®</sup>, which operate with a uniform business format, specially designed equipment, methods, procedures, and designs (the “**System**”). The System includes the trademark Subway<sup>®</sup>, other trademarks, trade names, service marks, commercial announcements (slogans) and related insignia (logos) owned by SIP (the “**Marks**”). The System was developed spending considerable money, time, and effort. The System also includes confidential information and goodwill. SIP has granted us a non-exclusive license to use the System in the United States of America and its territories to establish and sublicense others to establish and operate Subway<sup>®</sup> restaurants (“**Subway<sup>®</sup> Restaurants**”). Subway<sup>®</sup> Restaurants are operated by persons meeting our qualifications to whom we have granted franchises.

B. You have applied for the right and obligation to operate a Subway<sup>®</sup> Restaurant utilizing the Marks solely at the Approved Location (as defined in Section 4.A) described in this Agreement. Such application has been approved by us in reliance upon all of the representations made within it being true, correct and complete including, without limitation, your ownership. You desire to operate a Subway<sup>®</sup> Restaurant under the System and wish to obtain a franchise from us for that purpose.

C. You have read this Agreement, and our franchise disclosure document, and have been given an opportunity to clarify any provisions that you did not understand. You understand and accept the terms, conditions, and covenants contained in this Agreement as being reasonably necessary to maintain our high standards of quality and service and the uniformity of those standards at all Subway<sup>®</sup> Restaurants, and thereby to protect and preserve the goodwill of the Marks.

D. The term “Franchisee”, “you” and “your” as used herein is applicable to one or more persons, a corporation, limited liability company or a partnership, as the case may be, and the singular usage includes the plural and the masculine and neuter usages include the other and the feminine. References to “Franchisee”, “you” and “your” applicable to an individual or individuals shall mean the principal owner or owners of the equity or operating control of you if you are a corporation, limited liability company or partnership, and shall include all such individuals collectively and individually.

E. The parties agree that the information in this Section 1 (“**Background Information**”) is true and correct, and we are relying on it.

2. **Appointment.**

A. We hereby grant to you, upon the terms and conditions of this Agreement, a franchise to operate a Subway<sup>®</sup> Restaurant (the “**Restaurant**”) and to use in connection therewith the System, as it may be changed, improved and further developed from time to time, and the Marks solely at the Approved Location and for the Term.

consent. You agree that, in the event that you or your affiliate wishes to sell the Premises prior to the expiration date, you shall, prior to the sale, agree to enter into a lease with the buyer, which must be an Approved Lease, that does not expire until on or after the expiration date, and the terms of such Approved Lease must be provided to us and approved in writing by us prior to you entering into the Approved Lease. Our approval of the terms of an Approved Lease indicates only that we believe the Approved Lease complies with acceptable minimum criteria we established. You acknowledge and agree that your acceptance of the Approved Lease is based on your own independent investigation, including consultation with your attorney and other advisors. The Approved Lease must contain a Franchisor Lease Rider in the form that we require, and it is your sole responsibility to obtain it and deliver a counterpart to us. The Franchisor Lease Rider is intended to provide us with certain protections under the Approved Lease and may not benefit you or your landlord. If you or the landlord requests that we consider any modifications to the Franchisor Lease Rider, and we elect to do so, we may also require you to reimburse us for all expenses we incur (including reasonable attorneys' fees) in connection with such review. We may also reject any request for modifications to the Franchisor Lease Rider for any reason.

I. You must pay to us a Restaurant Design charge, related to remodeling or relocation of your Restaurant, as follows: (1) for remodels: currently, \$1,000 for 1 original floor plan plus one revision floor plan and \$250 for each additional revision floor plan; (2) for new Restaurants and relocations: \$1,000 for 1 original floor plan plus 2 revision floor plans, and \$250 for additional revision floor plan. For remodels, the \$1,000 charge is waived if the remodel is completed within 6 months from the date the last floor plan was provided. Additional revision charges will not be waived under any circumstance. For new Restaurants and relocations, the \$1,000 charge is waived if the buildout is completed within 12 months from the date the last floor plan was provided. Additional revision charges will not be waived under any circumstance. Nothing in this paragraph is intended to modify your requirement to otherwise timely complete the construction and/or relocation of your Restaurant, as applicable, in accordance with this Agreement, and failure to perform in accordance with such requirements is a material breach of this Agreement. We may increase this charge from time to time.

## **5. Equipment, Fixtures, Furniture and Signs.**

A. We shall provide you with specifications for brands and types of food and beverage preparation, dispensing, storage and display equipment, POS System, other equipment, fixtures, furniture, exterior and interior signs and decoration required for the Restaurant. Specifications may include minimum standards for performance, warranties, design and appearance and local zoning, sign and other restrictions. You may purchase or lease original and replacement equipment, fixtures, furniture, signs and decorating materials and services meeting such specifications from any source, except as we provide otherwise in this Agreement, the Confidential Operations Manual, published policies, procedures or guidelines or other written materials we may issue from time to time. If you propose to purchase or lease any item of equipment or furniture or any fixture, sign or decorating materials not theretofore approved by us as meeting our specifications, you shall submit your request in writing to us before purchasing or leasing any item and such item shall be purchased only following our written consent approving same. We will not be obligated to respond to your request, and any actions we take in response to such request will be at our sole discretion. Any such equipment, fixtures, furniture, signs and decorating materials bearing the name Subway® or other Marks will remain SIP's property even though you may have paid a third party to make the equipment, fixtures, furniture, signs or decorating materials. We have the right to physically remove any such equipment, fixtures, furniture, signs or decorating materials from the Premises if we believe it is necessary to protect the goodwill associated with the Marks.

B. You shall comply with all specifications for brands and types of food and beverage preparation, dispensing, storage and display equipment, POS System, other equipment, fixtures,

D. The Approved Location shall be used solely for the purpose of conducting a Subway® Restaurant.

E. Except if you are prohibited from selling products under applicable law or under the terms of the Restaurant lease, you agree that you will offer for sale and sell at the Restaurant all types of sandwiches, food, drinks and other products that we from time to time authorize, and that you will not offer for sale or sell at the Premises any other food product, beverage, confection or non-food product whatsoever or use the Premises for any purpose other than the operation of the Restaurant in full compliance with this Agreement. You further agree that you will participate in any gift certificate, gift card and/or loyalty card programs that we require. To the extent allowed by applicable law, you must comply with our minimum, maximum, and other pricing requirements for sandwiches and other products and services offered by the Restaurant, as well as comply with our pricing methods and procedures for in-store, curbside, delivery, catering ([including online catering](#)), on-line/electronic and any other types of orders, including but not limited to advertising and marketing promotions.

F. From time to time, we shall provide to you in the Confidential Operations Manual or otherwise in writing a list of approved manufacturers, suppliers, and distributors and approved food and non-food products, fixtures, equipment, signs, stationery, supplies, and other items or services necessary to operate the Restaurant. Such list shall specify the manufacturer, supplier and distributor and the food and non-food products, fixtures, equipment, signs, stationery, supplies and services that we have approved to be carried or used in the System. We may revise the approved list of manufacturers, suppliers and distributors and the approved list of food and non-food products, fixtures, equipment, signs, stationery, supplies, and other materials from time to time. Such approved list shall be submitted to you in a form that we deem advisable. You must respond to the recall of any products in the manner and at the time that we specify.

G. All sandwiches, menu items, breads, meats, cheeses, ingredients, toppings, spices, mixes and other food and beverage products and materials, containers, packaging materials, other paper and plastic products, plates, cups, utensils, menus, uniforms, forms, cleaning and sanitation materials and other materials and supplies used in the operation of the Restaurant shall conform to the specifications and quality standards established by us from time to time in the Confidential Operations Manual or otherwise. Except as otherwise provided herein, you may only purchase such products that meet our specifications and quality standards from suppliers approved by us as meeting our criteria for Subway® Restaurant suppliers, such criteria and suppliers being subject to change by us from time to time. If you propose to offer for sale at the Restaurant any brand of product, or to use in the operation of the Restaurant any brand of food ingredient or other material or supply, that is not then approved by us as meeting our minimum specifications and quality standards, or to purchase any product from a supplier that is not then designated by us as an approved supplier, you shall submit your request in writing to us before purchasing or leasing any such ingredient, material or supply, and its purchase or lease may not be made by you absent our prior written consent. We will not be obligated to respond to your request, and any actions we take in response to such request will be at our sole discretion, including the assessment of a fee to compensate us for the time and resources we spend in evaluating the ingredient, material or supply. If we do not respond to your request within thirty (30) days, the request shall be deemed denied. We reserve the right from time to time to examine the facilities of any approved supplier or distributor and to conduct reasonable testing and inspection of the ingredients, materials or supplies to determine whether they meet our standards and specifications. We also reserve the right to charge fees for testing and evaluating proposed suppliers or distributors and to impose reasonable limitations on the number of approved suppliers or distributors of any product. Approval of a supplier or distributor may be conditioned on requirements relating to frequency of delivery and standards of service, including prompt

marks or copyrighted materials, new menu items, new products, new equipment or new techniques and that you will accept, use and display for the purpose of this Agreement any such changes in the System, as if they were part of this Agreement at the time of execution hereof. Within the timeframes that we may reasonably require, you will make such expenditures as such changes or modifications in the System as we may reasonably require, including but not limited to repairs, upgrades and remodels. You shall not change, modify or alter in any way the System without our prior written consent. You will be provided with reasonable notice of any material updates or changes to the System or the Confidential Operations Manual.

13. **Fees and Contributions.**

A. **Franchise Fee.** When you sign this Agreement, you will pay us the fee(s) (the “**Franchise Fee**”) indicated in the Key Contract Data at the beginning of this Agreement, which shall be deemed fully earned by us and shall be nonrefundable upon execution of this Agreement (except as otherwise expressly provided in this Agreement) as consideration for expenses incurred by us in furnishing assistance and services to you and for our lost or deferred opportunity to sell a franchise to others. If you or your affiliate are an existing Subway® franchisee, you represent that your other Subway® Restaurant(s) is/are in substantial compliance with the Operations Manual and there are no material defaults under the franchise agreement(s) governing the operation of such Subway® Restaurant(s). If any of the aforesaid representations are not true when the Restaurant opens (based upon the most recent restaurant evaluation), you agree to pay us an additional \$7,500.

B. **Royalty Fee.** You shall pay to us without offset, credit or deduction of any nature unless otherwise permitted by us in writing, so long as this Agreement shall be in effect, a royalty fee equal to eight percent (8%) of Gross Sales of the Restaurant on a weekly basis or other periodic basis that we may determine from time to time (the “**Royalty Fee**”).

C. **Advertising Contributions.** You shall pay without offset, credit or deduction of any nature, to us, so long as this Agreement shall be in effect, advertising contributions equal to four and one-half percent (4.5%) of Gross Sales of the Restaurant on a weekly basis or other periodic basis that we may determine from time to time (“**Advertising Contributions**”).

D. **Restaurant Excellence Visits.** We or a third-party that we authorize will conduct periodic “**Restaurant Excellence Visits**” as set forth in the Confidential Operations Manual or otherwise in writing. We will not charge you for these Restaurant Excellence Visits. However, if you receive a “Fail” score (as determined by us or the third-party conducting the Restaurant Excellence Visit), you will be required to pay a fee of \$~~132.61~~136.59 (the “**Revisit Fee**”) for a subsequent Restaurant Excellence Visit (a “**Revisit**”). You will receive a Revisit until you achieve a score of “Pass”, and you will pay the Revisit Fee for each Revisit. The Revisit Fee is subject to increase by 3% per year. Effective January 1, ~~2024~~2025, the Revisit Fee will increase to \$~~136.59~~140.69 per revisit (subject to increase by 3% per year).

E. **Restaurant Technology Fee; Digital Technology Fee.** You will pay us a “**Restaurant Technology Fee**” for the Software of \$75 per month, payable per Restaurant. This cost covers development and maintenance of the Software for each POS system terminal in the Restaurant as well as other restaurant technology. We will charge this fee to your pre-authorized account with us. We reserve the right to increase this fee at any time without notice to you. In addition to the Restaurant Technology Fee, we reserve the right to charge in the future a “**Digital Technology Fee**” to cover our costs of development, infrastructure and support of programs including our Subway® App, Online Ordering, Third-Party Delivery platform support, Digital Menu Boards and Social Media Platforms.

F. **Legacy Support Fee.** To cover our costs related to any non-compliance, you must pay to us or our affiliate the “**Legacy Support Fee**” if you do not comply with our technology standards and specifications, fail to return hardware, fail to upgrade systems, fail to allow access in a timely manner, install unauthorized software, or attempt to hack or circumvent our software, all as provided in this Agreement, any other agreement between you, on the one hand, and us or our affiliate on the other hand, or otherwise as set forth in the Confidential Operations Manual or otherwise in writing. The Legacy Support Fee is currently \$200 for each month that you are not in compliance with any of the foregoing. We reserve the right to increase the Legacy Support Fee at any time without notice to you.

G. **Digital Menu Boards Hardware-as-a-Service Fee.** You will pay us a monthly fee for our Digital Menu Board Hardware-as-a-Service (“**DMB HaaS**”) program, currently \$155 per month. DMB HaaS includes service, installation, maintenance and help-desk support for digital menu boards in your Restaurant. We reserve the right to increase the ~~BMB~~DMB HaaS fee at any time without notice to you.

H. **Payment Terms.** The following terms and conditions apply to all payments due to us from you:

1. On or before Thursday at 3:00 p.m. Eastern Time of each week (or such other day and time as prescribed by us from time to time), you will submit to us in the format that we require a correct statement of the Gross Sales of the Restaurant for the preceding week ending Tuesday (or such other day as prescribed by us from time to time). Such Gross Sales statement shall be submitted through our designated control system, using approved POS System hardware and software, to the location we designate. Each weekly statement (or other periodic statement that we designate) of Gross Sales shall be accompanied by the Royalty Fee and Advertising Contributions payment based on the Gross Sales reported in the statement so submitted. You will make available to us for reasonable inspection at reasonable times and through reasonable means determined by us (including electronic), all original books and records (electronic and hard copy) that we may deem necessary to ascertain the Gross Sales of the Restaurant.

2. The term “**Gross Sales**” as used herein, shall mean and include the aggregate amount of all sales of food products, beverages and other merchandise, products and services of every kind or nature sold from, at or in connection with the Restaurant or arising out of the operation or conduct of business by the Restaurant, less any customer refunds up to the amount of the sales price and excluding all sales, use or service taxes collected and paid to the appropriate taxing authority. “**Gross Sales**” shall include: (a) all amounts redeemed from gift certificates, gift cards or similar media, and sales made through alternative platforms, (b) all insurance proceeds received by you for loss of business due to a casualty or other event at the Restaurant, and (c) the fair market value of any services or products received by you in barter or exchange for your services or products.

3. All amounts you owe under this Agreement or any other Franchise Agreement, Sublease or other agreement that you have with us or any of our affiliates must be paid through electronic funds transfer in the manner we designate, unless we specify otherwise. These amounts include Royalty Fees, Advertising Contributions, interest, late fees, and any and all other charges that you owe. Before the Restaurant opens, you will sign and deliver to us appropriate electronic funds transfer preauthorized draft forms (or forms serving the same purpose) for the Restaurant's checking account (the “**Pre-authorized Account**”). Upon our request, you agree to sign any additional documents we require to authorize us and our affiliates to debit your Pre-authorized Account. You hereby authorize us and our affiliates to debit your Pre-authorized Account for the Royalty Fees, Advertising Contributions, amounts due for

purchases by you from us or our affiliates, and all other amounts due us or our affiliates under this Agreement, under any other agreement with us or our affiliate, or otherwise. You agree to ensure that funds are available in the Pre-authorized Account to cover our withdrawals. In certain circumstances, you will also authorize us to withdraw money for fees or payments that we paid, pay or will pay to a third party, including without limitation your landlord or licensor, on your behalf in connection with the Restaurant.

4. If you fail to submit the weekly (or other periodic) Gross Sales statements, we will estimate your Royalty Fee and Advertising Contribution by using a Gross Sales figure that is equal to ~~one hundred twenty percent (120%)~~ of the average weekly (or other periodic) Gross Sales of your Restaurant for the previous ~~six~~eight (8) weeks, increasing by 10% for each 3-week period that such statements remain unsubmitted. If the amounts that we debit from your Pre-authorized Account are less than the amounts you actually owe us (once we have determined the Restaurant's true and correct Gross Sales), we will debit your Pre-authorized Account for the balance on the day we specify. If the amounts that we debit from your Pre-authorized Account are greater than the amounts you actually owe us, we will credit the excess against the amounts we otherwise would debit from your Pre-authorized Account on the next payment date.

5. If your payment of Royalty Fees, Advertising Contributions, or other charges that you owe us is more than one week late, you will pay us interest at a rate of twelve percent (12%) (or the maximum rate allowed by the law where the Restaurant is located) per annum on any Royalty Fees, Advertising Contributions, or other charges you will owe us under this Agreement. If permitted by local law, we may also charge you a late fee equal to ten percent (10%) (or the maximum rate allowed by law) per annum on all past due accounts to cover our banking, administrative, and accounting costs. In the event that any late charge, interest rate, or other payment provided herein exceeds the maximum applicable charge legally allowed, such late charge, interest rate, or other payment shall be reduced to the maximum legal charge, rate, or amount. You acknowledge that this sub-section shall not constitute agreement by us or our affiliates to accept such payments after same are due or a commitment by us to extend credit to, or otherwise finance your operation of, the Restaurant. Further, you acknowledge that your failure to pay all amounts when due shall constitute grounds for termination of this Agreement, as provided herein. You must pay us a sum of Fifty Dollars (\$50) if you default on payments because you change banks without notice. You must pay us a sum of Twenty Dollars (\$20) if your payments to us are unsuccessful due to insufficient funds in your pre-authorized account.

6. Notwithstanding any designation by you, we shall have the right to apply any payments by you to any past due indebtedness of you for Royalty Fees, Advertising Contributions, purchases from us and our affiliates, interest, late fees, and other charges that you owe, or any other indebtedness. You shall be responsible for and shall pay to us (or reimburse us for the payment of) upon demand any tax assessed (excluding tax on our net income) on or measured by the amount of Royalty Fees or any other amounts paid to us under this Agreement.

14. **Advertising.** Recognizing the value of advertising and the importance of the standardization of advertising and promotion to the furtherance of the goodwill and the public image of Subway® Restaurants, you agree as follows:

A. All advertising and marketing materials, including, but not limited to, newspapers, radio and television advertising, advertising through an Online Presence including internet, social media, electronic mail or other similar electronic or digital medium, and specialty and novelty items, signs, boxes, napkins, bags and wrapping papers, will be compliant with the requirements set forth by us in the Confidential Operations Manual or through other written means, or will otherwise be submitted to us or

assumed by the assignee and its owners; (3) you shall have paid all amounts owed to us; (4) the assignee shall have completed the training program required of new franchisees; (5) the assignee and its owners shall execute and agree to be bound by the form of franchise agreement and any ancillary agreements as are then customarily used by us in the grant of the rights described hereunder, which franchise agreement shall provide for a term no less than the then remaining term of this Agreement; (6) you shall have paid a transfer fee equal to fifty percent (50%) of our then-current standard initial franchise fee (excluding any promotions or discounts), ~~plus \$3,000 for any satellite Restaurant you transfer (or, 25% of our then-current standard initial franchise fee (excluding any promotions or discounts) or in the context of a divorce, \$200; or (c) all other transfers, \$2,000), plus \$1,500~~ plus \$3,000 for any satellite Restaurant you transfer (or, as follows: (a) standard transfer to a new or existing Subway® franchisee, \$3,200; (b) if you are transferring an interest to your spouse or child, \$2,000; or (c) all other transfers, \$2,000), plus \$3,000 for any satellite Restaurant you transfer (excluding any promotions or discounts) (or, \$1,000 for any satellite Restaurant that has been established for one year or less); (7) the assignee shall present evidence satisfactory to us that it has the right to remain in possession of the Premises for the term of assignee's franchise agreement; (8) you and your owners shall have executed a general release, in form satisfactory to us, of any and all claims against us and our affiliates, BDs, officers, directors, owners, employees and agents; (9) you and your owners must abide by the terms of this Agreement which by their nature survive termination, including without limitation the post-termination covenant not to compete set forth in Section 23; and (10) the transferee execute our then-current form of Transfer Addendum.

3. In conjunction with our consideration of consenting to a proposed transfer, we shall prepare an itemized written assessment of the need for refurbishing and/or remodeling of the Restaurant (the "**Remodeling Requirements**") to conform with the then-existing standards and specifications for the décor of Subway® Restaurants within the System. The Remodeling Requirements shall be forwarded to you/assignor and the proposed assignee. You/assignor shall obtain a written cost estimate from reputable contractors to complete the Remodeling Requirements and such cost estimate shall be provided to us and the proposed assignee. Completion of the Remodeling Requirements shall be your responsibility and shall be a condition of our final consent to a transfer contemplated in this Section. Funding for the Remodeling Requirements shall be the subject of negotiation and agreement by and between you/assignor and the proposed assignee. The Remodeling Requirements shall be contemplated prior to the proposed transfer, unless otherwise agreed to between us and you.

4. We shall not be obligated to consider giving our consent to any such transfer unless you have requested such consent in writing and have provided to us at least thirty (30) days in advance of the proposed transfer: your current financial statements; such other information (on such forms or via such systems that we require) including, but not limited to, the proposed sales price and terms of payment (including any and all applicable letters of intent, term sheets, purchase and sale contracts, and other relevant documents and information pertaining to the transfer); an application for a franchise completed by the proposed transferee (buyer) including personal financial statements of such proposed transferee (buyer); the cost estimate of the Remodeling Requirements, and the opportunity to conduct an in-person interview with such proposed transferee (buyer).

5. The transfer fee may be refunded only if we have not yet issued the consent-to-transfer, and you and the buyer cancel the transfer. However, if the consent-to-transfer has already been issued, and (i) you and/or the buyer cancel the transfer, or (ii) we cancel the transfer because you and the buyer failed to complete the transfer within sixty (60) days after you received the consent-to-transfer, we will not refund any portion of the transfer fee. If you and the

buyer desire to reactivate a transfer cancelled under these circumstances, and we approve, the parties must repay the full transfer fee.

**D. Franchisor Right of First Refusal.** If you or your owners shall obtain a bona fide, executed written offer from a responsible and fully disclosed purchaser in respect of a proposed transfer, including the purchase of an interest in this Agreement, the Restaurant or an ownership interest in you, you shall submit an exact copy of such offer to us, along with any other information that we may reasonably request. We shall have the right, exercisable by written notice delivered to you or your owners within thirty (30) days from the date of delivery of an exact copy of such offer and all reasonably requested information to us, to purchase such interest for the price and on the terms and conditions contained in such offer, provided that we shall be entitled to customary warranties, closing documents and post-closing indemnifications, may substitute cash for any other form of payment proposed in such offer and shall have not less than sixty (60) days to prepare for closing. If we do not exercise our right of first refusal, you or your owners may complete the sale to such purchaser pursuant to and on the terms of such offer, subject to our written approval of the purchaser as provided in sub-sections B and C of this Section; provided that if the sale to such purchaser is not completed within one hundred twenty (120) days after delivery of such offer to us, or if there is a material change in the terms of the sale, we shall again have the right of first refusal herein provided.

**E. Death or Disability of Franchisee.** Upon your death or permanent disability or, if you are a corporation, limited liability company or partnership, the owner of fifty percent (50%) or more of the partnership interest, equity or voting control of you, the executor, administrator, conservator or other personal representative of such person shall assign this Agreement or such interest in you to a third party approved in writing by us. Such disposition of such interest in you shall be completed within a reasonable time, not to exceed twelve (12) months from the date of death or permanent disability, and shall be subject to all the terms and conditions applicable to assignments contained in sub-sections B and C of this Section and elsewhere in this Agreement; *except that*, where the assignee is an heir, devisee, legatee or next of kin or immediate family, the assignee shall assume this Agreement and any ancillary agreements, and shall not be required to execute our then-current form of franchise agreement and ancillary agreements, and shall ~~not be required to pay~~ thea reduced transfer fee of \$200. Failure to so dispose of this Agreement or such interest in you within said period of time shall constitute a breach of this Agreement. Pending disposition, we shall have the right to approve the management of the Restaurant owned by you. References to “immediate family” as used in this Agreement shall mean parents, spouses, children and siblings, and the parents, children and siblings of spouses.

**F. Effect of Consent to Assignment.** Our consent to a transfer, including an assignment of this Agreement or any interest subject to the restrictions of this Section shall not constitute a waiver of any claims we may have against the assignor, nor shall it be deemed a waiver of our right to demand exact compliance with any of the terms or conditions of this Agreement by the assignee or by the assignor.

19. **Covenants.**

A. We have entered into this Agreement with you on the condition that you will deal exclusively with us. You acknowledge and agree that we would be unable to encourage a free exchange of ideas and information among franchisees and us if franchisees were permitted to hold interests in any Competitive Businesses. You therefore agree that neither you nor your owners will have any direct or indirect Association with a Competitive Business during the Term, in accordance with the definitions and provisions below, unless we allow otherwise in writing.

**Q. Notices.** Every notice, approval, consent or other communication authorized or required by this Agreement shall be effective if given in one of the following ways: (i) by email to us at **FranchiseNotices@subway.com** and to you at the email address provided in the Key Contract Data at the beginning of this Agreement, or at such other email address as either party shall from time to time designate in writing; (ii) in writing and hand delivered to either party; or (iii) in writing and sent for next business day delivery by FedEx, UPS, or other nationally-recognized courier. Notices sent via hand delivery or via nationally-recognized courier shall be addressed directly to us at our offices at Attn: Legal Department - Franchising, ~~325 Sub Way, Milford, Connecticut 06461~~ 1 Corporate Drive, Suite 1000, Shelton, CT 06484, and to you at the Premises, or at such other address as either party shall from time to time designate in writing. Email notices must contain the capitalized words "LEGAL NOTICE" in the subject line. The sender of an email notice must request a read receipt and the recipient must allow a read receipt to be sent on or before the next business day. Email notices shall be effective upon receipt by the sender of the read receipt from the recipient of the notice. Hand delivered notices shall be deemed to be effective upon delivery, if delivered. Notices sent for next business day delivery by nationally recognized courier shall be deemed to be effective on the next business day.

**R. Amendment; Modification.** This Agreement may be modified only by written agreement signed by both you and us. Notwithstanding the foregoing, you acknowledge and agree that we may modify the Confidential Operations Manual and System Standards from time to time, subject to the terms of this Agreement.

**S. Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. The parties agree that scanned or electronic signatures shall have the same effect and validity, and may be relied upon in the same manner, as original signatures. You acknowledge and agree that any owner of you or any signatory to this Agreement (including any signatory assuming this Agreement) may sign ancillary agreements and accept system initiatives during the Term such as software license agreements and consent to technology programs/initiatives in connection with the operation of the Restaurant, such as remote access to your POS System, with binding effect.

25. **Acknowledgements.** You represent, warrant, agree and acknowledge the following:

A. No representation has been made by us (or any employee, agent or salesperson of us) and relied on by you as to the future or past income, expenses, sales volume or potential profitability, earnings or income of the Restaurant, or any other Subway® Restaurant.

B. No employee or other person providing services to you on our behalf has solicited or accepted any loan, gratuity, bribe, gift or any other payment in money, property or services from you in connection with a Subway® franchise purchase with exception of those payments or loans provided in the Franchise Disclosure Document.

C. No representation or statement has been made by us (or any employee, agent or salesperson of us) and relied on by you regarding the anticipated income, earnings and growth of us or the System, or the viability of the business opportunity being offered under this Agreement.

D. Before executing this Agreement, you have had the opportunity to contact all existing franchisees of us.

E. You have had the opportunity to independently investigate, analyze and construe both the business opportunity being offered under this Agreement, and the terms and provisions of this Agreement, using the services of legal counsel, accountants or other advisors (if you so elect) of your

own choosing. You have been advised to consult with your own advisors with respect to the legal, financial and other aspects of this Agreement, the Restaurant, and the prospects for that Restaurant. You have either consulted with these advisors or have deliberately declined to do so.

F. No representation or statement has been made by us (or any employee, agent or salesperson of us) and relied on by you regarding your ability to procure any required license or permit that may be necessary to the offering of one or more of the services contemplated to be offered by the Restaurant.

G. You acknowledge that you are a citizen or permanent resident of the United States of America and that you have provided us with valid proof of your citizenship or permanent residency [unless otherwise approved in limited circumstances for cross-border development upon presentation of a valid work visa.](#)

H. You affirm that all information set forth in all applications, financial statements and submissions to us is true, complete and accurate in all respects, and you expressly acknowledge that we are relying on the truthfulness, completeness and accuracy of this information.

I. You have read and understand our Privacy Notice (contained in an exhibit to our franchise disclosure document or available on [www.Subway.com](http://www.Subway.com)), which addresses how we use and share your personal information, and which may be amended from time to time.

J. You acknowledge it is our intent to comply with all anti-terrorism laws enacted by the US Government, including but not limited to the USA PATRIOT Act or Executive Order 13324. You acknowledge that you are not now, nor have you ever been, a suspected terrorist or otherwise associated directly or indirectly with terrorist activity.

K. You acknowledge that it is our intent to comply with all domestic and foreign laws and regulations related to anti-bribery and anti-corruption, including but not limited to the U.S. Foreign Corrupt Practices Act.

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.

*[signature page follows]*

**IN WITNESS WHEREOF**, GUARANTORS have hereunto affixed their signature, under seal, on the same day and year as the Agreement was executed.

**GUARANTORS:**

By: \_\_\_\_\_

~~Title:~~ \_\_\_\_\_

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

\_\_\_\_\_

Email: \_\_\_\_\_

By: \_\_\_\_\_

~~Title:~~ \_\_\_\_\_

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

\_\_\_\_\_

Email: \_\_\_\_\_

By: \_\_\_\_\_

~~Title:~~ \_\_\_\_\_

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

\_\_\_\_\_

Email: \_\_\_\_\_

By: \_\_\_\_\_

~~Title:~~ \_\_\_\_\_

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

\_\_\_\_\_

Email: \_\_\_\_\_

*(If holding company)*

\_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

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

\_\_\_\_\_

Email: \_\_\_\_\_

**EXHIBIT A-1  
FRANCHISE AGREEMENT RIDER**

This Rider (“**Rider**”) dated \_\_\_\_\_ (the “**Effective Date**”) amends and supplements the Franchise Agreement, including any provisions modified by any other riders or addenda to the Franchise Agreement (the “**Franchise Agreement**”) between Doctor’s Associates LLC, a ~~Florida~~Delaware limited liability company (“**we**”, “**us**” or “**DAL**”), and (“**you**”), a \_\_\_\_\_ (please specify type of entity). The Franchise Agreement, as amended by this Rider, will be called this “**Agreement**”. Any terms used but not otherwise defined in this Rider shall have the meaning given to them in the Franchise Agreement.

**Check all circumstances that apply:**

\_\_\_\_ (1) You are an approved convenience store operator, a food service management company or other company that a) owns, leases or controls the premises where the restaurant will be located, b) provides its own food services, and ~~you meet~~c) meets our current qualifications regarding number of outlets or net worth; or you are a cooperative, foundation, a qualified non-profit charity, hospital, university, college, other school, or an Indian nation, or governmental agency or entity (“Approved Non-Traditional Entity Franchisee”)

\_\_\_\_ (2) You are a Qualified FSP (defined in Part III of this Rider);

\_\_\_\_ (3) You are purchasing your franchise for a non-traditional location for which you own, lease or control the premises but you are not an Approved Non-Traditional Entity Franchisee;

\_\_\_\_ (4) You are an organization that operates a facility that offers support services within the community and are signing this Agreement to establish a restaurant for the purpose of providing job training to individuals with barriers to employment;

\_\_\_\_ (5) You are a school board, school district, municipality, institutional food service provider, or an existing franchisee and are signing this Agreement to establish a restaurant in a school (grades K-12);

\_\_\_\_ (6) Due to restrictions in state law, your operation of the Restaurant located in a K-12 School will be managed by \_\_\_\_\_, who is a Qualified FSP that also operates other Subway® Restaurants as a franchisee under the terms of the Subway® Franchise Agreement. Since without the state law restrictions the FSP would instead be allowed to be the direct operator of the Restaurant, we will allow you to take advantage of the reduction in advertising fee that we would otherwise grant to a Qualified FSP;

\_\_\_\_ (7) You are purchasing a franchise for a Restaurant located in a Theme Park, National Park or Airport Terminal, (each defined in Part III of this Rider); and/or

\_\_\_\_ (8) You want to operate the Restaurant as a limited Subway® restaurant (sometimes also referred to as the “**Satellite Restaurant**”), at a specific location close to an existing operating Subway® restaurant you own. Your existing operating Subway® restaurant is identified as store number \_\_\_\_\_, located \_\_\_\_\_ at \_\_\_\_\_ (the

**“Base Restaurant”**). This Agreement for the Satellite Restaurant grants a separate license from the license granted in the Franchise Agreement for the Base Restaurant (the **“Base Restaurant Franchise Agreement”**).

The second sentence of Section 13.A of the Franchise Agreement (starting “If you or your affiliate are an existing . . .”) does not apply to non-traditional locations. Instead, and in addition to the above representations, if you are a current Subway® franchisee, you represent that at least ~~ninety~~eighty percent (~~90~~80%) of the Subway® Restaurants you operate are in substantial compliance as defined in the Operations Manual.

*[Remainder of page intentionally left blank]*

*Part I – General Non-Traditional Locations*

**If you checked (1), (2), (3), or (4), above, the following provisions apply to your Franchise Agreement:**

- A. References throughout this Agreement to the Restaurant solely apply to the Subway® Restaurant area and not to the rest of the facility you operate in which you establish the Restaurant (the “**Facility**”). This Agreement will only apply to your operation of the Subway® Restaurant and not to your other businesses except to the extent that your other businesses may be in competition with the Restaurant.
- B. You may sell canned drinks, food, and sundry items in other areas of the Facility (as defined below) and revenue from these sales will not be included in gross sales. Coffee sales will only be included in gross sales if coffee is offered in Subway® logoed cups or from behind the Restaurant counter area. Fountain drink sales will be included in accordance with your selection as follows:

Check either i or ii:

- \_\_\_ i. You will include all fountain drink sales within the Restaurant area located at the Facility or sold in Subway® logoed cups in gross sales. The Restaurant may either have a separate fountain or may share a common self-service fountain with the rest of the Facility you operate.
- \_\_\_ ii. You will include all canned or bottled beverage sales in gross sales, if fountain drinks cannot be sold anywhere at the Facility. Only sales from canned or bottle beverages offered for sale by and purchased at the Restaurant will be included in gross sales.

~~C. Six (6) months after you open your first Subway® Restaurant, we will review your operation of your Subway® Restaurant(s). Subject to our ongoing review and approval, we will provide training materials and permit a corporate trainer to train managers for your Subway® Restaurant locations. You will pay all transportation, lodging, and other expenses any of your employees incur to attend any training program.~~

C. ~~D.~~ In regard to the opening of the Restaurant:

- i. You will construct and equip the Restaurant to the specifications contained in the Operations Manual and open for business within twelve (12) months from the Agreement Date or this Agreement will automatically expire unless you 1) request and are granted an extension, 2) pay an extension fee of \$1,000, and 3) sign our then-current Franchise Agreement. If you do not open the Restaurant by the end of the time permitted, including any extension, this Agreement will automatically expire.
- ii. The Restaurant will be at a location we approve in a portion of the Facility. Because you are providing the premises for the Restaurant, we do not require a Sublease or an Approved Lease. All references to the Sublease and Approved Lease in this Agreement are deemed deleted. If we do not grant final approval for this location within ninety (90) days from the Agreement Date, we may refund the Franchise Fee and this Agreement will be null and void.
- iii. We and you agree, subject to our final approval, the Restaurant will be located at the Approved Location listed in the Key Contract Data page of the Franchise Agreement:

D. ~~E.~~ In the event that your insurable interest in the Facility is greater than the Restaurant, subject to our prior written approval, you may maintain a program of self-insurance or obtain insurance through your

usual insurance broker or company provided that they meet the required limits and they have a rating of at least A- in Bests' Insurance Guide.

E. ~~F.~~In regard to operating Competitive Businesses:

- i. Section 19.A does not apply to a Restaurant we designate as a non-traditional location. During the term of this Agreement, the following applies to non-traditional locations operated by you or your parent, subsidiaries, or Affiliates: You agree other areas of the Facility you or your Affiliates control will not contain a Competitive Business. You will not operate a Competitive Business except as we permit in this paragraph. You will give us the first opportunity to approve for a Subway® Restaurant location any site in which you want to operate a Competitive Business. You may only operate a Competitive Business if we have, in writing, denied you approval to operate a Subway® Restaurant at the proposed site. You will send a written request for approval of all proposed Competitive Business unit sites to our Development Team Department. We will respond within sixty (60) days, either approving or disapproving a location. For each unauthorized Association with a Competitive Business (which, for the purposes of this paragraph, shall include a Competitive Business operating in the Facility), the provisions of Section 19.D shall apply.
- ii. Section 19.C does not apply to a Restaurant we designate as a non-traditional location. For 1 year after termination, expiration or transfer of this Agreement, or if you cease operation of the Restaurant, you will not Associate with a Competitive Business (which, for the purposes of this paragraph, shall include permitting a Competitive Business to operate at the Facility) at the Facility. For each unauthorized Association with a Competitive Business the provisions of Section 19.D shall apply. The provisions of this Subsection ~~F~~E.ii will not release you from any covenant not to compete contained in any other Franchise Agreement you have with us. However, if you are a Qualified FSP, you may only operate or permit to be operated a Competitive Business at the Facility if specifically requested by your client.
- iii. Nothing in this Subsection or any other provision of this Agreement grants you any territorial or other exclusive rights. We and our Affiliates have unlimited rights to compete with you.
- iv. For the avoidance of doubt, Section 15 is not amended by this Section ~~F~~E.

F. ~~G.~~Notwithstanding anything to the contrary in Section 13, if you are a Qualified FSP, you will pay by check all monies (Royalty Fee, Advertising Contributions, and other charges you owe for all Subway® restaurants you operate) due for that period by the second Friday following the end of the period, (the "**Payment**"). The Payment will be sent to our Collections Department along with a report showing the breakdown by week and how the Payment is to be allocated. In the event that electronic check processing is available you authorize us to process your check electronically if we choose. Additionally, in the event that we decide to accept the Payment via electronic fund transfer, upon thirty (30) days written notice of the change, you agree to make the Payment to the account that we direct.

G. ~~H.~~If you checked (4) or (5) above, your Franchise Fee is reduced to \$0.

H. ~~I.~~We may, without cause and for any reason, within thirty (30) days after the Agreement Date, cancel this Agreement and refund the Franchise Fee to you. After refunding the Franchise Fee to you, we will not have any further obligation to you, and all rights granted to you under this Agreement will immediately revert to us. ~~In addition, provided you comply with the post termination~~

~~non-competes provisions and other post-termination covenants and provisions that survive termination of this Agreement, you may, at any time, terminate this Agreement and cease operation of the Restaurant after giving us thirty (30) days' prior written notice.~~

*[Remainder of page intentionally left blank]*

**Part III – Qualified FSP, School Lunch, Theme Park, National Park ~~or~~, Airport Terminal Advertising Contribution and Royalty Rate Reduction**

**If you checked (2), (6) or (7), above, the following provisions apply to your Franchise Agreement:**

A. In regard to your Advertising Contributions:

~~i.~~ If you are a Qualified FSP, or operating under our School Lunch program, or operating a non-traditional location ~~(other than~~ at a Theme Park, National Park, ~~or~~ Airport Terminal) ~~your~~, Hospital, Military Location, Train Station, or Captive Travel Plaza, your Advertising Contributions may be reduced. Any reduction is stated in the Key Contract Data page. Your Advertising Contributions will be ~~reduced to 2% of the Gross Sales of the Restaurant,~~ paid to us on a weekly basis.

~~ii. If you are operating a non-traditional location at a Theme Park, National Park, or Airport Terminal your Advertising Contributions will be reduced to 1.25% of the Gross Sales of the Restaurant, paid to us on a weekly basis.~~

B. In regard to your Royalty Fee: If you are operating a non-traditional location at an Airport Terminal, Train Station, or Captive Travel Plaza, your royalty fee may be reduced. Any reduction is stated on the Key Contract Data page.

C. ~~B.~~ The Restaurant will not have a vote with respect to temporarily or permanently increasing the Advertising Contribution percentage for either the country or any market.

D. ~~C.~~ In the event that you operated the Restaurant at a School Lunch K-12 location, Theme Park, National Park or Airport Terminal and relocate the Restaurant to a location other than a School Lunch K-12 location, Theme Park, National Park or Airport Terminal, or if you used a Qualified FSP to manage the Restaurant but have ceased to do so, as applicable, then this Part III of the Rider shall be of no further force and effect and your advertising rate shall be as stated in the Franchise Agreement without amendment by this Part III of the Rider.

E. ~~D.~~ As used in this Rider:

i. A **Theme Park** is defined as an amusement or similar park meeting all of the following requirements: 1. It must offer a collection of rides and/or other entertainment attractions; 2. It is more elaborate than a simple city park or playground, as it is meant to cater to entertaining large groups of people including, adults, teenagers, and small children and generally uses architecture, signage, and landscaping to help convey the feeling that people are in a different place or time; 3. It must be a permanent and not a temporary facility; 4. It charges a fee for admission; and 5. It has at least 400,000 visitors a year.

ii. A **National Park** is defined as an area of land declared or owned by a government, set aside for human recreation and enjoyment, animal and environmental protection, and restricted from development.

iii. An **Airport Terminal** is defined as a building at an airport where passengers transfer between ground transportation and the facilities that allow them to board and disembark from airplanes.

iv. A **Qualified FSP** is defined as a company that is either privately owned or publicly traded; is not government owned, supported or operated and provides contract foodservice and/or concession

foodservice (as defined below); and has either annual revenues (or sales) in excess of two hundred million dollars (\$200,000,000.00) or operates a minimum of 250 accounts either directly or through their subsidiaries. “**Contract Foodservice**” is defined as the preparation, presentation and delivery of food and beverage services to clients and their customers where clients have chosen to outsource this activity on its premises. The client may or may not pay the Food Service Provider a fee for the provision of the foodservice and the food may be offered to consumers at subsidized prices. Contract Foodservice is carried out in various sectors, including business and industry (staff canteens or cafeterias in both public and private sectors); healthcare (hospitals, nursing homes); and education (schools, universities). “**Concession Foodservice**” is defined as the provision of foodservice requirements to the public in travel related locations such as airports, railway stations, ferries, roadsides, retail related locations such as sports stadiums and leisure venues. The principal purpose of the customer’s visit is not for the consumption of food or beverage but for an alternative purpose. The Food Service Provider pays the location owner (client) a commission for the right to trade at the premises; the Food Service Provider’s income is sourced entirely from sales made to the public. In order to obtain the rights to operate in a Contract Foodservice or Concession Foodservice location, the Food Service Provider generally must participate in a request for proposal or in a competitive bidding process. These locations also differ significantly from stand-alone or other traditional types of locations in numerous ways including that the hours and days of operation may be limited by the activity conducted at the location or may be dictated by the owner of the location or the Food Service Provider’s client. We and you agree that based on these differences that traditional advertising may be of limited benefit. Therefore, we and you agree to modify the advertising charges for the Restaurant that you will be operating pursuant to this Agreement to reflect the value of benefits that you are receiving.

v. A Captive Travel Plaza is defined as having an exit and entrance via the highway only and not accessible to the town or city. It provides the only convenient food option for those traveling on the highway and is therefore the primary driver of traffic to the Subway® restaurant.

F. In addition, provided you comply with the post-termination non-compete provisions and other post-termination covenant and provision that survive termination of this Agreement, you may, at any time, terminate this Agreement and cease operation of the Restaurant after giving us one hundred and eighty (180) days’ prior written notice.

*[Remainder of page intentionally left blank]*

policies regarding proximity of a satellite restaurant to its base restaurant to ensure product quality and proper servicing of the satellite restaurant.

J. In regard to the Term:

- i. Short Term Satellite Restaurant: The Term will be for 1 year from the Agreement Date or until the termination or expiration of the Base Restaurant Franchise Agreement (including any renewal periods), whichever occurs sooner, subject to earlier termination. This Agreement will automatically terminate, regardless of the length of term remaining on the Base Restaurant Franchise Agreement, if the Lease for the Short Term Satellite Restaurant or the Base Restaurant terminates or expires. Provided you send written notice at least 60 days prior to the expiration of the initial 1-year term, this Agreement may be renewed for an additional 1-year term, if mutually agreed upon by both parties. There will be a \$1,000 renewal fee.
- ii. Standard Satellite Restaurant: The Term will be from the Agreement Date until the termination or expiration of the Base Restaurant Franchise Agreement, subject to earlier termination. Upon expiration of the term of the Base Restaurant Franchise Agreement, and provided that the Base Restaurant Franchise Agreement is renewed in accordance with its terms, this Agreement will automatically renew for additional periods in line with the Base Restaurant Franchise Agreement. There will be a renewal fee equal to 25% of the then-current franchise fee for Standard Satellite Restaurants. This Agreement will automatically terminate, regardless of the length of term remaining on the Base Restaurant Franchise Agreement, if the Sublease or Approved Lease for the Standard Satellite Restaurant or the Base Restaurant terminates or expires and you do not relocate the Standard Satellite Restaurant or Base Restaurant (as applicable).

K. Any default under the Base Restaurant Franchise Agreement will also constitute a default under this Agreement, and will result in the termination of this Agreement if the default is not cured and the Base Restaurant Franchise Agreement is terminated.

L. In regard to transfers:

- i. Short Term Satellite Restaurant: You pay a reduced satellite transfer fee of \$1,000, or \$500 if you transfer to, or transfer by adding, your spouse or child, plus any applicable sales tax, legal, accounting, training, and other expenses we incur in connection with the transfer, plus the transfer fee required by the Base Restaurant Franchise Agreement if the Base Restaurant Franchise Agreement is transferred.
- ii. Standard Satellite Restaurant: You pay a reduced satellite transfer fee of \$3,000, or \$1,500 if you transfer to, or transfer by adding, your spouse or child, plus any applicable sales tax, legal, accounting, training, and other expenses we incur in connection with the transfer, plus the transfer fee required by the Base Restaurant Franchise Agreement if the Base Restaurant Franchise Agreement is transferred.

You acknowledge and understand that because of our requirement a satellite restaurant cannot be self-sufficient (unless we specifically approve), and the persons signing this Agreement as franchisee must be identical at all times to the persons who are the parties to the Base Restaurant Franchise Agreement, you may not transfer this Agreement and the Satellite Restaurant separately and apart from the Base Restaurant Franchise Agreement and the Base Restaurant. Also, you may not transfer the Base Restaurant Franchise Agreement and the Base Restaurant without also transferring this Agreement and

Franchise: \_\_\_\_\_

**EXHIBIT A-6  
NEXCOM RIDER**

This Rider ("**Rider**") dated \_\_\_\_\_ (the "**Effective Date**") amends and supplements the Franchise Agreement of the same date including any Riders and any Addenda to the Franchise Agreement (the "**Franchise Agreement**") between Doctor's Associates LLC, a ~~Florida~~Delaware limited liability company ("**we**" or "**us**" or "**DAL**"), and \_\_\_\_\_

\_\_\_\_\_ ("**you**"). The Franchise Agreement as amended by this Rider will be called this "**Agreement**". Capitalized terms used in this Rider that are defined in the Franchise Agreement will have the meanings given to them in the Franchise Agreement.

**RECITALS**

**R.1.** We entered into a license agreement with the Naval Exchange Service Command ("**NEXCOM**") dated February 26, 2008 as may be amended (the "**License**"). The parties acknowledge and agree that the License may be further amended during the term of License to include certain modifications requested by NEXCOM through a modification of contract or delivery/task order (the "**Modifications of Contract**"). A copy of the License, including any Modifications of Contract, is attached to this Agreement as Exhibit 1. The License, including any existing Modifications of Contract and future Modifications of Contract, is specifically incorporated into this Agreement.

**R.2.** The License permits us to develop and operate Subway® restaurants and to sublicense others to develop and operate Subway® restaurants at certain locations owned, managed or otherwise under the control of NEXCOM ("**NEXCOM locations**" or "**Naval Exchange locations**").

**R.3.** Subject to the terms of the License and this Agreement, by signing this Rider, we will sublicense the development and operation of the Restaurant at an approved Naval Exchange location to you on the following terms and conditions.

**R.4.** From time to time the parties acknowledge and agree that they may execute amendments to this Agreement to acknowledge and agree to be bound by specific terms of certain Modifications of Contract, and you agree to cooperate with us in good faith to execute any such amendments.

**AGREEMENT**

Acknowledging and agreeing to each of the Recitals above, which are added to the Recitals of the Franchise Agreement and are herein incorporated by reference in the Franchise Agreement, and notwithstanding any provisions of the Franchise Agreement to the contrary, the parties agree to amend and supplement the Franchise Agreement as follows:

- I.** You will pay us monthly, on the seventh (7th) day of the month following the end of the sales period, the commission and any other charges due NEXCOM, as set forth in the License, for the Restaurant.

In the event that you fail to make any payment required under the Franchise Agreement or License, we may make such payment on your behalf and you will reimburse us.

You will pay to us weekly, on the day of the week that we specify in writing, a reduced Advertising Contribution of 2% of your total weekly Gross Sales.

**II.** During the term of this Agreement, we grant you: A sublicense under the License to develop and operate the Restaurant at a Naval Exchange location, for the term indicated in the License.

**III.** In regard to the License of the Restaurant:

(i.) You will open the Restaurant by the date provided in the License, as it may be amended, or this Agreement automatically expires. We will not grant you an extension or refund the Franchise Fee if this Agreement automatically expires.

(ii.) Before opening, you must successfully complete our training program. You may be dismissed from the training program and this Agreement may be terminated with no refund of your franchise fee if you materially fail to act in accordance with the Code of Business Conduct during the training program. You may be required to pass our standardized test given during the training program, with one retest permitted. If you fail the standardized test, we may dismiss you from the training program, cancel this Agreement and refund one-half (1/2) of your Franchise Fee. If more than one individual signs this Agreement, any one of the individuals who fails the standardized test may be dismissed from the training program and removed from this Agreement with no refund of the Franchise Fee.

(iii.) Because the Restaurant will be located at a Naval Exchange location established under the terms of the License and this Agreement, we do not require a Sublease. All references to the Sublease in this Agreement are deemed deleted. You will be bound by the terms of the License, as amended, between us and NEXCOM which is specifically incorporated into this Agreement. You agree to perform all of our obligations as Licensee and/or Contractor under the License, to develop and operate the Restaurant, at your sole expense. We or our designee will attempt to secure a fair monthly commission for the premises but we cannot represent it will be the best available fee for name brand fast food locations operating at Naval Exchange locations.

(iv.) You will construct, equip, and open the Restaurant in accordance with the specifications in the Operations Manual and the License.

**IV.** You acknowledge and agree that by virtue of operating the Restaurant at a Naval Exchange location, you will be subject to specific laws, rules and regulations enumerated in the License, including but not limited to the Service Contract Act and wage determinations issued by the United States Department of Labor. You are solely responsible for complying with these specific laws, rules and regulations.

**V.** You will operate the Restaurant in accordance with the Operations Manual, which contains mandatory and suggested specifications, standards and operating procedures and may be updated as a result of experience or changes in the law or marketplace (the "**Operations Manual**") as well as the License. If any provision of the Operations Manual conflicts with the License, the License will control.

**VI.** Your insurance policy must meet our requirements and NEXCOM's requirements, including coverage limits and specified additional insureds, as set forth in the Operations Manual and the License. To the extent of any conflict between the insurance requirements set forth in the Operations Manual and the insurance requirements set forth in the License, the requirements in the License will govern. You must also purchase the insurance required by state law. You will require any subcontractor or general contractor you hire in connection with the construction or remodel of the Restaurant to abide by the insurance requirements in the License.

**VII.** These amounts include Royalty, advertising contributions, interest, late fees, the commission and any other charges due NEXCOM under the License, and other charges you owe.

**IN WITNESS WHEREOF**, the parties have executed this Rider, as of the Effective Date.

**FRANCHISOR:**

**DOCTOR'S ASSOCIATES LLC**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**FRANCHISEE:**

*If an entity*

\_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

*If individual(s)*

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

NEXCOM Rider DAL – ~~0804/23~~24 amended  
06/24

**EXHIBIT A-7**  
**AAFES RIDER**

This AAFES Rider (“**Rider**”) dated \_\_\_\_\_ (the “**Effective Date**”) amends and supplements the Franchise Agreement of the same date including any Riders and any Addenda to the Franchise Agreement (the “**Franchise Agreement**”) between Doctor’s Associates LLC, a ~~Florida~~Delaware limited liability company, (“**we**” or “**us**” or “**DAL**”), and \_\_\_\_\_

(“**you**”). DAL and you may also be referred to herein as “**party**” or “**parties**”. The Franchise Agreement, as amended by this Rider, will be called this “**Agreement**.” Capitalized terms used in this Rider that are defined in the Franchise Agreement will have the meanings given to them in the Franchise Agreement.

**RECITALS**

- R.1.** We entered into a negotiated contract with the Army and Air Force Exchange Service (“**AAFES**”) dated \_\_\_\_\_ (the “**Contract**”). The parties acknowledge and agree that the Contract may be further amended during the term of the Contract to include certain modifications requested by AAFES through a modification of contract, amendment or delivery/task order (the “**Modification of Contract**”). A copy of the Contract, including any valid existing Modifications of Contract, is attached to this Agreement as Exhibit I. The Contract, including any valid, existing Modifications of Contract and any future valid Modifications of Contract, is incorporated into this Agreement by reference.
- R.2.** The Contract permits us to develop and operate, and subcontract others to develop and operate a Subway® restaurant at a designated AAFES facility.
- R.3.** Subject to the terms of the Contract and this Agreement, by signing this Rider, we will subcontract the development and operation of a Subway® restaurant at the designated AAFES facility to you on the following terms and conditions.
- R.4.** From time to time the parties acknowledge that they may execute amendments to this Agreement to acknowledge and agree to be bound by specific terms of certain Modifications of Contract, and you agree to cooperate with us in good faith to execute any such amendments.

**AGREEMENT**

Acknowledging and agreeing to each of the Recitals above, which are added to the Recitals of the Franchise Agreement and are herein incorporated by reference in the Franchise Agreement, and notwithstanding any provisions of the Franchise Agreement to the contrary, the parties agree to amend and supplement the Franchise Agreement as follows:

- I.** You will pay AAFES a percentage of the total adjusted gross sales from the Restaurant as set forth in the Contract on a monthly basis (the “**Fee Payment**”) as well as any other charges due to AAFES under the Contract.

In the event that you fail to make any payment required under the Franchise Agreement or Contract, we may make such payment on your behalf and you will reimburse us.

You will pay to us weekly, on the day of the week that we specify in writing, a reduced Advertising Contribution of 20.5% of your total weekly Gross Sales.

- II.** During the term of this Agreement, we grant you: A subcontract under the Contract to develop and operate the Restaurant at the designated AAFES facility.

**IN WITNESS WHEREOF**, the parties have executed this Rider, as of the Effective Date.

**FRANCHISOR:**

**DOCTOR'S ASSOCIATES LLC**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**FRANCHISEE:**

*If an entity*

\_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

*If individual(s)*

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

DAL AAFES Rider ~~0804/23~~24 amended 06/24

DOCTOR'S ASSOCIATES LLC  
FRANCHISE AGREEMENT

This Multi-Unit Franchise Agreement (this “**Agreement**”), made on the date shown on the cover page hereof (the “**Agreement Date**”), by and between Doctor’s Associates LLC, a ~~Florida~~Delaware limited liability company with a principal office in ~~Milford~~Shelton, Connecticut (“**Franchisor**”, “**we**”, “**us**”, or “**our**”), and the party identified as Franchisee on the Signature Page at the end of this Agreement (“**Franchisee**”, “**you**” or “**your**”).

1. **Background Information.**

A. Our affiliate, Subway IP LLC (“**SIP**”) is the owner of a proprietary system for establishing and operating restaurants featuring sandwiches, pizza and salads under our trade name and service mark, Subway®, which operate with a uniform business format, specially designed equipment, methods, procedures, and designs (the “**System**”). The System includes the trademark Subway®, other trademarks, trade names, service marks, commercial announcements (slogans) and related insignia (logos) owned by SIP (the “**Marks**”). The System was developed spending considerable money, time, and effort. The System also includes confidential information and goodwill. SIP has granted us a non-exclusive license to use the System in the United States of America and its territories to establish and sublicense others to establish and operate Subway® restaurants (“**Subway® Restaurants**”). Subway® Restaurants are operated by persons meeting our qualifications to whom we have granted franchises.

B. You have applied for the right and obligation to operate the Subway® Restaurants set forth on **Exhibit B** utilizing the Marks, each solely at the applicable Approved Location (as defined below) described in this Agreement. Such application has been approved by us in reliance upon all of the representations made within it being true, correct and complete including, without limitation, your ownership. You desire to operate the Subway® Restaurants under the System and wish to obtain a franchise from us for that purpose.

C. You have read this Agreement, and our franchise disclosure document, and have been given an opportunity to clarify any provisions that you did not understand. You understand and accept the terms, conditions, and covenants contained in this Agreement as being reasonably necessary to maintain our high standards of quality and service and the uniformity of those standards at all Subway® Restaurants, and thereby to protect and preserve the goodwill of the Marks.

D. The term “Franchisee”, “you” and “your” as used herein is applicable to one or more persons, a corporation, limited liability company or a partnership, as the case may be, and the singular usage includes the plural and the masculine and neuter usages include the other and the feminine. References to “Franchisee”, “you” and “your” applicable to an individual or individuals shall mean the principal owner or owners of the equity or operating control of you if you are a corporation, limited liability company or partnership, and shall include all such individuals collectively and individually.

E. The parties agree that the information in this Section (“**Background Information**”) is true and correct, and we are relying on it.

2. **Appointment.**

A. We hereby grant to you, upon the terms and conditions of this Agreement, a franchise to operate the Subway® Restaurants listed on **Exhibit B** (each, the “**Restaurant**” and collectively, the “**Restaurants**”) and to use in connection therewith the System, as it may be changed, improved and further developed from time to time, and the Marks solely at the Approved Location and for the Term.

Approved Lease must be provided to us and approved in writing by us prior to you entering into the Approved Lease. Our approval of the terms of an Approved Lease indicates only that we believe the Approved Lease complies with acceptable minimum criteria we established. You acknowledge and agree that your acceptance of the Approved Lease is based on your own independent investigation, including consultation with your attorney and other advisors. The Approved Lease must contain a Franchisor Lease Rider in the form that we require, and it is your sole responsibility to obtain it and deliver a counterpart to us. The Franchisor Lease Rider is intended to provide us with certain protections under the Approved Lease and may not benefit you or your landlord. If you or the landlord requests that we consider any modifications to the Franchisor Lease Rider, and we elect to do so, we may also require you to reimburse us for all expenses we incur (including reasonable attorneys' fees) in connection with such review. We may also reject any request for modifications to the Franchisor Lease Rider for any reason.

H. You must pay to us a Restaurant Design charge, related to remodeling or relocation of your Restaurant, as follows: (1) for remodels: currently, \$1,000 for 1 original floor plan plus one revision floor plan and \$250 for each additional revision floor plan; (2) for new Restaurants and relocations: \$1,000 for 1 original floor plan plus 2 revision floor plans, and \$250 for additional revision floor plan. For remodels, the \$1,000 charge is waived if the remodel is completed within 6 months from the date the last floor plan was provided. Additional revision charges will not be waived under any circumstance. For new Restaurants and relocations, the \$1,000 charge is waived if the buildout is completed within 12 months from the date the last floor plan was provided. Additional revision charges will not be waived under any circumstance. Nothing in this paragraph is intended to modify your requirement to otherwise timely complete the construction and/or relocation of your Restaurant, as applicable, in accordance with this Agreement, and failure to perform in accordance with such requirements is a material breach of this Agreement.

#### 5. **Equipment, Fixtures, Furniture and Signs.**

A. We shall provide you with specifications for brands and types of food and beverage preparation, dispensing, storage and display equipment, POS System, other equipment, fixtures, furniture, exterior and interior signs and decoration required for the Restaurant. Specifications may include minimum standards for performance, warranties, design and appearance and local zoning, sign and other restrictions. You may purchase or lease original and replacement equipment, fixtures, furniture, signs and decorating materials and services meeting such specifications from any source, except as we provide otherwise in this Agreement, the Confidential Operations Manual, published policies, procedures or guidelines or other written materials we may issue from time to time. If you propose to purchase or lease any item of equipment or furniture or any fixture, sign or decorating materials not theretofore approved by us as meeting our specifications, you shall submit your request in writing to us before purchasing or leasing any item and such item shall be purchased only following our written consent approving same. We will not be obligated to respond to your request, and any actions we take in response to such request will be at our sole discretion. Any such equipment, fixtures, furniture, signs and decorating materials bearing the name Subway® or other Marks will remain SIP's property even though you may have paid a third party to make the equipment, fixtures, furniture, signs or decorating materials. We have the right to physically remove any such equipment, fixtures, furniture, signs or decorating materials from the Premises if we believe it is necessary to protect the goodwill associated with the Marks.

B. You shall comply with all specifications for brands and types of food and beverage preparation, dispensing, storage and display equipment, POS System, other equipment, fixtures, furniture, exterior and interior signs and decoration for use in the Restaurant that we require from time to time.

#### 6. **Training and Operational Assistance.**

Agreement as they apply to the closed Restaurant, and you must cooperate with us or our designee during the closure process, including with respect to matters such as disidentification. Our failure to respond to your notice of your desire to close a Restaurant shall be deemed our disapproval of such closure. Any Restaurant closed in accordance with this paragraph shall be deemed remodeled and upgraded on or before the Remodel Due Date.

E. You shall make no material alterations to the improvements of the Restaurant nor shall you make material replacements of or alterations to the equipment, fixtures or signs of the Restaurant without our prior written approval.

F. The Approved Location shall be used solely for the purpose of conducting a Subway® Restaurant.

G. Except if you are prohibited from selling products under applicable law or under the terms of the Restaurant lease, you agree that you will offer for sale and sell at the Restaurant all types of sandwiches, food, drinks and other products that we from time to time authorize, and that you will not offer for sale or sell at the Premises any other food product, beverage, confection or non-food product whatsoever or use the Premises for any purpose other than the operation of the Restaurant in full compliance with this Agreement. You further agree that you will participate in any gift certificate, gift card and/or loyalty card programs that we require. To the extent allowed by applicable law, you must comply with our minimum, maximum, and other pricing requirements for sandwiches and other products and services offered by the Restaurant, as well as comply with our pricing methods and procedures for in-store, curbside, delivery, catering ([including online catering](#)), on-line/electronic and any other types of orders, including but not limited to advertising and marketing promotions.

H. From time to time, we shall provide to you in the Confidential Operations Manual or otherwise in writing a list of approved manufacturers, suppliers, and distributors and approved food and non-food products, fixtures, equipment, signs, stationery, supplies, and other items or services necessary to operate the Restaurant. Such list shall specify the manufacturer, supplier and distributor and the food and non-food products, fixtures, equipment, signs, stationery, supplies and services that we have approved to be carried or used in the System. We may revise the approved list of manufacturers, suppliers and distributors and the approved list of food and non-food products, fixtures, equipment, signs, stationery, supplies, and other materials from time to time. Such approved list shall be submitted to you in a form that we deem advisable. You must respond to the recall of any products in the manner and at the time that we specify.

I. All sandwiches, menu items, breads, meats, cheeses, ingredients, toppings, spices, mixes and other food and beverage products and materials, containers, packaging materials, other paper and plastic products, plates, cups, utensils, menus, uniforms, forms, cleaning and sanitation materials and other materials and supplies used in the operation of the Restaurant shall conform to the specifications and quality standards established by us from time to time in the Confidential Operations Manual or otherwise. Except as otherwise provided herein, you may only purchase such products that meet our specifications and quality standards from suppliers approved by us as meeting our criteria for Subway® Restaurant suppliers, such criteria and suppliers being subject to change by us from time to time. If you propose to offer for sale at the Restaurant any brand of product, or to use in the operation of the Restaurant any brand of food ingredient or other material or supply, that is not then approved by us as meeting our minimum specifications and quality standards, or to purchase any product from a supplier that is not then designated by us as an approved supplier, you shall submit your request in writing to us before purchasing or leasing any such ingredient, material or supply, and its purchase or lease may not be made by you absent our prior written consent. We will not be obligated to respond to your request, and any actions we take in response to such request will be at our sole discretion, including the assessment of a fee to compensate us for the time and resources we spend in evaluating the ingredient, material or supply. If we do not respond to your request within thirty (30) days, the request shall be deemed denied.

12. **Modification of the System.** You recognize and agree that from time to time we may change or modify the System, including the adoption and use of new or modified trade names, trademarks, service marks or copyrighted materials, new menu items, new products, new equipment or new techniques and that you will accept, use and display for the purpose of this Agreement any such changes in the System, as if they were part of this Agreement at the time of execution hereof. Within the timeframes that we may reasonably require, you will make such expenditures as such changes or modifications in the System as we may reasonably require, including but not limited to repairs, upgrades and remodels. You shall not change, modify or alter in any way the System without our prior written consent. You will be provided with reasonable notice of any material updates or changes to the System or the Confidential Operations Manual.

13. **Fees and Contributions.**

A. **Franchise Fee.** You are not required to pay us our standard initial franchise fee. The parties acknowledge that the transfer fee of up to \$7,500 per Restaurant must have been paid by the transferor and received by us prior to the effectiveness of this Agreement.

B. **Royalty Fee.** You shall pay to us without offset, credit or deduction of any nature unless otherwise permitted by us in writing, so long as this Agreement shall be in effect, a royalty fee equal to eight percent (8%) of Gross Sales of the Restaurant on a weekly basis or other periodic basis that we may determine from time to time (the “**Royalty Fee**”).

C. **Advertising Contributions.** You shall pay without offset, credit or deduction of any nature, to us, so long as this Agreement shall be in effect, advertising contributions equal to four and one-half percent (4.5%) of Gross Sales of the Restaurant on a weekly basis or other periodic basis that we may determine from time to time (“**Advertising Contributions**”).

D. **Restaurant Excellence Visits.** We or a third-party that we authorize will conduct periodic “**Restaurant Excellence Visits**” as set forth in the Confidential Operations Manual or otherwise in writing. We will not charge you for these Restaurant Excellence Visits. However, if you receive a “Fail” score (as determined by us or the third-party conducting the Restaurant Excellence Visit), you will be required to pay a fee of ~~\$128.75~~ 136.59 (the “**Revisit Fee**”) for a subsequent Restaurant Excellence Visit (a “**Revisit**”). You will receive a Revisit until you achieve a score of “Pass”, and you will pay the Revisit Fee for each Revisit. The Revisit Fee is subject to increase by 3% per year. Effective January 1, ~~2023~~ 2025, the Revisit Fee will increase to ~~\$132.61~~ 140.69 per revisit (subject to increase by 3% per year).

E. **Restaurant Technology Fee; Digital Technology Fee.** You will pay us a “**Restaurant Technology Fee**” for the Software of ~~\$35 per month (and, beginning in April 2023, \$75 per month)~~, payable per Restaurant. This cost covers development and maintenance of the Software for each POS system terminal in the Restaurant as well as other restaurant technology. We will charge this fee to your pre-authorized account with us. We reserve the right to increase this fee at any time without notice to you. In addition to the Restaurant Technology Fee, we reserve the right to charge in the future a “**Digital Technology Fee**” to cover our costs of development, infrastructure and support of programs including our Subway® App, Online Ordering, Third-Party Delivery platform support, Digital Menu Boards and Social Media Platforms.

F. **Legacy Support Fee.** To cover our costs related to any non-compliance, you must pay to us or our affiliate the “**Legacy Support Fee**” if you do not comply with our technology standards and specifications, fail to return hardware, fail to upgrade systems, fail to allow access in a timely manner, install unauthorized software, or attempt to hack or circumvent our software, all as provided in this Agreement, any other agreement between you, on the one hand, and us or our affiliate on the other hand, or otherwise as set forth in the Confidential Operations Manual or otherwise in writing. The Legacy Support Fee is currently \$200 for each month that you are not in compliance with any of the foregoing,

per Restaurant. We reserve the right to increase the Legacy Support Fee at any time without notice to you.

G. **Digital Menu Boards Hardware-as-a-Service Fee.** You will pay us a monthly fee for our Digital Menu Board Hardware-as-a-Service (“**DMB HaaS**”) program, currently \$155 per month per Restaurant. DMB HaaS includes service, installation, maintenance and help-desk support for digital menu boards in your Restaurant. We reserve the right to increase the ~~BMB~~DMB HaaS fee at any time without notice to you.

H. **Payment Terms.** The following terms and conditions apply to all payments due to us from you:

1. On or before Thursday at 3:00 p.m. Eastern Time of each week (or such other day and time as prescribed by us from time to time), you will submit to us in the format that we require a correct statement of the Gross Sales of the Restaurant for the preceding week ending Tuesday (or such other day as prescribed by us from time to time). Such Gross Sales statement shall be submitted through our designated control system, using approved POS System hardware and software, to the location we designate. Each weekly statement (or other periodic statement that we designate) of Gross Sales shall be accompanied by the Royalty Fee and Advertising Contributions payment based on the Gross Sales reported in the statement so submitted. You will make available to us for reasonable inspection at reasonable times and through reasonable means determined by us (including electronic), all original books and records (electronic and hard copy) that we may deem necessary to ascertain the Gross Sales of the Restaurant.

2. The term “**Gross Sales**” as used herein, shall mean and include the aggregate amount of all sales of food products, beverages and other merchandise, products and services of every kind or nature sold from, at or in connection with the Restaurant or arising out of the operation or conduct of business by the Restaurant, less any customer refunds up to the amount of the sales price and excluding all sales, use or service taxes collected and paid to the appropriate taxing authority. “**Gross Sales**” shall include: (a) all amounts redeemed from gift certificates, gift cards or similar media, and sales made through alternative platforms, (b) all insurance proceeds received by you for loss of business due to a casualty or other event at the Restaurant, and (c) the fair market value of any services or products received by you in barter or exchange for your services or products.

3. All amounts you owe under this Agreement or any other Franchise Agreement, Sublease or other agreement that you have with us or any of our affiliates must be paid through electronic funds transfer in the manner we designate, unless we specify otherwise. These amounts include Royalty Fees, Advertising Contributions, interest, late fees, and any and all other charges that you owe. Before the Restaurant opens, you will sign and deliver to us appropriate electronic funds transfer preauthorized draft forms (or forms serving the same purpose) for the Restaurant's checking account (the “**Pre-authorized Account**”). Upon our request, you agree to sign any additional documents we require to authorize us and our affiliates to debit your Pre-authorized Account. You hereby authorize us and our affiliates to debit your Pre-authorized Account for the Royalty Fees, Advertising Contributions, amounts due for purchases by you from us or our affiliates, and all other amounts due us or our affiliates under this Agreement, under any other agreement with us or our affiliate, or otherwise. You agree to ensure that funds are available in the Pre-authorized Account to cover our withdrawals. In certain circumstances, you will also authorize us to withdraw money for fees or payments that we paid, pay or will pay to a third party, including without limitation your landlord or licensor, on your behalf in connection with the Restaurant.

4. If you fail to submit the weekly (or other periodic) Gross Sales statements, we will estimate your Royalty Fee and Advertising Contribution by using a Gross Sales figure that is equal to ~~one hundred twenty percent (120%)~~ of the average weekly (or other periodic) Gross Sales of your Restaurant for the previous ~~six~~eight (68) weeks, increasing by 10% for each 3-week period that such statements remain unsubmitted. If the amounts that we debit from your Pre-authorized Account are less than the amounts you actually owe us (once we have determined the Restaurant's true and correct Gross Sales), we will debit your Pre-authorized Account for the balance on the day we specify. If the amounts that we debit from your Pre-authorized Account are greater than the amounts you actually owe us, we will credit the excess against the amounts we otherwise would debit from your Pre-authorized Account on the next payment date.

5. If your payment of Royalty Fees, Advertising Contributions, or other charges that you owe us is more than one week late, you will pay us interest at a rate of twelve percent (12%) (or the maximum rate allowed by the law where the Restaurant is located) per annum on any Royalty Fees, Advertising Contributions, or other charges you will owe us under this Agreement. If permitted by local law, we may also charge you a late fee equal to ten percent (10%) (or the maximum rate allowed by law) per annum on all past due accounts to cover our banking, administrative, and accounting costs. In the event that any late charge, interest rate, or other payment provided herein exceeds the maximum applicable charge legally allowed, such late charge, interest rate, or other payment shall be reduced to the maximum legal charge, rate, or amount. You acknowledge that this sub-section shall not constitute agreement by us or our affiliates to accept such payments after same are due or a commitment by us to extend credit to, or otherwise finance your operation of, the Restaurant. Further, you acknowledge that your failure to pay all amounts when due shall constitute grounds for termination of this Agreement, as provided herein. You must pay us a sum of Fifty Dollars (\$50) if you default on payments because you change banks without notice. You must pay us a sum of Twenty Dollars (\$20) if your payments to us are unsuccessful due to insufficient funds in your pre-authorized account.

6. Notwithstanding any designation by you, we shall have the right to apply any payments by you to any past due indebtedness of you for Royalty Fees, Advertising Contributions, purchases from us and our affiliates, interest, late fees, and other charges that you owe, or any other indebtedness. You shall be responsible for and shall pay to us (or reimburse us for the payment of) upon demand any tax assessed (excluding tax on our net income) on or measured by the amount of Royalty Fees or any other amounts paid to us under this Agreement.

14. **Advertising.** Recognizing the value of advertising and the importance of the standardization of advertising and promotion to the furtherance of the goodwill and the public image of Subway® Restaurants, you agree as follows:

A. All advertising and marketing materials, including, but not limited to, newspapers, radio and television advertising, advertising through an Online Presence including internet, social media, electronic mail or other similar electronic or digital medium, and specialty and novelty items, signs, boxes, napkins, bags and wrapping papers, will be compliant with the requirements set forth by us in the Confidential Operations Manual or through other written means, or will otherwise be submitted to us or our designee, for our prior approval. In the event written approval of said advertising and promotional materials is not given by us to you within twenty (20) days from the date such materials are received by us, said materials shall be deemed disapproved. You must participate in, and comply with the requirements of, any sales, marketing, advertising, and promotional programs we implement, and you must use only the materials and media for these programs that we designate or otherwise expressly approve. Information you collect about customers, including through an Online Presence or at the Restaurant, may be subject to requirements set forth in the Confidential Operations Manual or otherwise in writing by us. You will not place "For Sale" or similar signs at or in the general vicinity of the Restaurant or use any words in any advertising that identify the business offered for sale as a Subway®

sale of this Agreement or the assets of the Restaurant to any lender without our prior written consent.

3. You may not use or authorize the use of any Mark in advertising the transfer or other disposition of your Restaurant or of any ownership in you without our prior written consent. You shall not use or authorize the use of, and no third party shall on its behalf use, any written materials to advertise or promote the transfer of your Restaurant or of any ownership interest in you without our prior written approval of such materials.

### C. Conditions for Consent.

1. You acknowledge and agree that there may be no transfers before the Restaurant has opened for business. If you and your owners are in full compliance with this Agreement, we shall not unreasonably withhold our consent to a transfer, provided that we are satisfied in our sole business judgment that the proposed assignee and its owners are of good moral character who have sufficient business experience, aptitude and financial resources to perform the services required hereunder and otherwise meet our then applicable business standards for the grant or acquisition of similar rights, provided however, that our consent for a transfer in connection with any Bankruptcy Event shall be in our sole and absolute discretion.

2. A transfer of ownership in the Restaurant owned by you may only be made in conjunction with a transfer of this Agreement or the controlling interest in you, and further provided that if the transfer is of this Agreement or the Restaurant owned by you, or of a controlling interest in you, or is one of a series of transfers which in the aggregate constitute the transfer of a controlling interest in this Agreement, the Restaurant owned by you, substantially all of the assets of the Restaurant or you, in addition to the conditions set forth above, all of the following conditions are met prior to, or concurrently with, the effective date of the assignment or transfer: (1) you must have complied with the right of first refusal set forth below; (2) all obligations of you and your owners incurred in connection with this Agreement have been assumed by the assignee and its owners; (3) you shall have paid all amounts owed to us; (4) the assignee shall have completed the training program required of new franchisees; (5) with respect to the transferred Restaurant, the assignee and its owners shall execute and agree to be bound by the form of franchise agreement and any ancillary agreements as are then customarily used by us in the grant of the rights described hereunder, which franchise agreement shall provide for a term no less than the then remaining term for the transferred Restaurant as set forth on **Exhibit B**, and the transferred Restaurant shall no longer be governed by this Agreement; (6) you shall have paid a transfer fee equal to fifty percent (50%) of our then-current standard initial franchise fee (excluding any promotions or discounts), ~~plus \$3,000 for any satellite Restaurant you transfer~~ ~~(or, (or, as follows: (a) standard transfer to a new or existing Subway® franchisee, \$3,200; (b) if you are transferring an interest to your spouse or child, 25% of our then-current standard initial franchise fee (excluding any promotions or discounts) or in the context of a divorce, \$200; or (c) all other transfers, \$2,000), plus \$1,500~~ 3,000 for any satellite Restaurant you transfer (excluding any promotions or discounts) (or, \$1,000 for any satellite Restaurant that has been established for one year or less); (7) the assignee shall present evidence satisfactory to us that it has the right to remain in possession of the Premises for the term of assignee's franchise agreement; (8) you and your owners shall have executed a general release, in form satisfactory to us, of any and all claims against us and our affiliates, BDs, officers, directors, owners, employees and agents; (9) with respect to the transferred Restaurant, you and your owners must abide by the terms of this Agreement which by their nature survive termination, including without limitation the post-termination covenant not to compete set forth in this Agreement; and (10) the transferee executes our then-current form of Transfer Addendum.

personal representative of such person shall assign this Agreement or such interest in you to a third party approved in writing by us. Such disposition of such interest in you shall be completed within a reasonable time, not to exceed twelve (12) months from the date of death or permanent disability, and shall be subject to all the terms and conditions applicable to assignments contained in sub-sections B and C of this Section and elsewhere in this Agreement; *except that*, where the assignee is an heir, devisee, legatee or next of kin or immediate family, the assignee shall assume this Agreement and any ancillary agreements, and shall not be required to execute our then-current form of franchise agreement and ancillary agreements, and shall ~~not be required to pay the~~ transfer fee of \$200. Failure to so dispose of this Agreement or such interest in you within said period of time shall constitute a breach of this Agreement. Pending disposition, we shall have the right to approve the management of the Restaurant owned by you. References to “immediate family” as used in this Agreement shall mean parents, spouses, children and siblings, and the parents, children and siblings of spouses.

F. **Effect of Consent to Assignment.** Our consent to a transfer, including an assignment of this Agreement or any interest subject to the restrictions of this Section shall not constitute a waiver of any claims we may have against the assignor, nor shall it be deemed a waiver of our right to demand exact compliance with any of the terms or conditions of this Agreement by the assignee or by the assignor.

19. **Covenants.**

A. We have entered into this Agreement with you on the condition that you will deal exclusively with us. You acknowledge and agree that we would be unable to encourage a free exchange of ideas and information among franchisees and us if franchisees were permitted to hold interests in any Competitive Businesses. You therefore agree that neither you nor your owners will have any direct or indirect Association with a Competitive Business during the Term, in accordance with the definitions and provisions below, unless we allow otherwise in writing.

B. You further covenant that during the Term, you shall not divert or attempt to divert any business of or any customers of the Restaurant to any Competitive Business, by direct or indirect inducement or otherwise, or do or perform directly or indirectly, any other act injurious or prejudicial to the goodwill associated with our Marks and the System, or in any way negligently or intentionally interfere with our business or our prospective business.

C. Upon termination of this Agreement, as it applies to any given Restaurant, by us in accordance with its terms and conditions or by you without cause or upon expiration of this Agreement, you and your owners agree that, for a period of one (1) year commencing on the effective date of termination or expiration or the date on which you and your owners begin to comply with this Section, whichever is later, neither you nor your owners nor any member of such owner’s or owners’ immediate families shall have any direct or indirect Association with a Competitive Business within a three (3) mile radius of the applicable Approved Location or any Subway® Restaurant in operation or under construction as of the termination or expiration date or the date on which you and your owners begin to comply with this Section, except in connection with the operation of Subway® Restaurants under franchise agreements with us. The restrictions of this sub-section shall not be applicable to the ownership of shares of a class of securities listed on a stock exchange or traded on the over-the-counter market that represent two percent (2%) or less of the number of shares of that class of securities issued and outstanding. You (and your owners) expressly acknowledge that you (and they) possess skills and abilities of a general nature and have other opportunities for exploiting such skills. You further acknowledge and agree that the terms of the covenant are reasonable in scope, geography and time. Consequently, enforcement of the covenants made in this Section will not deprive you (or them) of your (or their) personal goodwill or ability to earn a living. To the extent that this sub-section is deemed unenforceable by virtue of its scope in terms of area or length of time, but may be made enforceable by

lawful money of the United States of America. No previous course of dealing or usage in the trade not specifically set forth in this Agreement will be admissible to explain, modify, or contradict this Agreement.

O. **Joint and Several Liability.** Each individual signing this Agreement as the franchisee will be jointly and severally liable.

P. **Franchisor Discretion.** You agree that whenever this Agreement allows or requires us to take actions or make decisions, we may do so in our sole and unfettered discretion, even if you believe our action or decision is unreasonable, unless the Agreement expressly and specifically requires that we act reasonably or refrain from acting unreasonably in connection with the particular action or decision.

Q. **Notices.** Every notice, approval, consent or other communication authorized or required by this Agreement shall be effective if given in one of the following ways: (i) by email to us at **FranchiseNotices@subway.com** and to you at the email address provided on the Signature Page at the beginning of this Agreement, or at such other email address as either party shall from time to time designate in writing; (ii) in writing and hand delivered to either party; or (iii) in writing and sent for next business day delivery by FedEx, UPS, or other nationally-recognized courier. Notices sent via hand delivery or via nationally-recognized courier shall be addressed directly to us at our offices at Attn: Legal Department - Franchising, ~~325 Sub-Way, Milford, Connecticut 06461~~ 1 Corporate Drive, Suite 1000, Shelton, CT 06484, and to you at the Premises, or at such other address as either party shall from time to time designate in writing. Email notices must contain the capitalized words "LEGAL NOTICE" in the subject line. The sender of an email notice must request a read receipt and the recipient must allow a read receipt to be sent on or before the next business day. Email notices shall be effective upon receipt by the sender of the read receipt from the recipient of the notice. Hand delivered notices shall be deemed to be effective upon delivery, if delivered. Notices sent for next business day delivery by nationally recognized courier shall be deemed to be effective on the next business day.

R. **Amendment; Modification.** This Agreement may be modified only by written agreement signed by both you and us. Notwithstanding the foregoing, you acknowledge and agree that we may modify the Confidential Operations Manual and System Standards from time to time, subject to the terms of this Agreement.

S. **Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. The parties agree that scanned or electronic signatures shall have the same effect and validity, and may be relied upon in the same manner, as original signatures. You acknowledge and agree that any owner of you or any signatory to this Agreement (including any signatory assuming this Agreement) may sign ancillary agreements and accept system initiatives during the Term such as software license agreements and consent to technology programs/initiatives in connection with the operation of the Restaurant, such as remote access to your POS System, with binding effect.

25. **Acknowledgements.** You represent, warrant, agree and acknowledge the following:

A. No representation has been made by us (or any employee, agent or salesperson of us) and relied on by you as to the future or past income, expenses, sales volume or potential profitability, earnings or income of the Restaurant, or any other Subway® Restaurant.

B. No employee or other person providing services to you on our behalf has solicited or accepted any loan, gratuity, bribe, gift or any other payment in money, property or services from you in connection with a Subway® franchise purchase with exception of those payments or loans provided in the Franchise Disclosure Document.

C. No representation or statement has been made by us (or any employee, agent or salesperson of us) and relied on by you regarding the anticipated income, earnings and growth of us or the System, or the viability of the business opportunity being offered under this Agreement.

D. Before executing this Agreement, you have had the opportunity to contact all existing franchisees of us.

E. You have had the opportunity to independently investigate, analyze and construe both the business opportunity being offered under this Agreement, and the terms and provisions of this Agreement, using the services of legal counsel, accountants or other advisors (if you so elect) of your own choosing. You have been advised to consult with your own advisors with respect to the legal, financial and other aspects of this Agreement, the Restaurant, and the prospects for that Restaurant. You have either consulted with these advisors or have deliberately declined to do so.

F. No representation or statement has been made by us (or any employee, agent or salesperson of us) and relied on by you regarding your ability to procure any required license or permit that may be necessary to the offering of one or more of the services contemplated to be offered by the Restaurant.

G. You acknowledge that you are a citizen or permanent resident of the United States of America and that you have provided us with valid proof of your citizenship or permanent residency [unless otherwise approved in limited circumstances for cross-border development upon presentation of a valid work visa.](#)

H. You affirm that all information set forth in all applications, financial statements and submissions to us is true, complete and accurate in all respects, and you expressly acknowledge that we are relying on the truthfulness, completeness and accuracy of this information.

I. You have read and understand our Privacy Notice (contained in an exhibit to our franchise disclosure document or available on [www.Subway.com](http://www.Subway.com)), which addresses how we use and share your personal information, and which may be amended from time to time.

J. You acknowledge it is our intent to comply with all anti-terrorism laws enacted by the US Government, including but not limited to the USA PATRIOT Act or Executive Order 13324. You acknowledge that you are not now, nor have you ever been, a suspected terrorist or otherwise associated directly or indirectly with terrorist activity.

K. You acknowledge that it is our intent to comply with all domestic and foreign laws and regulations related to anti-bribery and anti-corruption, including but not limited to the U.S. Foreign Corrupt Practices Act.

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.

*[signature page follows]*

**IN WITNESS WHEREOF**, GUARANTORS have hereunto affixed their signature, under seal, on the same day and year as the Agreement was executed.

**GUARANTORS:**

By: \_\_\_\_\_

~~Title:~~ \_\_\_\_\_

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

\_\_\_\_\_

Email: \_\_\_\_\_

By: \_\_\_\_\_

~~Title:~~ \_\_\_\_\_

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

\_\_\_\_\_

Email: \_\_\_\_\_

By: \_\_\_\_\_

~~Title:~~ \_\_\_\_\_

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

\_\_\_\_\_

Email: \_\_\_\_\_

By: \_\_\_\_\_

~~Title:~~ \_\_\_\_\_

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

\_\_\_\_\_

Email: \_\_\_\_\_

*(If holding company)*

\_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

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

\_\_\_\_\_

Email: \_\_\_\_\_



**EXHIBIT G-1  
RENEWAL ADDENDUM**

This Renewal Addendum (“**Addendum**”), dated \_\_\_\_\_ (the “**Effective Date**”), between Doctor’s Associates LLC, a FloridaDelaware limited liability company (“**we**”, “**us**” or “**DAL**”), and \_\_\_\_\_ (“**you**”), amends the Franchise Agreement, applicable riders and addenda, between the parties dated effective as of \_\_\_\_\_ (the “**Successor Agreement**”) for a Subway® Restaurant located at \_\_\_\_\_ (the “**Site**”). This Addendum modifies certain aspects of the Successor Agreement to reflect the fact that you are obtaining a successor franchise and that you are an experienced operator of a Subway® Restaurant.

**AGREEMENT:**

**I. Incorporation and Precedence.** This Addendum: (a) is an integral part of, and is incorporated into the Successor Agreement; and (b) governs, controls and supersedes any inconsistent or conflicting provisions of the Successor Agreement. Terms not otherwise defined in this Addendum have the meanings as defined in the Successor Agreement. Any references to the Successor Agreement also include this Addendum, unless the context expressly provides otherwise.

**II. Status.** You have been operating a Restaurant at the Site since \_\_\_\_\_ under the Franchise Agreement (the “**Prior Agreement**”). The Prior Agreement has an expiration date of \_\_\_\_\_, and you want to obtain a successor franchise from us pursuant to the Prior Agreement.

**III. Agreement Date.** Parties acknowledge that the Successor Agreement was signed on \_\_\_\_\_. The Agreement Date as set forth in the Successor Agreement is hereby amended to \_\_\_\_\_, which date represents the expiration date of the Prior Agreement.

**IV. Renewal Fee.** On the Agreement Date, you will pay us by wire transfer the Renewal Fee of \$\_\_\_\_\_. You are not required to pay us our initial franchise fee under the Successor Agreement.

**V. No Further Renewal Right.** You will have no further right to renew the Successor Agreement after the expiration of the Term.

**VI. Pre-Opening Matters.** Since you have been operating the Restaurant since \_\_\_\_\_, neither you nor we will have any obligations that otherwise would apply prior to the opening of the Restaurant, including site selection, pre-opening assistance or grand opening assistance or advertising, or initial training.

**VII. Releases:** You must sign and deliver to us a release in the form attached as Exhibit “A”;

**VIII. Entire Agreement; Amendment.** The remaining terms of the Successor Agreement are unaffected by this Addendum and remain binding on the parties. The Successor Agreement, as amended and supplemented by this Addendum, contains the entire understanding of the parties. The parties can amend the Successor Agreement further only in a signed writing. The provisions of the Successor Agreement, as amended and supplemented by this Addendum, are ratified and affirmed. To the extent the terms of this Addendum and the terms of the Successor Agreement conflict, the terms of this Addendum shall control.

**IX. Acknowledgement.** You acknowledge and agree you read and understand this Addendum and the Successor Agreement and consent to be bound by all the terms and conditions of the Successor Agreement, as amended and supplemented by this Addendum.

*[Remainder of page intentionally left blank]*

IN WITNESS WHEREOF, the parties have executed this Addendum, as of the Agreement Date.

**FRANCHISOR:  
DOCTOR'S ASSOCIATES LLC**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**FRANCHISEE:**

*If an entity*

\_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

*If individual(s)*

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

DAL Renewal Addendum ~~0804/23~~24 amended 06/24

**Exhibit "A"**

**Franchise #:** \_\_\_\_\_

**GENERAL RELEASE**

This General Release (the "**Release**"), dated \_\_\_\_\_ is effective as of \_\_\_\_\_ regardless of the date of signature (the "**Effective Date**"), and is given by \_\_\_\_\_, a/an \_\_\_\_\_ on behalf of his, her or itself and each of his, her or its affiliates, parent and child companies, subsidiaries, related companies, and all companies under common ownership or control with them and their employees, officers, directors, shareholders, managers, partners, principals, agents, contractors, heirs, successors and assigns (collectively the "**Franchisee Releasing Parties**") in favor of **DOCTOR'S ASSOCIATES LLC**, a ~~Florida~~ Delaware limited liability company ("**DAL**"), and DAL's franchisees and each of their affiliates, parent and child companies, subsidiaries, related companies, and all companies under common ownership or control with them and each of their employees, officers, directors, shareholders, managers, partners, principals, agents, contractors, franchisees, licensees, area representatives, business associates, business developers, heirs, successors and assigns (collectively, "**DAL Released Parties**").

**BACKGROUND INFORMATION:**

The Parties acknowledge that DAL and \_\_\_\_\_ entered into a Prior Agreement dated \_\_\_\_\_ (the "**Franchise Agreement**") for Subway® franchise # \_\_\_\_\_, located at \_\_\_\_\_.

**OPERATIVE TERMS:**

Accordingly, the parties agree as follows:

1. **Release by Franchisee Releasing Parties.** The Franchisee Releasing Parties do hereby irrevocably and unconditionally forever release, waive, discharge and covenant not to sue, DAL Released Parties of and from any and all actions, causes of actions at law and in equity, charges, complaints, contracts, liabilities, obligations, claims, demands, premises, reimbursements, costs, losses, debts, expenses, attorney's fees, damages, indemnities and claims of any kind or nature whatsoever which any of Franchisee Releasing Parties now have, ever had, or hereafter can, will or may have against any of the DAL Released Parties for and upon, or by reason of any damage, harm, loss or injury, now existing or hereafter arising out of or relating in any way to any acts, failure to act, omissions or intentional, negligent, reckless, or willful conduct or misconduct of any of the DAL Released Parties or their business or commercial activities, trademarks or service marks, occurring or arising at any time on or before the Effective Date, except for DAL's obligations under the Franchise Agreement and this Release. This release, waiver, discharge and covenant not to sue extends and applies to, and also covers and includes, all unknown, unforeseen, unanticipated and unsuspected injuries, damages, losses and liabilities, and the consequences thereof, as well as those now disclosed and known to exist occurring or arising on or before the Effective Date. The provisions of any state, federal, local or territorial law or statute providing in substance that releases will not extend to claims, demands, injuries or damages which are unknown or unsuspected to exist at the time to the person executing such releases are expressly waived by Franchisee Releasing Parties. However, this release will not apply to the duties and obligations expressly contained in this Release and the Franchise Agreement.

*For use in California:*

Each Franchisee Releasing Party has read or been advised of Section 1542 of the Civil Code of the State of California, which provides as follows: A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR. Each Franchisee Releasing Party understands that Section 1542 gives him, her or it the right not to release existing claims of which he, she or it is not now aware, unless he, she or it voluntarily chooses to waive this right. Having been so apprised, each Franchisee Releasing Party nevertheless voluntarily elects to and does waive the rights described in Section 1542 of the Civil Code of the State of California, and elects to assume all risks for claims that now exist in his, her or its favor, known or unknown.

**EXHIBIT G-2  
TRANSFER ADDENDUM**

This Transfer Addendum (“**Addendum**”) dated \_\_\_\_\_ (the “**Effective Date**”) amends and supplements the Franchise Agreement of the same date, including provisions modified by any Addenda to the Franchise Agreement (the “**Franchise Agreement**”) between Doctor’s Associates LLC, a ~~Florida~~Delaware limited liability company (“**we**”, “**us**” or “**DAL**”), and (“**you**”). This Addendum modifies certain aspects of the Franchise Agreement to reflect the fact that you are purchasing an existing Restaurant. All capitalized terms in this Addendum have the same meaning given to them in the Franchise Agreement.

**AGREEMENT:**

**I. Incorporation and Precedence.** This Addendum: (a) is an integral part of, and is incorporated into, the Franchise Agreement; and (b) governs, controls and supersedes any inconsistent or conflicting provisions of the Franchise Agreement. Terms not otherwise defined in this Addendum have the meanings as defined in the Franchise Agreement. Any references to the Franchise Agreement also include this Addendum, unless the context expressly provides otherwise.

**II. Term of Agreement.** The Franchise Agreement shall be effective and binding from the date that we execute it and shall expire on \_\_\_\_\_, unless sooner terminated pursuant to the Franchise Agreement (the “**Term**”).

**III. No Initial Franchise Fee.** You are not required to pay us our initial franchise fee under the Franchise Agreement.

**IV. Remodel Obligations.** You agree to complete a remodel of the Restaurant no later than \_\_\_\_\_ in accordance with the current remodel requirements set forth in the Confidential Operations Manual as published on our intranet website ‘The Feed’ and as further detailed in the floor plan of the Restaurant.

**V. Equipment Obligations.** No later than ninety (90) days after the Agreement date, you agree to upgrade or replace any equipment in accordance with the equipment requirements set forth in the Confidential Operations Manual as published on our intranet website ‘The Feed’. The parties agree that time is of the essence with respect to your equipment obligations.

**VI. Entire Agreement; Amendment.** The remaining terms of the Franchise Agreement are unaffected by this Addendum and remain binding on the parties. The Franchise Agreement, as amended and supplemented by this Addendum, contains the entire understanding of the parties. The parties can amend the Franchise Agreement further only in a signed writing. The provisions of the Franchise Agreement, as amended and supplemented by this Addendum, are ratified and affirmed. To the extent the terms of this Addendum and the terms of the Franchise Agreement conflict, the terms of this Addendum shall control.

**VII. Acknowledgement.** You acknowledge and agree you read and understand this Addendum and the Franchise Agreement and consent to be bound by all the terms and conditions of the Franchise Agreement, as amended and supplemented by this Addendum.

*[Remainder of page intentionally left blank]*

**IN WITNESS WHEREOF**, the parties have executed this Addendum, as of the Effective Date.

**FRANCHISOR:  
DOCTOR'S ASSOCIATES LLC**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**FRANCHISEE:**

*If an entity*

\_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

*If individual(s)*

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

DAL Transfer Addendum ~~08/2023~~ 04/2024 amended 06/2024

**EXHIBIT G-3**  
**TRANSFER ADDENDUM**

This Transfer Addendum (“**Addendum**”) dated \_\_\_\_\_ (the “**Effective Date**”) amends and supplements the Franchise Agreement of the same date, including provisions modified by any Addenda to the Franchise Agreement (the “**Franchise Agreement**”) between Doctor’s Associates LLC, a Delaware limited liability company (“**we**”, “**us**” or “**DAL**”), and \_\_\_\_\_ (“**you**”). This Addendum modifies certain aspects of the Franchise Agreement to reflect the fact that you are purchasing an existing Restaurant. All capitalized terms in this Addendum have the same meaning given to them in the Franchise Agreement.

**AGREEMENT:**

**I. Incorporation and Precedence.** This Addendum: (a) is an integral part of, and is incorporated into, the Franchise Agreement; and (b) governs, controls and supersedes any inconsistent or conflicting provisions of the Franchise Agreement. Terms not otherwise defined in this Addendum have the meanings as defined in the Franchise Agreement. Any references to the Franchise Agreement also include this Addendum, unless the context expressly provides otherwise.

**II. Term of Franchise Agreement.** The Franchise Agreement term expires on \_\_\_\_\_ unless sooner terminated pursuant to the Franchise Agreement. Pursuant to your request, this reflects the remaining term on the franchise for the Restaurant plus an additional purchased term agreed to by you and DAL.

**III. Term Franchise Fee.** Franchisee shall pay to Franchisor a Term franchise fee of U.S. \$ \_\_\_\_\_ upon the execution of this Agreement.

**IV. Remodel Obligations.** You agree to complete a remodel of the Restaurant no later than \_\_\_\_\_ in accordance with the current remodel requirements set forth in the Confidential Operations Manual as published on our intranet website ‘The Feed’ and as further detailed in the floor plan of the Restaurant.

**V. Equipment Obligations.** No later than ninety (90) days after the Agreement date, you agree to upgrade or replace any equipment in accordance with the equipment requirements set forth in the Confidential Operations Manual as published on our intranet website ‘The Feed’. The parties agree that time is of the essence with respect to your equipment obligations.

**VI. Entire Agreement; Amendment.** The remaining terms of the Franchise Agreement are unaffected by this Addendum and remain binding on the parties. The Franchise Agreement, as amended and supplemented by this Addendum, contains the entire understanding of the parties. The parties can amend the Franchise Agreement further only in a signed writing. The provisions of the Franchise Agreement, as amended and supplemented by this Addendum, are ratified and affirmed. To the extent the terms of this Addendum and the terms of the Franchise Agreement conflict, the terms of this Addendum shall control.

**VII. Acknowledgement.** You acknowledge and agree you read and understand this Addendum and the Franchise Agreement and consent to be bound by all the terms and conditions of the Franchise Agreement, as amended and supplemented by this Addendum.

*[Remainder of page intentionally left blank]*

IN WITNESS WHEREOF, the parties have executed this Addendum, as of the Effective Date.

**FRANCHISOR:**  
**DOCTOR'S ASSOCIATES LLC**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**FRANCHISEE:**

*If an entity*

\_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

*If individual(s)*

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

EXHIBIT G-4

Franchise # \_\_\_\_\_

AMENDMENT  
TO FRANCHISE AGREEMENT

This Amendment (“**Amendment**”) dated \_\_\_\_\_ (the “**Effective Date**”) amends and supplements the Franchise Agreement, including any provisions modified by any other amendments, riders or addenda to the Franchise Agreement (the “**Franchise Agreement**”) between Doctor’s Associates LLC, a Delaware limited liability company (“**we**”, “**us**” or “**DAL**”), and \_\_\_\_\_ (“**you**”), a \_\_\_\_\_ (please specify type of entity). Any terms used but not otherwise defined in this Amendment shall have the meaning given to them in the Franchise Agreement.

RECITALS

WHEREAS, DAL and you are parties to the Subway® Franchise Agreement dated \_\_\_\_\_ (the “**Existing Franchise Agreement**”) with respect to the operation of a Subway® restaurant located at \_\_\_\_\_.

WHEREAS, you have requested, and we have granted approval for you to purchase additional franchise agreement term and to enter into the new Franchise Agreement.

WHEREAS, the parties agree to amend the Franchise Agreement, subject to the terms and conditions set forth in this Amendment.

AGREEMENT

NOW, THEREFORE, in consideration of the above recitals, which by this reference are incorporated herein, and mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto hereby agree to amend the Franchise Agreement as follows:

1. Termination of Existing Franchise Agreement

As of the Effective Date, the parties agree to: (i) terminate the Existing Franchise Agreement in accordance with DAL’s current form of mutual termination agreement; and (ii) enter into the new Franchise Agreement, which is amended by this Amendment.

2. Term of Franchise Agreement

The Franchise Agreement shall expire on \_\_\_\_\_, unless sooner terminated pursuant to the Franchise Agreement (the “**Term**”). This Term reflects the remaining term of the previous franchise agreement entered into for the Restaurant plus an additional purchased term agreed to by you and DAL.

3. Term Franchise Fee

Franchisee shall pay to Franchisor a Term franchise fee of U.S. \$ \_\_\_\_\_ upon the execution of this Agreement.

**4. General Provisions**

The Franchise Agreement, as amended and supplemented by this Amendment, contains the entire understanding of the parties. The parties can amend the Franchise Agreement further only in a signed writing. In the event of a conflict between the Franchise Agreement and this Amendment, the terms of this Amendment shall control. Except as amended or modified by this Amendment, the terms of the Franchise Agreement remain in full force and effect.

You acknowledge you read and understand this Amendment and the Franchise Agreement, and consent to be bound by all the terms and conditions of the Franchise Agreement, as amended, and supplemented by this Amendment.

IN WITNESS WHEREOF, the parties have executed this Amendment, as of the Effective Date.

**FRANCHISOR:**

**DOCTOR'S ASSOCIATES LLC**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**FRANCHISEE:**

*If an entity*

\_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

*If individual(s)*

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

## EXHIBIT L LITIGATION

We and our affiliates are sometimes named as parties to lawsuits brought by people who claim injury from eating, working or being in a Subway® restaurant, even though the restaurant is owned and operated by a franchisee. The franchisee and others are usually also named as parties in these cases. These lawsuits include claims arising from cases of hepatitis or other illness which the customers claim they contracted at the restaurant, or from a death, assault or personal injury which results from an accident (e.g., slip and fall), employment or a robbery or other criminal act by a third party. We and our affiliates maintain insurance coverage against liability for these actions and vigorously contest them. You are also required under your Franchise Agreement to maintain insurance against these risks. See Item 14. We believe these types of lawsuits are ordinary routine litigation, covered by insurance, and not material. We choose to disclose these matters to you generally to point out the types of lawsuits which might arise from the operation of your restaurant and to stress to you the importance of maintaining adequate insurance coverage. There have also been highly publicized cases recently where juries have found other franchisors liable for injuries resulting from a franchisee's operations, and we believe you would like to be aware that we, our affiliates and franchisees are sometimes sued because of events which occur at independently owned and operated restaurants. Any references in the actions below to Doctor's Associates Inc. or DAI, the prior system owner, are deemed to refer to Doctor's Associates LLC, which is Doctor's Associates' new name post conversion from a corporation to a limited liability company pursuant to the internal corporate restructure project described in Item 1 of this Disclosure Document (the "Restructure"). Additional entities referenced in this Exhibit also changed their corporate status as part of the Restructure, as follows:

Entity	Name After Restructure
Subway Restaurants, Inc.	Subway Restaurants, LLC
Subway Subs, Inc.	Subway Subs, LLC
Subway Sandwich Shops, Inc.	Subway Sandwich Shops, LLC
Subway Real Estate Corp.	Subway Realty, LLC
Subway Franchise Systems of Canada, Ltd.	Subway Franchise Systems of Canada, ULC

Any references below in this Exhibit to these entities are deemed to refer to the entity's new name post conversion as indicated in the list above.

### A. Pending Actions:

- 1) Direction Régionale des Entreprises, de la Concurrence, de la Consommation, du Travail et de l'Emploi ("DIRECCTE") Plaintiff, v. Subway International, B.V. ("SIBV") and Subway Realty of France ("SROF"), Defendants (~~commercial court of Paris, France, 2016~~). Plaintiff, a branch of the French government, claims that SIBV's Franchise Agreement contains invalid clauses under French ~~economic~~ law creating a significant imbalance between the rights and obligations of SIBV and its franchisees. ~~The commercial court of Paris allowed thirty-four intervenor~~ and asked, in 2016, the Paris Commercial Court, among other things, to: (i) declare several clauses of the franchise agreement significantly imbalanced and annul them, (ii) order SIBV to cease these practices, (iii) sentence Defendants to pay a fine of Euros 2 million and (iv) order the publication of the decision in three French newspapers. About thirty franchisees and ex-franchisees decided to join the proceedings and claim damages. After issuing two preliminary rulings on May 28, 2019 and January 21, 2020, The court found on October 13, 2020 that certain portions of the franchise agreement were significantly imbalanced and therefore null and void and needed to be revised, and a fine of €500,000 was imposed, lower than the €2,000,000 that the DIRECCTE requested. On January 15, 2021, SIBV and SROF filed an appeal against the preliminary rulings of 2019 and 2020 and the ruling on the merits of October 13, 2020 with the Paris Court of Appeal. The appeal is pending.

On February 9 and 15, 2021, certain intervenor franchisees and ex-franchisees requested and obtained from the Paris Commercial Court that it reopens the proceedings to rule on their claims for damages. SIBV and SROF filed submissions to request that the stay of proceedings be maintained pending the final decision of the Paris Court of Appeal on the appeal against the three aforementioned judgments. On July 6, 2021, the Paris

## DE. Franchisor-Initiated Litigation

We and our affiliates who sell franchises internationally under the Subway® trademark file actions against Subway® franchisees to enforce system standards, collect monies owed, and to enforce other defaults of the franchise agreement. The following is a list of actions that have been filed by us or our affiliates during the last fiscal year against franchisees in connection with the franchise relationship. We estimate that the franchisees we or our affiliates filed actions against in connection with the franchise relationship constitute about 0.90.2% of the franchisees operating Subway® restaurants globally.

The following acronyms are stated below to describe us, our affiliates, or the applicable arbitration agency where the action was filed: Doctor's Associates, LLC (DAL); Subway Franchise Systems of Canada, ULC (SFSC); Subway International B.V. (SIBV); ~~Subway Systems India Pty. Ltd. (SSIPL)~~; American Arbitration Association (AAA); International Centre for Dispute Resolution (ICDR); and Alternative Dispute Resolution Centre (ADRC).

### **ENFORCEMENT OF SYSTEM STANDARDS 20222023**

#### Active:

1. DAL v. ~~M. Anwer Mysorewala (#18243)~~ Shaik Hidayathullah (#14452 and #44268), filed with AAA on 12/15/2022~~8/30/23~~, Case No. 01-22-0005-267201-23-0003-8467.
2. DAL/SFSC v. Andrew Buccilli (#43818) Abbas Pouya (#40496), filed with ~~AAA on 8/30/2022~~, ICDR Canada on 05/19.2023. Case No. 01-22-0003-687801-23-0002-1549.

#### Award Rendered:

3. DAL and SIP v. Lyudmila Khononov, filed in the Eastern District of NY on ~~12/15/2022~~, Case No. ~~1:2022CV07637~~ Mohammaed A. Baker (#2004, #19067), filed with AAA on 07-31-2023, Case No. 01-23-0003-3093.
4. DAL and SIP v. Mina Hanna and George Hanna, filed in the Eastern District of NY on ~~12/09/2022~~, Case No. ~~1:2022CV07497~~ Bhavik Patel (#5606), filed with AAA on 1/23/23, Case Number 01-23-0000-2832, Stipulated Award 10/16/23

#### Award Rendered:

5. DAL v. Jared Butler (#29564) Saira Durrani (#7257), filed with AAA on ~~2/18/22~~ 1/23/23, Case No. 01-22-0000-7111.01-23-0000-2840, Award 07/12/23
6. DAL v. Michael & Paul Banish (#1419, #2072) Hardik Mehta (#2408), filed with AAA on ~~4/4/2022~~ 7/5/23, Case No. 01-22-0001-4188.01-23-0002-9976, Stipulated Award 11/30/23

#### Confirmation of Award/Judgment:

7. DAL v. Jaimin Patel (#54865) Corey Bluml (#10770, #29306, #37889, #15814), filed in Connecticut Superior Court on ~~2/10/2022~~, Case No. ~~AAN CV 22-6046044-S, satisfaction of joint stipulation on 10/26/2022~~ AAN cv22-6049367s, Judgment entered 01/10/23
8. DAL v. Miranda Barajas-Brazil (#53049 & #56909), filed in Connecticut Superior Court, Case No. AAN cv23-6050494s, Judgment entered 04/13/23
9. DAL v. Usha & Vinay Patel (#14687), filed in Connecticut Superior Court, Case No. AAN cv23-6050495s, Judgment entered 04/13/23
10. DAL v. Jared Butler, (#29546) filed in Connecticut Superior Court, Case No. AAN cv23-6050964s, Judgment entered 05/22/23
11. DAL v. Terrell Anthony (#6179) filed in Connecticut Superior Court, Case No. AAN cv23-6052206s, Judgment entered 09/07/23

#### Withdrawn:

12. ~~8.~~ DAL v. David Boyd (23875 Estate of Bradford Dodway (#550, #4303, #10191, #30588, #36131, #60951), filed with AAA on ~~3/11/22~~9/1/2023, Case No. ~~01-22-0001-0653~~01-23-0003-8752, withdrawn from AAA on 9/28/2023.
13. ~~9.~~ DAL v. Sagar Vina Patel (#225917597), filed with AAA on ~~2/10/2022~~, ~~Case No. 01-22-0000-6133~~1/12/2023; withdrawn from AAA on ~~10/19/2022~~10/23/2023.
14. ~~10.~~ DAL v. Salim Gheewalla (#52448 Kamran Hanif, Guatam H. Mehta, and Jigneshkumar Unjia (#1993), filed with ~~ADRC on 3/12/2020, Case No. 26-23-20-5AAA~~ AAA (no case number) on 5/30/2023, withdrawn from ~~ADRC~~AAA on ~~3/22/2022~~6/6/2023.
15. ~~11.~~ DAL v. Suraj Pillai and Sindhu Kumar (#5200 Chirayu Patel and Devangi Karsaliya (#24379), filed with AAA on ~~8/3/2022~~1/16/23, Case No. ~~01-22-0003-3249~~, ~~withdrawn from AAA on 8/9/2022~~01-23-0000-1897.

**ENFORCEMENT OF SYSTEM STANDARDS MULTIPLE ACTIONS AND ROYALTIES COLLECTION**  
**20222023**

Confirmation of Award/Judgment:

- ~~12. DAL v. Corey Bluml, filed with AAA on 1/28/22 Case No. 01-22-0000-4319; confirmed, filed in CT Superior Court on 11/29/22, Docket No. AAN ev22-6049367s.~~

None.

Award Rendered:

None.

Active :

16. ~~13.~~ DAL v. Usha & Vinay Patel (#14687) Dawn Reino and Brian Reino, filed with AAA on ~~8/16/22~~12/12/23, Case No. ~~01-22-0003-4996~~01-23-0005-7606

Active (Collection on Promissory Note):

- ~~14. DAL v. Mohammed Ahmed (#1359), filed in Wisconsin State Court, Civil Div., 8/10/22, Docket No. 22-ev-005259.~~

Settled:

None.

- ~~15. Charles Fritschler, Curator, LLC, Boston Woods One LLC, and EB5Overseer, LLC v. Doctor's Associates, Inc., Doctor's Associates, LLC, Subway IP Inc., Franchise World Headquarters, LLC, Subway Real Estate Corp., Subway Real Estate, LLC, Draper Management, LLC, Lawrence Jasenski, Jr, Mark Deso, Brooks Church, Robert Hurley, and Subway Franchise Development of Boston, LLC, filed with the AAA on 4/12/22, Case No. 01-22-0001-5395.~~
- ~~16. Mina Hanna and George Hanna, Subway Restaurant #62918 v. Doctor's Associates LLC, filed with the AAA on 12/7/22, Case No. 01-22-0005-1359.~~

**ACTION TO TERMINATE FRANCHISE FOR NON PAYMENT OF ROYALTIES, ADVERTISING, AND**  
**OTHER CHARGES 20222023**

Active:

17. Subway Franchise systems of Canada ULC c. 9440-1189 Québec inc. Et al., filed with ADR Institute of Canada, ADRC File No. DCA 24-103
- ~~17. DAL v. Christopher N. Grist & Liliana M. Grist (#36744), filed with AAA on 5/13/2021, Case No. 01-21-0003-8444, withdrawn from AAA on 2/14/2022~~

Award Rendered:

18. ~~DAL v. Christopher N. Grist, Liliana M. Grist & Juan Martinez (#48854)~~Mani Beri and Sunil Beri (#597), filed with AAA on ~~3/17/2021~~1/27/23, Case No. ~~01-21-0002-3310~~, ~~withdrawn from AAA on 2/15/2022~~01-23-0000-3789.
19. ~~DAL v. Frank Mollica (#6585 & #18335)~~Floyd and Deborah Heavner (#47605), filed with AAA on ~~11/22/2022~~9/19/2023, Case No. ~~01-22-0004-9238~~01-23-0004-1412.
20. ~~DAL v. Marta Gebreslasie (27662)~~Guatam H. Mehta and Kamran Hanif (#5283, #42468), filed with AAA on ~~12/28/22~~5/30/2023, Case No. ~~01-22-0005-4183~~01-23-0002-4301.
21. ~~Subway Franchise Systems of Canada, ULC v. Vikramkumar Chauhan & Subway Restaurant #43141 filed with ICDR Canada 12/19/2022, Case No. 01-22-0005-2878.~~
22. ~~DAL v. Norman Sierra (#'s 37977 and 39471), filed with AAA on 7/22/22, Case No. 01-22-0003-1619~~

Confirmation of Award~~Rendered~~/Judgment:

- ~~21. 23. DAL v. Miranda Barajas Brazil (#53049 & #56909), filed with AAA on 9/12/22, Case No. 01-22-0003-8411~~Frank L. Mollica, filed at Connecticut Superior Court, Case No. AAN CV 23-6051621S, judgment rendered 8/30/2023.

Confirmed:

- ~~22. 24. DAL v. Depinder Grewal~~Nayef Fakhouri, confirmed, filed in CT Superior Court on ~~3/25/22~~9/15/23, Case No. ~~AAN-CV22-6046531~~AAN-CV23-6052679-S.

Withdrawn:

- ~~23. 25. DAL v. Manpreet Kaur (Collection of Judgment) (#37760), filed with the Circuit Court of Madison County, Mississippi on 5/17/2022, Case No. 45CI 1:22 cv 00094, satisfaction of judgment filed on 6/8/2022~~Syed Nazrul; Syed-Niaz Nazrul, filed in CT Superior Court on 5/24/23, Case No. AAN-CV23-6051362-S
- ~~26. DAL v. Lawrence M. Walker (Collection of Judgment) (#48877), filed with the Chancery Court for Davidson County, Tennessee at Nashville on 4/12/2021, judgment obtained, not satisfied on 2/22/2022~~

Withdrawn:

None.

We believe the following statement to be true: Other than these ~~7683~~5060 actions (~~5060~~ in Sections A, B ~~and~~, C ~~of Exhibit L,~~ and ~~26 in Section~~ D of Exhibit L, and ~~23 in Section E of Exhibit~~ L), we do not have to disclose any other litigation in this Disclosure Document.

~~0804/2324~~

Commercial Court granted this request for a stay of proceedings. [A hearing has been scheduled on April 24, 2024 before the Paris Commercial Court to decide, once again, on the stay of proceedings, pending the decision of the Paris Court of Appeal.](#)

In a Court order dated May 26, 2021, the pre-trial judge of the Court of appeal decided that the appeal against the intervening parties for the ruling of the Paris Commercial Court of October 13, 2020 was admissible but not the appeal against the two interim rulings. On June 15, 2022, the collegiate body of the Paris Court of Appeal followed SIBV's and SROF's argumentation and ruled that all appeals of SIBV and SROF were admissible against all the parties (including the intervening parties) and all rulings of the Paris Commercial Court (the two preliminary rulings and the ruling on the merits).

In July 2022, SIBV and SROF entered into settlement discussions with the intervening parties in order to put an amicable and definitive end to their dispute. As of April 2024, a settlement agreement has been reached between SIBV, SROF and most of the intervening parties, which therefore withdrew their appeal before the Paris Court of Appeal and their claims on the merits before the Paris Commercial Court. Only four ex franchisees have maintained their claims against SIBV and SROF.

For the franchisees that settled, the material terms of the various settlement agreements include the respective franchisee agreeing to withdraw from the proceedings and waive in full all past, present and future claims against SIBV and SROF, and in certain cases, SIBV agreed to make a payment to, or waive of past debts of, the respective franchisees.

At the same time, SIBV and SROF also entered into negotiations with the DIRECCTE in July 2022 and in March 2024, SIBV, SROF and DIRECCTE signed a settlement agreement putting an amicable and definitive end to their dispute. In the settlement agreement, the parties agreed to withdraw from the proceedings before the Paris Court of Appeal. In addition, the Parties agreed that SIBV (1) will pay DIRECCTE €450,000 as final settlement indemnity; (2) acquiesced to the ruling rendered by the Paris Commercial Court on October 13, 2020 (except for the fine of €500,000) (3) will continue to use a standard franchise agreement that is compliant with an agreed template and applicable French law; and (4) will further amend the Operations Manual in relation to restaurant opening hours and procedure for opening new restaurants.

The dispute between SIBV and SROF, on the one hand and (i) the intervening parties who have settled and (ii) the DIRECCTE, on the other hand, is now settled. Therefore the dispute will continue only with the four ex franchisees who are still in the proceedings and the debate before the Paris Court of Appeal will focus exclusively on the admissibility of their claims. If the Paris Court of Appeal follows SIBV and SROF's argumentation on the inadmissibility of their claims and if they do not appeal before the French Court of cassation, the Paris Commercial Court should follow and dismiss their claims for damages. If, on the contrary, the Paris Court of Appeal confirms the admissibility of their claims, the debate before the Paris Commercial Court will focus on the merits of their claims.

- 2) Alfredo Núñez, Rodrigo Montealegre, and SERALI RD, S.R.L., Plaintiffs v. Subway International B.V., Cynthia Eadie, and Jorge Barillas, Defendants (District Attorney's Office of the National District, Dominican Republic). Plaintiffs, former franchise owners, requested the District Attorney of the National District to file a formal accusation against Defendants on grounds of violating article 21 of Law No. 6132 on Expression and Dissemination of Thought and Article 21 of Law No. 53-07 on High Technology Crimes and Offenses. Plaintiffs allege that they lost sales and were harmed by publications made on social media by Defendants indicating that Plaintiffs are not authorized Subway® operators, which they claim is false. Plaintiffs requested criminal sanctions of preventive detention of Cynthia Eadie and Jorge Barillas, one-year imprisonment and a fine of five hundred times the minimum wage. Plaintiffs also request damages of \$30,000,000 DOP for losses and \$10,000,000 DOP for compensation of material and moral damages in favor of the Plaintiffs. Defendants deny the Plaintiff's claims. On February 4, 2021 the District Attorney notified parties of its decision to dismiss the Plaintiffs' Complaint. On September 16, 2021, Plaintiffs filed an objection before a Pre-Trial Court. This objection was rejected by the Pre-Trial Court on May 26, 2022. On August 10, 2022, Plaintiffs appealed before the Criminal Court of Appeal. This appeal was rejected on November 18, 2022. On December 20, 2022, Plaintiffs filed a constitution revision remedy against the Constitutional Court. ~~This action is pending for a decision.~~ Through Judicial Bulletin No. 88/23 dated December 27, 2023, an executive summary of the Constitutional Court's decision was published, which states that the Constitutional Court has ruled in favor of

SIBV, rejecting Plaintiff's motion of unconstitutionality. Waiting for this final decision to be published to close the matter.

~~3) Han-young Cho, Plaintiff v. Subway International B.V., Defendant (Seoul Central District Court Case No. 5223576). On August 25, 2021, Plaintiff, a former franchise owner in South Korea, filed a claim before the Seoul Central District Court alleging unlawful termination of his Franchise Agreement. The Plaintiff alleged inter alia, that the arbitration clause in the Franchise Agreement is not valid under Dutch case law and certain provisions of the Dutch Civil Code. The Plaintiff and the Defendant have filed responses and rebuttal briefs to the court setting forth their positions, and have also attended two hearings thus far that have been administrative in nature. The final hearing was held on December 2, 2022. On February 10, 2023, the court dismissed the Plaintiff's claim.~~

3) 4) Doctor's Associates LLC v. Lawrence M. Walker (United States District Court, District of Connecticut, Case No. 3:22-cv-1227). On September 30, 2022, DAL filed its Petition to Compel Arbitration in response to a complaint filed by former franchisee Lawrence M. Walker in the state court in Memphis, Tennessee on August 30, 2022. On January 31, 2023, the U.S. District Court for the District of Connecticut entered an Order granting DAL's Petition to Compel Arbitration. The court specifically found that Walker was properly served but failed to respond to the Petition, and, on February 1, 2023, the court entered judgment. The Tennessee complaint alleges generally that DAL breached the Franchise Agreement, that the Franchise Agreement imposed "onerous and impractical requirements" on Walker, and that DAL took adverse actions against Walker. Walker further alleges that DAL's Business Developers, Greg Ring and Jacob Ring, conspired with DAL to give Walker incorrect advice and deprive him of benefits. The core of Walker's allegations arise from his termination as a franchisee wherein Walker executed a Stipulated Award which Walker subsequently breached. DAL filed an appearance and a Motion to Stay the Tennessee litigation pending the outcome of the U.S. District Court-ordered arbitration. The Tennessee state court granted DAL's Motion. Thereafter, Walker filed for bankruptcy.

4) 5) Subway Developments 2000 Inc. v. Subway Franchise Systems of Canada, ULC (American Arbitration Association Case # 01-22-0004-3305). On August 15, 2022, the Company issued a notice of termination to one of its Business Development Agents ("BDA") for fundamentally breaching its obligations under two Development Agent Agreements ("DAAs"). The BDA filed an arbitration against the Company on October 13, 2022 claiming the termination of the DAAs was invalid and seeking damages for the Company's alleged wrongful termination of the DAAs and is claiming damages that approximately range between \$60 million and \$86 million, or an amount deemed just by the arbitrator, for alleged losses of income, financial losses arising from termination of the DAAs, out of pocket damages and aggravated, exemplary and/or punitive damages. The arbitration includes allegations that SFSC unilaterally modified the DA Agreements; executed its rights under the DA Agreements in bad faith; misappropriated and misused the BD's financial information; improperly terminated the DA Agreements in bad faith and without right; that SFSC continued to act in bad faith towards the BD by soliciting the BD's employees, and failing to pay the BD amounts owed under the DA Agreements. Evidentiary hearings were held in May 2023, and closing arguments for the arbitration ~~are scheduled to take place~~occurred in August 2023, and the arbitrator's decision ~~is expected to~~has not been rendered. On January 26, 2024, the Company filed in the U.S. District Court of the Southern District of New York, a Petition to Vacate an interim award rendered by the arbitrator dated January 12, 2024, which pertained to the Company's ongoing obligations to the BDA during the arbitral proceedings until a final award is rendered. On March 15, 2024, the BDA filed a Motion (I) to Dismiss SFSC's Petition to Vacate Arbitration Award, and in the alternative, (II) to Confirm the Arbitration Award. The Company has until March 29th, 2024 to reply to the BDA's filing. It is not known as of this date when a final decision will be rendered in August 2023 or later by the U.S. District Court.

5) 6) Subway Franchise Restaurants of Canada ULC. and Subway Franchise Systems of Canada, ULC v. Abbas Pouya' Marzieh Pouya and Ali Reza Haghghi Baghal (Ontario Superior Court of Justice court file no. CV-22-00675214-0000). On January 14, 2022, Subway Franchise Restaurants of Canada ULC ("SFRC") and Subway Franchise Systems of Canada, ULC ("SFSC") filed a statement of claim against the defendants and former franchisees Abbas Pouya' Marzieh Pouya and Ali Reza Haghghi Baghal (collectively referred to as "Franchisees") seeking damages for breach of contract in the amount of \$74,022.48, resulting notably from lease liability that SFRC had to pay to the landlord after the Franchisees decided to close their restaurant and

which the Franchisees refused to reimburse. On or around May 12, 2022, the Franchisees filed a statement of Defence and Crossclaim against SFSC and SFRC in which they claim damages of \$300,000 resulting from SFSC's violation of the statutory duty of good faith and fair dealing towards the Franchisees. The Franchisees alleged that SFSC violated its statutory obligation when SFSC and SFRC representatives provided misleading advice to the Franchisees by failing to disclose the availability of COVID-19 relief before advising the Franchisees to abandon their restaurant. SFRC and SFSC intend to contest the Franchisees allegations and cross-claim and have not yet filed their defense to the Franchisees Cross-Claim.

6) ~~7)~~ Sang W. Ji, et al., Claimants, v. Franchise World Headquarters, LLC, Respondents (American Arbitration Association Case No. 01-22-0005-0163). On November 30, 2022, Claimants, a group of Subway franchisees, filed this demand for arbitration with the American Arbitration Association in Bridgeport, Connecticut. They seek a declaratory judgment that they renewed their franchise agreements on either: (a) the same terms of their contracts in effect at the time of expiration; or, alternatively, (b) the form of franchise agreement offered by DAL at the time of expiration. We assert that for the Claimants to renew their franchises, they must sign our current form of franchise agreement since they failed to do so previously. ~~The case is currently in abeyance pending settlement discussions.~~ We signed Settlement and Extension Agreements with seven of the franchisees. We are in negotiations with one franchisee, and the final franchisee filed a separate arbitration under William Butler v. Doctor's Associates, LLC (American Arbitration Association Case # 01-23-0004-1123).

7) ~~8)~~ Subway Real Estate, LLC. V. Brian Reino and Dawn Reino Subway #31316; (Court of Common Pleas Lehigh County, Case No.2022-C-0553). Former franchisees Brian Reino and Dawn Reino filed an answer, affirmative defenses, and counterclaims in response to a collection action filed against them by Subway Real Estate, LLC. Brian and Dawn Reino claim that they were fraudulently induced to purchase Subway Restaurant #31316 due to alleged misrepresentations made to them by the business development agent. They allege that the business development agent made misrepresentations about the historical earning and the condition of the equipment in the Subway restaurant, which they purchased from another franchisee. Subway Real Estate, LLC filed a motion to stay the proceeding pending arbitration, which was initially denied and then granted on reconsideration on November 15, 2022. On June 16, 2022, Doctor's Associates LLC filed a petition to compel arbitration of Dawn and Brian Reino's claims under case caption Doctor's Associates LLC v. Dawn Reino, Brian Reino, United States District Court, District of Connecticut, Case No. 3:22-cv-00786-JCH. DAL's petition to compel arbitration was granted on March 28, 2023. On December 12, 2023, DAL filed a demand for arbitration against Dawn Reino and Brian Reino seeking damages under Paragraph 10 d. of the Franchise Agreement and an order that Dawn Reino and Brian Reino's claims in the Pennsylvania litigation are arbitrable.

~~9) Chukwama Osuji v. Doctor's Associates, Inc. (American Arbitration Association case no. 01-23-0000-2132). On January 18, 2023, Chukwama Osuji, a former Subway franchisee, filed a demand for arbitration against Doctor's Associates, Inc., which is now known as Doctor's Associates LLC, claiming breach of contract, breach of the covenant of good faith and fair dealing, and "other business torts". The demand for arbitration alleges that Claimant's franchise agreement was improperly terminated, and that Respondent converted Claimant's personal property after he was evicted from the premises where the Subway Restaurant was located. On June 7, 2023, Doctor's Associates LLC filed a Motion to Dismiss on the basis that Mr. Osuji's claims are barred by the statute of limitations. On June 21, 2023, Mr. Osuji filed an Opposition to Respondent's Motion to Dismiss. The Parties are currently submitting supplemental briefing to the Arbitrator.~~

8) ~~10)~~ Subway Russia Franchising Company, LLC v. Subway International, BV, Case Number: 01-20-0015-2294, filed with the American Arbitration Association on October 12, 2020. Claimants seek renewal and/or a new master franchise agreement based on negotiations between the parties prior to the expiration of the existing agreement. An order for dismissal was granted by the arbitrator, but a federal district court remanded part of the claim for further ruling. On August 23, 2023, the arbitrator ruled in favor of SIBV on the remanded question from the district court, holding that a new master franchise agreement was not formed. Our motion to confirm the arbitration ruling by the federal court is pending; claimants responded with a request that the federal court dismiss and/or set aside the arbitration ruling. The matter is fully briefed and awaiting a ruling by the federal court.

- 9) ~~H)~~ Manpreet Gulri, Gurpreet Gulri, Rahul Bhalla, Chetan Arora, Sachin Kapoor v. Subway International B.V., Franchise World Headquarters LLC and Eversub India Private Limited (f/k/a Subway Systems India Private Limited, a company previously owned by Subway International B.V.), American Arbitration Association, Case Numbers 01-23-0000-4060, 01-23-0000-4064, 01-23-0000-4072, 01-23-0000-4125, 01-23-0000-4307, 01-23-0000-4324, 01-23-0000-4329. Claimants each filed separate arbitration proceedings against Respondents on December 24, 2022 claiming their Business Development Agreements were improperly terminated and/or not renewed, and misrepresentations were made by Subway International B.V. during the negotiations of a new master franchise agreements for the country of India. Claimants seek/sought damages of \$100 million or renewal of their agreements. The matter ~~has yet to be~~ did not get assigned to an arbitrator. Claimants have withdrawn their complaint and the matter has been dismissed.
- 10) Doctor's Associates LLC and Subway IP LLC v. Lyudmila Khononov, United States District Court, Eastern District of New York, Case Number 1:22-cv-07637-FB-RML. On December 25, 2022, Doctor's Associates LLC and Subway IP LLC filed a complaint against former Subway franchisee Lyudmilia Khononov after she closed her Subway Restaurant and reopened a sandwich restaurant called URWAY SUBS in the same location. The claim seeks damages and injunctive relief for breach of the franchise agreement post term covenant not to compete, breach of the franchise agreement post-term obligation to dis-identify, common law competition, violation of the Connecticut Unfair Trade Practices Act, and violation of NY General Business Law. Plaintiffs also filed a motion for preliminary injunction, which was denied. On January 5, 2023, Defendant filed counterclaims against Plaintiff for common law fraud, intentional misrepresentation, negligent misrepresentation, unjust enrichment, and breach of contract in connection with claims made about the tuna sold at Subway restaurants. The Parties are currently participating in court ordered mediation. On November 30, 2023, Plaintiff filed a Letter Motion for Voluntary Dismissal of Plaintiffs' Claims Without Prejudice and Stay of Defendants' Counterclaims in Favor of Arbitration, which was granted on February 26, 2024. On April 11, 2023, Doctor's Associates LLC filed a demand for arbitration seeking an order that Lyudmila Khononov's counter claims in the NY federal court action are subject to arbitration, damages for breach of the franchise agreement for violation post-term covenant not to compete and failure to dis-identify, and violation of the Connecticut Unfair Trade Practices Act. On March 6, 2024, an arbitration award was entered in favor of Doctor's Associates LLC, award it \$100,000 in damages, \$1,924.43 in costs, \$96,298.50 in legal fees, and post-judgment interest on the award.
- 11) Ethan Golf v. Doctor's Associates LLC (American Arbitration Association, Case #01-23-004-7905). On October 20, 2023, the Claimant, Business Developer ("BD") Ethan Golf, filed an arbitration against the Respondent, Doctor's Associates LLC ("DAL") claiming Respondent wrongfully took actions to eliminate him as a BD from the Subway® system in violation of his BD Contract. The claims involve alleged deception concerning the extension of his contract and adding his daughter to his contract, Third Party Restaurant Evaluations, alleged failure to pay bonuses, alleged wrongful deduction of expenses from his cost sharing, alleged failure to respond to the need for product innovation, and alleged unlawful retaliation for refusing to give up his contract. The Claimant alleges breach of contract, breach of the implied covenant of good faith and fair dealing, Violation of the Washington Franchise Investment Protection Act, Contractual Indemnity, Promissory Estoppel, Violation of the Connecticut Unfair Trade Practices Act. In addition to Damages, Attorney's Fees and Interest, the Claimant seeks declaratory relief, including that the contract is subject to the Washington Franchise Investment Protection Act and an Order that requires Respondent to comply with its provisions. Respondent denied all allegations and filed Affirmative Defenses on November 29, 2023. The matter is currently awaiting the appointment of arbitrators.
- 12) Yogesh A. Bhatt and Mehboob M. Lakhpaty v. Doctor's Associates LLC (American Arbitration Association Case #01-23-0001-3594). On March 31, 2023, the Claimant Franchisees Yogesh A. Bhatt and Mehboob M. Lakhpaty filed for arbitration alleging the Respondent, Doctor s Associates, LLC ( DAL ) and its affiliate, Subway Real Estate, LLC wrongfully failed to renew the Lease and caused them to lose the location of one of their restaurants, causing it to close. Claimants further allege that DAL wrongfully allowed a new location in the closed restaurants space which negatively impacted two of their existing Restaurants nearby. Claimants allege Breach of Contract, breach of Covenant of Good Faith and Fair Dealing, Breach of Sublease, Negligent

- Misrepresentation, Violation of Connecticut Unfair Trade Practices Act, Violation of Texas Deceptive Trade Practices Act, and seeks preliminary and permanent injunctive relief, interest, punitive damages, and reasonable attorney's fees. On April 21, 2023, Respondent filed its Answer denying the allegations, along with Affirmative and Other Defenses, and Counterclaims. In its Counterclaims, Respondent claims breach of Contract for Lost Royalties and Advertising due to improper closure, and injunctive relief and seeks money damages and interest. An arbitration hearing is scheduled for the week of May 13, 2024.
- 13) William Butler v. Doctor's Associates, LLC (American Arbitration Association Case # 01-23-0004-1123). On September 15, 2023, Claimant filed a demand for arbitration, seeking a declaration that his 1997 Franchise Agreements for Restaurants 6016, 7661, 7663 and 14747 automatically extend to 2037, or alternatively, that the form Franchise Agreement he is required to sign is the 2017 Franchise Agreement. Claimants seek damages under the Texas Deceptive Trade Practices Act, Connecticut Unfair Trade Practices Act, and seeks attorney's fees and costs. On October 12, 2023, DAL denied the allegations and filed Affirmative Defenses and Counterclaim seeking to enjoin Claimant from the unauthorized use of its Trademark, Breach of Contract, Violation of the Lanham Act, Common Law Trademark infringement, Common Law Unfair competition, and a Declaratory Judgment that the Franchise Agreement expired on February 2, 2017. DAL seeks preliminary and permanent injunctive relief, Damages in the amount of \$450,000 and reasonable attorney's fees. On October 20, 2023, Claimant Amended the Demand to reduce the claimed amount to \$99,000. The arbitration hearing is scheduled for the week of July 16, 2024.
- 14) M. Anwer Mysorewala v. Doctor's Associates LLC (#1292) (American Arbitration Association, Case No. 01-23-0000-7499). On February 21, 2023, Claimant M. Anwer Mysorewala filed for a demand for arbitration against Respondent Doctor's Associates LLC ("DAL") arising out of an expired franchise agreement. The five-count complaint requests damages for: Breach of Contract; Breach of the Covenant of Good Faith and Fair Dealing; Unjust Enrichment; Fraudulent/Negligent Misrepresentation; and Violation of the Connecticut Unfair Trade Practices Act. On March 30, 2023, DAL filed its Answer denying the allegations, Affirmative and Other Defenses, Counterclaim, and Request for Declaratory Relief. The arbitration has been stayed.
- 15) Subway Real Estate, LLC. V. Bidhan Biswas; (Supreme Court of the State of New York County of Nassau, Index No. 611442/2023). Former franchisee Bidhan Biswas filed an answer, affirmative defenses, and counterclaims in response to a collection action filed against him by Subway Real Estate, LLC. Bidhan Biswas claims that Doctor's Associates LLC did not provide proper notice of a default of his Franchise Agreement, and that he was prohibited from operating his Subway Restaurant during government mandated COVID shutdowns due to Paragraph 5.b (i) of his Franchise Agreement. He seeks damages from Doctor's Associates LLC and Subway Real Estate, LLC for rent plus royalties and advertising expenses paid for the months of March 2020 through July 2022. On January 26, 2024, Doctor's Associates LLC filed an application to compel arbitration of Bidhan Biswas' claims under case caption Doctor's Associates LLC v. Bidhan Biswas, Connecticut Superior Court, District of Ansonia/Milford, Case No. AAN-CV24-6054418-S.
- 16) John D. Clark, Brent C. Olson, Peter K. Knoff v. Doctor's Associates LLC, (American Arbitration Association, Case Number 01-24-0000-7482). On February 7, 2024, the Company issued a notice of termination of the Claimants' Business Development Agreement ("BD Agreement"), for fundamentally breaching their obligations under the terms of the BD Agreement. On February 15, 2024, the Claimants filed an arbitration proceeding against Respondent claiming their BD Agreement was improperly terminated; a violation of the Minnesota Franchise Act; a breach of contract; a breach of the covenant of good faith and fair dealing; a claim for contractual indemnity; a violation of the CT Unfair Trade Practices Act ("CUTPA"); and a reservation of right to amend their claim to seek recovery from additional parties, recovery for additional injuries and further remedies in equity or to assert additional common law and statutory theories of recovery. The Claimants are seeking an award of a preliminary and permanent injunction; an order declaring the BD Agreement to be subject to the Minnesota Franchise Act; an order requiring DAL to comply with the Minnesota Franchise Act; monetary damages; damages, costs, expenses and attorneys' fees under the Minnesota Franchise Act; pre-and post-judgment interest; reasonable attorneys' fees, expenses and costs pursuant to the common law and CUTPA; punitive damages pursuant to the common law and CUTPA; an order obligating DAL to indemnify Claimants; and any such other and further relief as the Arbitrator deems just and equitable. The matter has yet to be assigned to an Arbitrator.

- 17) David Coelho v. Subway International, B.V. (International Centre for Dispute Resolution Case # AAA 01-23-0004-0135). On August 17, 2023, the Company issued a notice of termination to one of his Business Development Agents ("BDA") for breaching his obligations under one Development Agent Agreements ("DAA"). The BDA filed an arbitration against the Company on September 11, 2023, claiming wrongful termination of the DAA and seeking reinstatement and unpaid termination compensation of an approximately range between \$300,000 and \$500,000. On November 8, 2023, SIBV filed and answer to Coelho Demand for Arbitration. On January 23, 2024, Claimant Coelho filed a Statement of Particulars. On February 12, 2024, SIBV filed an Answer to Claimant David Coelho's Statement of Particulars, and Statement of Defenses. On February 14, 2024, SIBV filed a Stipulation and Protective Order. On February 20, 2024, Claimant Coelho's filed a response to SIBV's counter-petition claiming wrongful termination and having multiple 5-year terms that he was entitled to renew his DAA. On February 23, 2024, Claimant Coelho's filed a Request for Documents due on March 6, 2024. This continues to be an ongoing arbitration.
- 18) Hans Koens v. Subway International B.V. (Netherlands Arbitration Institute NAI Case No. 5163.01). On 10 November 2022, SIBV issued a notice of production default to its business development agent ("BDA") for breaching his obligations under the Business Development Agent Agreement ("BDAA"). On 26 October 2023, the BDA filed for arbitration against SIBV claiming wrongful issuing of notice of production default, that SIBV itself was in default of the BDAA when issuing the notice of production default and that SIBV be enjoined, under penalty of forfeiture in the amount of €100,000.00 for each day that the order is not complied with, to do and/or refrain from a number of different actions demanded by the BDA. On 21 December 2023, SIBV filed its' statement in respect to its jurisdictional defense. On 1 February 2024, a hearing in respect to the jurisdictional defense took place in Amsterdam. An interim arbitral award was issued on 20 February 2024. This continues to be an ongoing arbitration.
- 19) Deirdre Anderson a/k/a Deirdre E. Edgerton, Charles Beach, Robert Jackson & Damian Bennett v. Subway International B.V. (International Centre for Dispute Resolution Case # AAA 01-24-0000-5501). On 27 January 2023, SIBV issued a notice of default to its development agents ("DAs") for beaching their obligations under the Development Agent Agreement ("DAA"). The DAs filed for arbitration against SIBV on 7 February 2024, claiming wrongfully refusal of SIBV to withdraw the notice of default sent and the wrongful issuing of another notice of default on 15 December 2023. The DAs claim breach of duty of good faith, the term of the DAA, enforceability of the DAA, anticipatory repudiation and fraud/fraudulent and negligent misrepresentation and omission by SIBV. The DAs seek money damages in the amount of \$22,000,000.00. SIBV and DAs have held and initial administrative call and are in process of discussing the number of arbitrators. This continues to be an ongoing arbitration.
- 20) Brian M. Watson, et al. v. Advance Auto Parts, Inc., Thomas R. Greco, and Jeffrey W. Shepherd, United States District Court for the Eastern District of North Carolina, Western Division (Case No. 5:23-cv-611). On October 27, 2023, plaintiffs, a group individual investors in Advance Auto Parts, Inc., filed this action against Advance Auto Parts, Inc. and certain of its officers, including Jeff Shepherd, former EVP and CFO of Advance Auto Parts, Inc., and currently DAL's VP and Treasurer. The plaintiffs allege that defendants made false or misleading statements in violation of federal securities laws, including the Securities Exchange Act of 1934 (the "'34 Act"), including violations of the antifraud provisions under Section 10(b) of the '34 Act and Rule 10b-5 promulgated thereunder, specifically related to statements made on quarterly earnings calls regarding pricing strategies and outlook for the coming year. The plaintiffs seek compensatory damages and costs and fees. A stipulation to consolidate related class action cases was filed and an order granted on February 23, 2024. The plaintiffs have been directed to file a consolidated complaint by April 15, 2024, with responses due by June 14, 2024.

B. Civil Actions Which Have Been Settled, Dismissed, Reached Judgment or Withdrawn Prior to Final Judgment:

- 21) Chukwama Osuji v. Doctor's Associates, Inc. (American Arbitration Association case no. 01-23-0000-2132). On January 18, 2023, Chukwama Osuji, a former Subway franchisee, filed a demand for arbitration against Doctor's Associates, Inc., which is now known as Doctor's Associates LLC, claiming breach of contract,

breach of the covenant of good faith and fair dealing, and “other business torts”. The demand for arbitration alleges that Claimant’s franchise agreement was improperly terminated, and that Respondent converted Claimant’s personal property after he was evicted from the premises where the Subway Restaurant was located. On June 7, 2023, Doctor’s Associates LLC filed a Motion to Dismiss on the basis that Mr. Osuji’s claims are barred by the statute of limitations. On June 21, 2023, Mr. Osuji filed an Opposition to Respondent’s Motion to Dismiss. The Arbitrator rendered and award granting Doctor’s Associates LLC’s motion to dismiss on August 21, 2023 disposing on the entire case. On October 2, 2023 Doctor’s Associates LLC filed an Application to Confirm Arbitration award in Connecticut Superior Court, District of Ansonia/Milford, Case No. AAN-CV23-6052915-S. The Connecticut Superior Court entered a judgment confirming the arbitration award on November 6, 2023.

22) ~~12) Subway Franchise Systems of Canada, ULC V. Serge Massé and Julien Dupont (American Arbitration Association Case # 01-23-0000-8586-1-ER). On March 1, 2023 Subway Franchise Systems of Canada, ULC filed a Notice of Arbitration against the Respondent Serge Massé and Julien Dupont claiming declaratory relief that the Franchise Agreement was properly terminated as well as damages resulting from the breach and termination of the Franchise Agreement. On June 14, 2023, Respondent Mr. Massé filed a Response to the Notice of Arbitration whereby he alleges that the damages claimed result from Applicant Subway Franchise Systems of Canada, ULC’s own fault, and that he has no legal interest in these proceedings because had it not been for the Applicant Subway Franchise Systems of Canada, ULC’s bad faith and neglect, he would have been removed from the Franchise Agreement on a timely basis, prior to Applicant Subway Franchise Systems of Canada, ULC’s termination of the Franchise agreement. Subway Franchise Systems of Canada, ULC intends to reply to Respondent Mr. Massé’s allegations and Response. On or around September 8, 2023, the parties entered into a settlement agreement, whereby the Respondents, without admission of wrongdoing, agreed to release the Company and pay the Company \$71,800.11 CAD. Respondents were permitted to transfer the restaurant. All claims and counterclaims were withdrawn.~~

~~13) Doctor’s Associates LLC and Subway IP LLC v. Lyudmila Khononov, United States District Court, Eastern District of New York, Case Number 1:22-cv-07637-FB-RML. On December 25, 2022, Doctor’s Associates LLC and Subway IP LLC filed a complaint against former Subway franchisee Lyudmilia Khononov after she closed her Subway Restaurant and reopened a sandwich restaurant called URWAY SUBS in the same location. The claim seeks damages and injunctive relief for breach of the franchise agreement post term covenant not to compete, breach of the franchise agreement post term obligation to dis-identify, common law competition, violation of the Connecticut Unfair Trade Practices Act, and violation of NY General Business Law. Plaintiffs also filed a motion for preliminary injunction, which was denied. On January 5, 2023, Defendant filed counterclaims against Plaintiff for common law fraud, intentional misrepresentation, negligent misrepresentation, unjust enrichment, and breach of contract in connection with claims made about the tuna sold at Subway restaurants. The Parties are currently participating in court ordered mediation.~~

~~B. Civil Actions Which Have Been Settled, Dismissed, Reached Judgment or Withdrawn Prior to Final Judgment:~~

~~14) Subway International B.V., Plaintiff v. Achim Petzoldt, Defendant (Appeals Court Nürnberg, Germany, file no. 1-U-1678/12 former district court of Nürnberg Fürth, Germany, file no. 3-O-4236/11). On July 25, 2011, Plaintiff filed an action for payment of unpaid royalties and advertising fees under three separate Franchise Agreements it signed with Defendant in 2003, 2005 and 2007. Defendant counterclaimed that the Right of Cancellation he signed in connection with each Franchise Agreement did not conform to German law and as a result, he was allowed to cancel the three Franchise Agreements ex tunc. On July 11, 2012, the District Court ruled that the 20 year term of the Franchise Agreement violates competition law and as a result, Plaintiff could not recover open balances incurred 5 years after the date of the Franchise Agreement. The District Court also ruled that Defendant was not entitled to a Right of Cancellation in connection with 2005 and 2007 Franchise Agreements, and because the 2003 Franchise Agreement expired, the Right of Cancellation also expired. Plaintiff appealed this decision on August 27, 2012. On April 9, 2013, the Appeals Court decided that the 20 year term of the Franchise Agreement is valid, but confirmed that Defendant has the right to cancel the 2003 Franchise Agreement because the Right of Cancellation did not comply with German law. The Appeals Court further determined that Plaintiff was not entitled to a Right of Cancellation in connection with the 2005 and 2007 Franchise Agreements because he was no longer considered a consumer when those agreements were executed. Plaintiff was awarded €8,485.94 for open balances on the 2005 and 2007 Franchise Agreements.~~

~~15) Charles Zuchowski and Jason Zuchowski, Plaintiffs v. Ghazi Faddoul and Doctor’s Associates Inc., Defendants (Court of Common Pleas, County of Cuyahoga, Ohio, Case No. CV-10725471). This action was filed on April~~

~~29, 2010, by the Plaintiffs, Charles Zuchowski and Jason Zuchowski (a Subway® franchisee). The Plaintiffs alleged fraud, breach of fiduciary duty, and breach of contract in connection with establishment of Kosher Subway® locations. The Plaintiffs claimed that during the establishment and operation of several kosher Subway® franchises, Defendant Faddoul allegedly represented to the Plaintiffs that they would have an ownership interest in all current and future kosher Subway® restaurants in Faddoul's DA territory without having to attend Subway® training. The Plaintiffs sought compensatory and consequential damages in excess of \$5,000,000 and punitive damages in an amount not less than ten times the compensatory and consequential damages, attorney fees, costs, prejudgment interest plus any other and further relief which the Court deems just and equitable. On June 2, 2010, Doctor's Associates filed a petition to compel arbitration with the United States District Court for the District of Connecticut, Doctor's Associates Inc., Plaintiff v. Jason Zuchowski and Charles Zuchowski, Defendants, (Case No. 3:10 CV 836 (PCD)). On October 22, 2010, the petition to compel arbitration was granted as to Jason Zuchowski and his claims in Ohio were stayed. The petition to compel arbitration against Charles Zuchowski was denied and the case remained pending in Ohio State Court. On September 9, 2011, a new lawsuit was filed, Charles Zuchowski and Deborah Zuchowski, Plaintiffs v. Ghazi Faddoul and Doctor's Associates Inc., d/b/a Subway Restaurants Defendants (Court of Common Pleas, County of Cuyahoga, Ohio, Case No. CV 11763647). The complaint alleged the same facts as above as well as alleged that the Defendant failed to properly provide required disclosure documents prior to their alleged investment in a LLC that invested in a Subway® franchise. The Plaintiffs alleged Breach of Fiduciary Duty, Fraud, Breach of Contract, Quantum Meruit, violation of the Connecticut Unfair Trade Practices Act, violation of the Florida Deceptive and Unfair Trade Practices Act, violation of the Ohio Business Opportunity Purchases Act, and Fraudulent Misrepresentation. The Plaintiffs sought compensatory and consequential damages in excess of \$25,000, punitive damages in an amount not less than ten times the compensatory and consequential damages, attorney's fees and costs, an accounting, prejudgment interest, and further relief that the court deems just and equitable. On October 20, 2011, the Plaintiffs dismissed the second case no. CV 11763647. On November 30, 2011, the Plaintiff dismissed the first case no. CV 10725471. On December 22, 2011, DAI was served with a third complaint, Deborah Zuchowski and Charles Zuchowski, Plaintiffs v. Doctor's Associates Inc, d/b/a Subway Restaurants and Ghazi Faddoul an individual (Superior Court of Connecticut, Judicial District of New Haven at New Haven, Case No. NNH CV 12 6025891 S). The Plaintiffs allege the same facts as the second complaint and allege violations of the Connecticut Unfair Trade Practices Act, violation of the Florida Deceptive and Unfair Trade Practices Act, Breach of Fiduciary Duty, and Fraud. The Plaintiffs seek an order requiring DAI to provide a formal accounting to Plaintiffs, compensatory damages, consequential damages, punitive damages, attorney fees and costs, a declaration that DAI's actions offend public policy, are immoral, unethical, oppressive or unscrupulous, caused substantial injury to Plaintiffs' consumers, competitors and other businessmen in violation of the Connecticut Unfair Trade Practices Act and such other and further relief as the Court deems just and proper. On February 7, 2012, DAI filed a petition to compel arbitration with the United States District Court for the District of Connecticut, Doctor's Associates Inc. v. Charles Zuchowski and Deborah Zuchowski, (Case No. 3:12 CV 00195). On July 2, 2012, the petition to compel arbitration was denied. On February 14, 2012, Defendant Faddoul filed a Motion to Dismiss for lack of Jurisdiction. On December 21, 2012, the court granted the Motion to Dismiss. On January 28, 2013, the Plaintiffs filed a revised complaint against DAI only claiming violation of the Connecticut Unfair Trade Practices Act, common law fraud and seek a formal accounting. On April 26, 2013, the Plaintiffs withdrew their revised complaint after the parties agreed to a settlement whereby DAI agreed to pay Charles and Deborah Zuchowski \$100,000. The Plaintiffs and their family members agreed to sign releases relinquishing interest they may have had in Subway® locations any and all rights or claims they had or may have against DAI, Faddoul or any other entity with an interest in a Subway® franchise.~~

23) 16) Aaron Ireland and Lynette Ireland, Applicants v. Subway Systems Australia Pty Ltd and Subway Realty Pty Ltd, Respondents (Victorian Civil and Administrative Tribunal, Registry No. R43/2012). On February 20, 2012, the Applicants claimed damages or in the alternative a declaration of breach of the Australian Consumer Law and damages pursuant to section 236 of that law or alternatively compensation pursuant to section 91(1)(b) of the Retail Leases Act (Vic) 2003. Applicants alleged Respondents failed to discharge fiduciary duties to protect Applicants' leasehold interests or that Respondents were otherwise negligent in their or their agent's conduct. Applicants alleged Respondents breached an implied duty of good faith and Respondents failed to negotiate and procure from the head-landlord of shopping centre premises suitable alternate premises for the Applicants. Applicants alleged Respondents had been negligent in their respective duties owed to the Applicants under the lease arrangements and the franchise agreement. Applicants alleged Respondent failed to preserve the entitlement to a 6 year lease to alternate premises, which is alleged to have caused loss of trade and

costs from trading from an alleged inferior location. On March 16, 2012, Respondents, via their solicitors, reserved their rights as to the appropriateness of claims being brought in the Tribunal. On June 15, 2012, a VCAT hearing on Respondents' application to stay or dismiss proceedings was denied on July 20, 2012. On November 12, 2012, Subway Systems Australia Pty Ltd appealed to the Supreme Court of Victoria (SCI 2012 6362) stating that the Commercial Arbitration Act 2011 does not apply to VCAT. The appeal was heard on September 20, 2013, and on October 18, 2013, the Supreme Court of Victoria dismissed Subway Systems Australia Pty Ltd's appeal with costs. Subway Systems Australia Pty Ltd filed an appeal, which was decided in Subway Systems Australia Pty Ltd's favour. The parties agreed to a confidential Settlement Deed on October 15, 2014, wherein Subway Systems Australia Pty Ltd. agreed to pay the Applicants \$75,000 for full releases and withdrawal of the matter before VCAT without admission of any wrongdoing by either party.

24) ~~17) A. Tolsma, Plaintiff v. Hans Koens, Development Agent, Defendant (Amsterdam Appeal Court. File no. 200.133.140/01) (formerly Tolsma v. Subway International B.V. and Hans Koens, Development Agent).~~ Plaintiff filed the action on August 27, 2010, claiming false earning claims by the Defendant. The amount in dispute is €100,000. On June 24, 2013, the District Court ruled in Defendant's favor. On August 20, 2013, Plaintiff filed an appeal. The Appellant Court condemned Defendant to pay €150,000 in damages and legal fees to Plaintiff on December 23, 2014. On February 20, 2015, the parties reached a final settlement according to which SIBV and the Defendant agreed to a cost share of the amount owed to Plaintiff, with SIBV paying two-thirds of the amount.

~~B. Tolsma, Plaintiff v. Subway International B.V., Defendant (Amsterdam Appeals Court. File no. 200.089.130/01). (formerly Tolsma v. Subway International B.V. and Hans Koens, Development Agent). Plaintiff filed action on August 27, 2010, claiming false earning claims by the Defendant through its Development Agent. The amount in dispute is €100,000. On April 8, 2011, the District Court favorably decided Defendant's claim of lack of jurisdiction due to the arbitration clause in the Plaintiff's Franchise Agreement. Plaintiff filed an appeal On June 3, 2014. The appellate court found the arbitration clause in Plaintiff's Franchise Agreement invalid under Liechtenstein law, and remanded the matter to the District Court for a determination of Plaintiff's claims on the merits. The Plaintiff re-filed in District court. The case closed on February 20, 2015.~~

~~18) Doctor's Associates Inc., Claimant v. Said Namari, Respondent (American Arbitration Association, Case No. 12-114-00070-11). On June 30, 2011, the Respondent filed a counterclaim to the above arbitration alleging that he was denied the opportunity to transfer his Subway® franchises by the Claimant. The Respondent alleged violations of the Michigan Franchise Investment Law (MFIL), MCL §445.1501 et seq., violations of the Michigan Consumer Protection Act, (MCPA) MCL §445.901 et seq., negligence, fraud, and misrepresentation. The Respondent sought \$5,000,000 in damages. On April 3, 2014, the parties entered into a Settlement Agreement whereby the parties agreed to withdraw all claims. In August of 2015, all claims were withdrawn.~~

25) ~~19) Larry Tran, Plaintiff v. Doctor's Associates LLC., et. al. Defendants (Superior Court for the state of California, County of Los Angeles) (Case No. SC125293).~~ On May 10, 2018, the Plaintiff filed a civil action naming DAI and alleging that the Defendant violated the Fair Credit Report Act (FCRA) as amended by the Fair and Accurate Credit Transaction Act (FACTA), 15 U.S.C. § 1681 (c)(g)(1) by printing and distributing to customers credit or debit card transaction receipts including the card's expiration date. Plaintiff contends that printing credit or debit card expiration dates on transaction receipts constitutes a knowing, willful, intentional or reckless violation of FACTA's receipt provision precluding the printing of expiration dates on any receipt. On June 4, 2018, Defendant moved to stay this action pending the outcome of a similar matter, Flaum. On August 3, 2018, Defendant filed its answer and defenses. On January 11, 2019 the Parties entered into a confidential settlement agreement, which provided in pertinent part that DAI would pay Plaintiff \$10,000.00 in exchange for a release of claims. The Plaintiff filed a Request for Dismissal on January 28, 2019.

26) ~~20) National Consumers League, on behalf of the general public, Plaintiff v. Doctor's Associates, Inc., Defendant (Superior Court of the District of Columbia, Civil Division Case No. 13-0006549).~~ This action was filed on September 26, 2013, by the Plaintiff, a non-profit organization, claiming fraudulent, deceptive, and improper marketing and trade practices in violation of the Washington D.C. Consumer Protection Act, and alleging that the 9-Grain Wheat Bread and the Honey Oat Bread sold by Defendant's Subway® franchisees located in the District of Columbia did not contain whole wheat, as allegedly implied in the Defendant's advertising. The Plaintiff sought a declaration that the Defendant violated the Washington D.C. Consumer Protection Act; an order that the Defendant correct its advertising, labeling and signage; restitution; treble

damages or statutory damages in the amount of \$1,500 per violation, whichever was greater; attorneys' fees; expert's fees and costs; and other such relief as the court may deem just and proper. On April 29, 2015, the case was dismissed following a settlement between the parties. DAI agreed to pay \$250,000 (\$130,000 for the Plaintiff and \$120,000 for Plaintiff's attorneys' fees) and Plaintiff released DAI from all claims.

27) ~~21)~~ Doctor's Associates Inc., Claimant v. Alpa Patel, Subway Restaurant #27789, Respondent (American Arbitration Association Case No. 12-20-1300-0156). On May 7, 2014 the Respondent filed a counterclaim in the above arbitration (DAI had previously filed for termination for non-compliance with system standards) claiming that DAI breached the covenant of good faith and fair dealing, alleging DAI had not properly reviewed the site of its restaurant, and should have relocated it. The Respondent sought money damages, costs of the arbitration, including all fees and expenses. On September 9, 2015, the matter was settled. By agreement of the parties, all claims and counterclaims were withdrawn, and the franchise for restaurant # 27789 was terminated. Respondent was permitted to transfer an unrelated store, and an affiliate of DAI agreed to release Patel from \$39,042 of liability owed to it pertaining to the lease settlement for restaurant # 27789. No settlement monies were exchanged.

28) ~~22)~~ Alpenjo Corp., Plainview JP Corp., Commack JPJ Corp., and Setauket JPJ Corp., Claimants v. Personal Training Franchise Ventures, LLC, Franchise World Headquarters, LLC and Franchise Brands, LLC., Respondents (American Arbitration Association Case Number: 01-15-0002-9419). On March 19, 2015, four Personal Training Institute franchisees filed an arbitration alleging that Personal Training Franchise Ventures failed to provide support to its franchises and the brand, and made misrepresentations in the Personal Training Institute Franchise Disclosure Document. The Claimants alleged fraud, breach of the franchise agreement, unjust enrichment, and violations of New York State General Business Law §683. Claimants sought damages of \$1,000,000, rescission of the Franchise Agreements, reasonable attorneys' fees, expert fees, and costs. On July 16, 2015, Respondents brought counter-claims against Claimants, and sought to declare the four franchises terminated for non-payment of royalties and fees, and awards for unpaid royalties and damages. On September 10, 2015, the parties settled all claims. Neither party admitted liability, all claims were waived, Respondents paid Claimants \$75,000 and Claimants agreed to stop doing business as Personal Training Institute at their 4 locations by January 2016.

29) ~~23)~~ Mark J. Wallace, Plaintiff v. Doctor's Associates Inc., Defendant, No. 2017CH11997 (Circuit Court of Cook County, Chancery Division). On September 1, 2017, the Plaintiff filed the above class action lawsuit against the Defendant. The Plaintiff alleges the point of sale system, which the Defendant requires all of its franchisees to use in accordance with its specifications, was not configured properly. The Plaintiff alleges the class members were wrongfully charged an additional tax on purchases of 100% juice, which are excluded from the additional tax required under the Chicago Soft Drink Tax Ordinance. The Plaintiff alleged the Defendant acted in violation of the Illinois Consumer Fraud and Deceptive Trade Practices Act. The Plaintiff sought an injunction requiring the Defendant to reconfigure the point of sale system of its franchisees to exclude 100% juice from the additional tax, actual damages and attorney's fees for the class, and any further relief the court deemed proper. The Defendant filed a motion to remove the matter to Federal Court and a Motion to Dismiss. Without an admission of wrongdoing, on February 13, 2018 the Defendant paid \$7,250 in settlement of all claims on behalf of itself, its affiliates and franchisees.

30) ~~24)~~ Charles Drake and Mario Aliano, Plaintiffs v. Doctor's Associates Inc., Defendant (Circuit Court of Cook County, Illinois, Chancery Division, Docket No. 2017CH11351). Plaintiffs filed the class action lawsuit on August 18, 2017, alleging that Defendant violated the Illinois Consumer Fraud and Deceptive Trade Practices Act when Plaintiffs were charged the Cook County Sweetened Beverage Tax on unsweetened beverages purchased at Subway® restaurants in Cook County. They further alleged that the point of sale system franchisees are required to use is improperly programmed to apply the tax to beverages that are excluded from the tax. Plaintiffs sought an injunction requiring the Defendant to reconfigure the point of sale system to exclude unsweetened beverages from the additional tax, as well as damages, attorney's fees, and costs, and any other relief the court deems just and appropriate. Defendant has moved to remove the matter to federal court and to dismiss the action. Without an admission of wrongdoing, on February 13, 2018 DAI paid \$9,250 in settlement of all claims on behalf of itself, its affiliates and franchisees.

- 31) ~~25)~~ Lisa Lee, Plaintiff v. Doctor's Associates Inc., d/b/a Subway Restaurants, Defendant, No. 5:16-cv-00032-KKC (USDC, Eastern District of Kentucky, Lexington Division, Filed January 28, 2016). On February 28, 2016, the Plaintiff, Mrs. Lee, filed a claim alleging the Defendant, DAI, participated in an ongoing pattern of deceit, franchise fraud, Deceptive Trade Practices and acts that violated the FTC Franchise Disclosure Regulations. Mrs. Lee further asserts that DAI induced her to invest in a Development Agent Agreement and that DAI unreasonably refused to permit the transfer of the Development Agent Agreement. Mrs. Lee sought compensatory and punitive damages, pre and post judgment interest and attorney's fees in an amount greater than \$75,000. On February 12, 2016, DAI filed related claims in arbitration under the case caption Doctor's Associates Inc., Claimant v. David Lee, Respondent, No. 501-16-0000-4924 (American Arbitration Association), contending that David Lee, Mrs. Lee's husband and the Respondent in that arbitration, failed to disclose his wife as an investor under his Development Agent Agreement and failed to indemnify DAI in the lawsuit filed in Kentucky by Mrs. Lee. DAI also sought a declaratory judgment that it was within its rights to disapprove a proposed transfer of the Mr. Lee's Development Agent Agreement. DAI sought compensatory damages, costs, expenses, attorney's fees, pre-award interest, post-award interest and a declaratory judgment. On April 11, 2016, the Defendant filed a Motion to Compel Arbitration in the United States District Court, District of Connecticut under the case captions Doctor's Associates Inc., v. Lisa Lee, No:3:16-CV-00571-JCH (United States District Court, District of Connecticut, Filed April 11<sup>th</sup>, 2016) and Doctor's Associates Inc. v. David Lee No. 3:16-cv-00571-JCH (United States District Court, District of Connecticut, Filed April 11, 2016) (the latter being filed because Mr. Lee refused to participate in the initial arbitration). The United States District Court for the District of Connecticut granted DAI's Petition to Compel Arbitration on August 16, 2016. As a result, the United States District Court for the Eastern District of Kentucky dismissed its pending matter on December 16, 2016. On September 7, 2016, the Mr. Lee filed a counterclaim with the American Arbitration Association. The unofficial counterclaim alleges breach of contract and waiver of contractual time limitations by the DAI. A declaratory award was sought, along with compensatory damages, interest, costs and expenses. Prior to any arbitration being filed with respect to Mrs. Lee, the parties entered into a confidential settlement and mutual release on January 11, 2017 pursuant to which DAI paid \$65,000 to David Lee and Lisa Lee. The arbitration with respect to Mr. Lee was subsequently withdrawn as a result of this settlement.
- 32) ~~26)~~ Eduardo Rivero, Plaintiff v. Doctor's Associates Inc., Defendant (Circuit Court of the Seventeenth Judicial Circuit, in and for Broward County, Florida, Case No. 11-15200-25). On June 30, 2011, the above case was filed in Circuit Court in Florida by a Subway® franchisee alleging that he developed the \$5 footlong promotion and was promised compensation for allowing its use. The Plaintiff alleged breach of implied contract and unjust enrichment. The Plaintiff sought an unspecified amount in damages exceeding \$15,000, interest, costs, and further relief as the Court deems proper. On August 21, 2018, the court dismissed the claims with prejudice after the Parties reached settlement in which without admitting any wrongdoing, DAI paid \$27,500 in settlement of all claims on behalf of itself, its affiliates and franchisees.
- 33) ~~27)~~ Location Services IP, LLC, Plaintiff v. Subway Sandwich Shops, Inc., Subway Subs, Inc., Franchise World Headquarters, LLC d/b/a Subway Restaurants d/b/a Subway, and Doctor's Associates, Inc. Defendants (United States District Court for the Eastern District of Texas, Marshall Division) (2:16 CV 00193). On March 7, 2016, Plaintiff filed a lawsuit alleging that Defendants infringed on U.S. Patent No. 6,202,023 (Internet Based Geographic Location Referencing System and Method), U.S. Patent No. 8,935,220 (Unified Geographic Database and Method of Creating, Maintaining, and Using the), and U.S. Patent No. 6,356,834 (Geographic Location Referencing System and Method) ("Patents-in Suit"). The Complaint specifically states that Defendants infringe on the Patents-in-Suit by an through their practicing and/or hosting methods comprising at least the Subway® Interactive Website at www.subway.com and/or Subway® Mobile Application (including at least the Subway® iOS Mobile Application and Subway® Android Mobile Application). On March 3, 2017, DAI and its joint defendants settled this matter. Without admitting any wrongdoing, DAI paid \$25,000 in settlement of all claims on behalf of itself, its affiliates and franchisees.
- 34) ~~28)~~ Brian Burr and Brynn Burr, Plaintiffs v. Raghu Marwaha and Rohit Marwaha, Defendants (Superior Court of California, County of Orange) (30-2016-00865345-CU-BT-CJC). On July 22, 2016, Plaintiffs filed a lawsuit, alleging that Development Agents, Raghu Marwaha and Rohit Marwaha influenced Doctor's Associates Inc. ("DAI") to disapprove the Plaintiff's application for a franchise, so that Raghu and Rohit Marwaha could operate their own Subway® restaurant at the location proposed by the Plaintiffs. On August 23, 2016 Plaintiffs

filed the First Amended Complaint, adding DAI to the lawsuit. DAI was subsequently dismissed from the lawsuit. Plaintiffs claim intentional misrepresentation, intentional interference with contractual relationship, international interference with prospective business relations, negligent interference with prospective business relations, and unfair business practices in violation of Business and Professions Code section 17200. Plaintiffs seek general and special damages including economic and noneconomic damages, pre and post judgment interest, special damages, punitive damages, costs of suit incurred, and attorneys' fees. On August 4, 2016, DAI filed a Demand for Arbitration with the American Arbitration Association ("AAA"), alleging that the Burrs breached their obligations under their franchise application by filing the California Superior Court lawsuit. DAI has asked that an arbitration award be entered against the Burrs declaring that neither DAI nor its agents are liable for the conduct set forth in the California Superior Court Complaint, and awarding DAI compensatory damages, costs, expenses and attorney's fees, any amounts recovered in the California Superior Court lawsuit, pre-award interest, and post-award interest. DAI filed a Petition to Compel Arbitration in the US District Court, District of Connecticut on August 5, 2016. On December 28, 2016, the US District Court, District of Connecticut granted DAI's Petition to Compel Arbitration, and entered an order directing the Burrs to arbitrate with DAI their claims against DAI's agents that they asserted or could have asserted in the California Superior Court lawsuit. The parties have reached a settlement agreement dated September 28, 2018, in which DAI agreed to pay the Burrs \$55,000.

35) ~~29)~~ Brad Woodward, Sanford Woodard, Bajio Amigos, LLC, Plaintiffs, v. Bajio LLC, Bajio Mountain West, LLC, Logan Hunter, David Worroll, Lisa Oak, Mildred Shinn and Does 1-20, Defendants, Case No. 170907928 (State of Utah, Third Judicial District Court for Salt Lake County, Salt Lake City Department). This action was filed on December 12, 2017. Plaintiffs claim that Bajio, LLC committed a violation of the Utah Consumer Sales Practices Act when it allegedly assigned exclusive geographic territories to more than one franchisee, misrepresented the prospects or chance of success of a franchise and/or failed to disclose efforts to sell or development additional franchises that would be beyond market capacity. On January 5, 2018 Defendants moved to dismiss the action. On May 1, 2018, Defendant's motion to dismiss was denied. On November 2, 2018 the matter was dismissed with prejudice against all defendants pursuant to a confidential settlement agreement between the parties. Pursuant to the settlement agreement, DAI made a \$200,000 settlement payment to Brad Woodward and Sanford Woodward in exchange for a release of claims.

36) ~~30)~~ Joseph Lewis, Claimant v. Subway Systems Australia Pty Ltd., First Respondent, and Subway Realty Pty. Ltd., Second Respondent (Australian Centre for International Commercial Arbitration Case2017-107). On August 14, 2017, the Claimant filed a Notice of Arbitration and subsequently filed amended statements of claim on 28 February 2018, 11 July 2018, 13 August 2018 and on 23 August 2018 against the Respondents claiming damages and interest. The Respondents denied and/or did not otherwise admit the allegations and filed a Statement of Defence and Amended Defence and Further Amended Defence as of 25 September 2018. The Claimant alleged the Respondents made misrepresentations that were deceptive and misleading, and in breach of the Respondents' duty of care to the Claimant with respect to lease negotiations for the location of the Claimant's franchise and in breach of the Australian Consumer Law (ACL) and Retail Shops Lease Act (RSL). Further, the Claimant alleged the misrepresentations were a breach of the Respondent's implied contractual duty to exercise reasonable care and skill. The Claimant further alleged the Respondents engaged in unconscionable conduct in breach of section 20 of the Australian Consumer Law (ACL) and section 46A of the Retail Shop Leases Act (RSL). The Claimant sought damages against the Respondents on the basis that the rent that was agreed for the location was substantially above market rent at the time, as a consequence of which the Applicant suffered loss. The arbitrator on 1 February 2019 proposed to make an award in the Applicant's favour of \$295,335.95 plus interest against both Respondents, subject to considering final submissions around arithmetic calculations and interest calculations. The Applicant's claims were upheld against the Respondents, except for the unconscionable conduct claim which was dismissed. On 14 February 2019, the arbitrator made an award order of \$306,095.80 being \$255,523.45 for the claim and interest of \$50,572.35 with costs of and incidental to the arbitration to be assessed. Costs were subsequently assessed and awarded on 30 August 2019.

37) ~~31)~~ Charles Greenberg, Plaintiff v. Doctor's Associates Inc., Defendant (US District Court for the Southern District of Florida) (1:18-cv-22505-UU). On June 21, 2018, Plaintiff filed a lawsuit, alleging that he received text message offers for Subway® restaurants in excess of the number of text message offers that he consented to receive per month. Plaintiff brings this action on behalf of himself and a class of similarly situated individuals. Plaintiff seeks an order certifying the class, an award of actual and statutory damages, as well as declaratory

and injunctive relief and further relief as the Court deems necessary. On August 3, 2018, DAI filed a motion to compel arbitration of the Plaintiff's claims, which the Court granted on August 29, 2018. The case was stayed pending resolution by arbitration. On April 1, 2019, the parties entered into a confidential settlement agreement and mutual release, pursuant to which DAI's affiliate Franchise World Headquarters, LLC and its text message marketing vendor paid Plaintiff a \$17,000 settlement fee.

38) ~~32)~~ Subway Real Estate, LLC. V. Jack El Turk d/b/a Subway Restaurant #4582; (Filed in Berea Municipal Court, Berea, Ohio; Case No.17 CVG 02090). In response to an eviction proceeding Jack El Turk filed an answer, third party complaint and counterclaims against DAI and the Development Agents Daniel Marcantonio, Charles Lerg, Nick Moschouris and Thomas Humphries on September 25, 2017. In his motion and complaint, El Turk alleges tortious interference with a business, constructive eviction and conspiracy. DAI answered the complaint in Ohio indicating that arbitration was the appropriate venue for the dispute. On December 5, 2017 DAI then filed a petition to compel arbitration under case caption DAI v. Jack El Turk, United States District Court, District of Connecticut, Docket # 3:17-cv-02019-JCH. DAI's petition to compel arbitration was granted in part; Jack El Turk was ordered to arbitrate his claims. On July 6, 2018, the parties entered into a settlement agreement and mutual release, pursuant to which DAI and Subway Real Estate, LLC and Jack El Turk released their claims.

39) ~~33)~~ Triple A Products, LLC v. Doctor's Associates, Inc. (Cir. Court., Miami-Dade County, Florida Case No. 13-023005 CA 10). In 2013, Plaintiff brought claims against Defendant for misappropriation of an idea, breach of fiduciary duty, fraudulent misrepresentation, negligent misrepresentation, promissory estoppel, unjust enrichment, and quantum meruit. Plaintiff is a former vendor to the Subway system. Plaintiff claims that it developed the Diabetes Friendlier Menu, which was first used in Subway® restaurants in connection with a test of Plaintiff's vitamin-enhanced water product, Vitazest. Due in part to constraints in Defendant's existing contract with another supplier, Subway® restaurants ceased the sale of Vitazest and switched to an alternative vitamin-enhanced water product from that other supplier. Some Subway restaurants continued to offer the Diabetes Friendlier Menu. This matter was settled on August 29, 2022, and DAI paid \$2,250,000 in connection with the settlement. The case was dismissed on September 18, 2022.

40) ~~34)~~ Shane Flaum, Plaintiff v. DAI, b/d/a Subway®, Defendant (United States District Court for the Southern District of Florida, No. 0:16-cv-61198) Jason Alan, Plaintiff v, Doctor's Associates Inc. d/b/a Subway, McCan Inc. d/b/a Subway, Defendants (United States District Court for the Central District of California, No. 2:16-cv-0495). On June 6, 2016, and July 6, 2016 respectively, two Plaintiffs filed separate class action lawsuits naming DAI. In both cases, Plaintiffs allege the Defendant violated the Fair Credit Report Act (FCRA) as amended by the Fair and Accurate Credit Transaction Act (FACTA), 15 U.S.C. § 1681 (c)(g)(1) by printing and distributing to customers credit or debit card transaction receipts including the card's expiration date. Plaintiffs contended that printing credit or debit card expiration dates on transaction receipts constitutes a knowing, willful, intentional or reckless violation of FACTA's receipt provision precluding the printing of expiration dates on any receipt. Plaintiffs sought certification of the class, statutory and punitive damages, attorney's fees, costs, injunctive relief and any other relief that the court may find reasonable and just. The franchisee was removed as a named defendant in the Alan case, which was transferred to the United States District Court for the Southern District of Florida. The parties have agreed on a settlement in principle, which includes a class settlement fund of \$30.9 million in consideration for a release of all claims on behalf of DAI, its affiliates and franchisees. The settlement resolves both cases. DAI did not admit any wrongdoing, and contends that noncompliant receipts issued, if any, were not the result of willful or reckless conduct on the part of DAI or its affiliates. On March 11, 2019, the Southern District of Florida issued an order granting Plaintiff's motion for attorney's fees and final approval of the class settlement.

41) ~~35)~~ Doctor's Associates Inc. v. Jose Luis Carbonell and Victoria Carbonell, (6<sup>th</sup> Judicial District Court, Grant County New Mexico, Case No. D-608-2013-00127). On May 7, 2013, Doctors Associates Inc. (DAI) brought an action to confirm a stipulated arbitration award. On July 19, 2013, the Defendants filed an answer as well as counterclaims against DAI and a third-party complaint against BDA Carol English. In their counterclaims and third-party complaint, the Defendants claim that DAI breached the terms of the stipulated award by failing to approve the transfer of two of the Defendants' Subway® restaurants. The Defendants allege breach of contract, breached of the duty of good faith and fair dealing, fraud, and civil conspiracy. Defendants seeks actual and punitive damages, reasonable attorney fees, pre-judgment and post-judgment interest, court costs and such other

and further relief as the court deems just and proper. The parties have entered into a confidential settlement and mutual release, pursuant to which DAI paid the plaintiffs a \$60,000 settlement fee. On April 14, 2020, the parties filed a Stipulation of Dismissal with Prejudice.

- 42) ~~36)~~ Jin Hee Han, Plaintiff v. Subway International B.V., Defendant (Seoul District Court, Case No. 2018NA63343). On January 3, 2018, Plaintiff, a franchise owner in South Korea, filed a claim before the Seoul District Court alleging a decline in weekly sales due to a Subway® restaurant opening nearby. The Plaintiff's claim was dismissed September 10, 2018 due to the arbitration clause requiring all disputes to be resolved through arbitration. The Plaintiff filed an appeal on October 30, 2018. The parties submitted final briefs prior to a February 5, 2020 hearing. On April 1, 2020 the appellate court rejected the Plaintiff's appeal on the basis that the arbitration clause is valid and enforceable.
- 43) ~~37)~~ Jeffrey E. Frahm v. Doctor's Associates LLC, 01-19-0004-6405 (AAA). On December 24, 2019, former Business Development Agent ("BDA") Jeffrey Frahm filed an arbitration against Doctor's Associates LLC ("DAL") after DAL terminated his Business Development Agent Agreement ("BDAA") for cause. Frahm alleged multiple counts of breach of contract, claiming that DAL unlawfully and improperly terminated the BDAA. Frahm also alleged that he was fraudulently induced into entering into the BDAA. Frahm sought declaratory and injunctive relief, monetary damages, interests, costs and other such relief as may be just and equitable. On May 19, 2020, the parties entered into a confidential settlement agreement and mutual release, pursuant to which the parties agreed to the termination of the BDAA and DAL paid Frahm \$1,150,000 and cancelled \$563,473.34 of debt Frahm owed to DAL. On May 26, 2020, the Frahm withdrew all claims in the arbitration with prejudice.
- 44) ~~38)~~ Mark Mitchell and Franchise Concepts of Oklahoma v. Doctor's Associates LLC, Subway IP LLC, Franchise World Headquarters, LLC, Joseph Esposito, Esq., Trevor Haynes, Suzanne Greco, Don Fertman, William McCane, 01-20-0005-3623 (AAA). On May 22, 2020, Business Development Agent ("BDA") Mark Mitchell and his operating company filed an arbitration against Doctor's Associates, LLC ("DAL") and other related entities and individuals after DAL terminated his Business Development Agent Agreement ("BDAA") pursuant to a trial period provision. The Claimants alleged that the Respondents improperly terminated the BDAA and interfered with Mitchell's ability to transfer his rights under the BDAA to a third party. The Claimants asserted claims for breach of contract, breach of the implied covenant of good faith and fair dealing, fraudulent and negligent misrepresentation, fraudulent inducement, fraud, tortious interference, unjust enrichment and violations of the Florida Franchise Act, the Florida Communications Fraud Act, the Florida Deceptive and Unfair Trade Practices Act, and the Oklahoma Business Opportunity Act. The Claimants sought declaratory and injunctive relief, monetary damages, punitive damages, interests, costs, attorneys' fees and other such relief as may be just and equitable. On June 23, 2020, DAL filed and answer and asserted counterclaims against Mitchell for breach of contract. On September 11, 2020, the Claimants and DAL entered into a confidential settlement agreement and mutual release, pursuant to which the parties agreed to the termination of the BDAA and DAL paid Mitchell \$1,225,000. On September 18, 2020, the parties withdrew all claims in the arbitration with prejudice.
- 45) ~~39)~~ James J. Turi and Conri Development Group Inc. v. Doctor's Associates, LLC, Subway IP LLC, and Franchise World Headquarters, LLC, 01-20-0007-5808 (AAA). On July 1, 2020, the Claimants, former Business Development Agent ("BDA") James J. Turi and his operating company, filed an arbitration against the Respondents after DAL terminated Turi's Business Development Agent Agreement ("BDAA") pursuant to a trial period provision. The Claimants allege that the Respondents acted improperly in terminating the BDAA and also breached the terms of a promissory note of which Doctor's Associates LLC is the holder and the Claimants are the makers. The Claimants allege breaches of contract, breach of the implied covenant of good faith and fair dealing, fraud, fraudulent inducement, fraudulent and negligent misrepresentation, unlawful restraint of trade and violations of the FTC Franchise Rule, the Rhode Island Franchise Investment Act, the Connecticut Franchise Act, the Florida Franchise Act, the Connecticut Unfair Trade Practices Act, the Florida Deceptive and Unfair Trade Practices Act, and the Florida Communications Fraud Act. On October 9, 2020, DAL filed counterclaims against Turi and Conri Development for breaches of contract. On February 9, 2021, the Arbitrator issued an order dismissing all allegations as to Subway IP LLC and Franchise World Headquarters, LLC, dismissing allegations under the Connecticut Franchise Act and the Rhode Island Franchise Act, dismissing allegations under the Connecticut Unfair Trade Practices Act as to the BDAA. The February

9<sup>th</sup> Order denied Respondent's Motion to Dismiss the claims of fraudulent inducement, fraud, and violations of the Florida Deceptive and Unfair Trade Practices Act. As to Respondents' motion to enforce the limitation on damages, motion to enforce the terms of a note between the parties, and motion to dismiss all other claims, the Order denied the motions without prejudice and the right to reassert after hearing on the merits. On June 22, 2021, the Claimants and DAL entered into a confidential settlement agreement and mutual release pursuant to which the parties agreed to the termination of the BDAA and DAL paid Turi \$100,000.00 and cancelled \$ 1,043,972.77 of debt Turi owed to DAL. On June 25, 2021, the parties withdrew all claims in the arbitration with prejudice.

46) ~~40)~~ Al Rahim, Inc. and Khatidja "Kay" Ramzan v. Doctor's Associates, LLC (Case Number 01-20-0015-7709) (AAA). The arbitration case was filed with the American Arbitration Association on or about November 23, 2020. An amended demand was subsequently filed against Doctor's Associates, LLC, Franchise World Headquarters, LLC, Subway Real Estate and Subway Realty, Inc. Franchisee Al Rahim alleges a violation of the Washington Franchise Investment Protection Act and has included claims of negligence and promissory estoppel due to an alleged non-renewal of a lease/sublease. Claimant seeks \$300,000-\$500,000 in damages along with attorneys' fees and arbitration costs. Respondents deny the claims and filed counterclaims of its own. Prior to an oral hearing taking place, the parties settled the matter on June 8, 2021 whereby DAL and SRE LLC paid the Claimants \$60,000 and the arbitration was dismissed with prejudice.

47) ~~41)~~ Al Rahim, Inc. and Khatidja "Kay" Ramzan v. Doctor's Associates, LLC, case 01-20-0015-7709 (AAA). The arbitration case was filed with the American Arbitration Association on or about November 23, 2020. An amended demand was subsequently filed against Doctor's Associates, LLC, Franchise World Headquarters, LLC, Subway Real Estate and Subway Realty, Inc. Franchisee Al Rahim alleges a violation of the Washington Franchise Investment Protection Act and has included claims of negligence and promissory estoppel due to an alleged non-renewal of a lease/sublease. Claimant seeks \$300,000-\$500,000 in damages along with attorneys' fees and arbitration costs. Respondents deny the claims and filed counterclaims of its own. Prior to an oral hearing taking place, the parties settled the matter whereby DAL and SRE LLC paid the Claimants \$60,000 and the arbitration was dismissed with prejudice.

48) ~~42)~~ Ana Catalina Zapata et al v. Subway Partners de Colombia CV ("SPCCV"), Doctor's Associates, Inc. and Carlos Delgado (16th Civil Circuit Court of Medellin, Colombia). On July 15, 2019, the Civil Court of Medellin admitted a class action suit by franchise owner Ana Catalina Zapata, along with fifteen additional current and former franchise owners and their companies for a total of 31 plaintiffs ("the Class") and defined the class as Franchise Owners in Colombia. The Class sought damages due to conducts that allegedly constituted unfair competition and abuse of the dominant position by SPCCV, Doctor's Associates Inc and BDA Carlos Delgado. The Class alleged the policy regarding the opening of Subway® restaurants, the prices charged by suppliers, the promotions and marketing strategies were purported acts of unfair competition and abuse the dominant position held by the Defendants. The Class sought approximately \$3.3 million in damages. Defendants denied the allegations. Defendants further requested the Court to reconsider its decision to admit the class action on the basis that the Plaintiffs did not meet the legal requirement to prove the existence of a class of at least 20 persons, and that the Court lacked jurisdiction to decide the claim. Based on the negotiations held between SPCCV and several Plaintiffs that led to the execution of respective settlement agreements, on March 2020, 17 plaintiffs waived their claims in the class action. On March 11, 2020 the Court overturned the ruling that admitted the suit to process on the basis that the remaining Plaintiffs did not meet the definition of the class as defined by the Court. On June 23, 2020, the remaining Plaintiffs amended their suit and four additional Plaintiffs joined the suit. On August 13, 2020, Defendants again requested the Court to reconsider its decision to admit the suit. The parties resumed negotiations and between August, 2020 and December, 2021, they requested the Court to halt the class action. On December 15, 2021, the remaining plaintiffs waived their claims in the class action based on settlement agreements entered into with SPCCV. On January 13, 2022, the Court terminated the class action due to the total waiver of the Plaintiffs' claims. On May 3, 2022, the class action's docket file was officially filed away in Box 979.

49) ~~43)~~ A. Zaid Elia & Think Fresh LLC v. Doctor's Associates LLC (Case No. 22-011292-CB, 3<sup>rd</sup> Judicial Circuit, Wayne County, State of Michigan) On September 22, 2022, the Plaintiffs, a former Business Developer and his Operating Company filed a civil lawsuit in which they claimed breach of contract, violation of Michigan Franchise Investment Law, and violation of the CT Unfair Trade Practices Act due to the

defendant terminating the parties' Development Agreement. The Plaintiffs sought a judgment in excess of \$25,000, a declaratory judgment and injunctive relief, including specific orders preventing DAL from terminating the Development Agreement and compelling DAL to perform under the Development Agreement, attorneys' fees and costs, interest and further relief as the Court deemed appropriate. The complaint was served on the defendant on October 4, 2022. This case was closed on October 13, 2022 when Doctor's Associates, LLC removed the matter to Federal Court.

B. Zaid Elia & Think Fresh LLC v. Doctor's Associates LLC (Case No. 2:22 cv-12458, US District Court for the Eastern District of Michigan, Southern Division) Plaintiffs, a former Business Developer and his Operating Company, Think Fresh LLC, filed a civil lawsuit in which they claimed breach of contract, a violation of Michigan Franchise Investment Law, and a violation of the CT Unfair Trade Practices Act due to DAL terminating the parties' BD Agreement. In response to DAL's Motion to Dismiss the Complaint, the plaintiffs filed a First Amended Verified Complaint dated November 8, 2022, in which they made the same claims of breach of contract, a violation of Michigan Franchise Investment Law, and a violation of the CT Unfair Trade Practices Act due to DAL terminating the parties' BD Agreement. The Plaintiffs sought a judgment in excess of \$75,000, declaratory judgment and injunctive relief, including seeking specific orders to prevent DAL from further efforts to terminate the Development Agreement and to compel DAL to perform under the BD Agreement, attorneys' fees and costs, interest and further relief as the Court deemed appropriate. On November 11, 2022 the Plaintiffs filed an Amended Preliminary Injunction. On November 22, 2022, DAL filed a Motion to Dismiss the First Amended Complaint, and on December 2, 2022, DAL filed its Opposition to Plaintiffs' Amended Motion for Preliminary Injunction. Prior to a hearing on the merits, and through a mediation conducted on January 16, 2023, the parties reached a settlement and release agreement whereby the parties stipulated that the BD Agreement was terminated on August 31, 2022 and DAL agreed to pay Plaintiff Elia \$1,450,000.00. On January 20, 2023, the Parties filed a Joint Stipulation of Dismissal with Prejudice.

50) ~~44)~~ Junehee Garana & Michael Ku v. Subway International B.V. (International Centre for Dispute Resolution Case No. 01-22-0004-3685). Respondent sent Petitioners a notice of non-renewal of their Business Developer Agreement ("BDA"). Petitioners filed for arbitration on October 17, 2022 with the International Centre for Dispute Resolution ("ICDR") seeking to have the BDA renewed for an additional 5 year term, as well as to claim for damages of an amount to be determined during the arbitration, and for all costs of the arbitration. Petitioners claim that SIBV's non-renewal of the BDA is in violation of the terms of the agreement, as well as various laws, including, but not limited to, the Monopoly Regulations and Fair Trade Act. On December 5, 2022, Respondent's attorneys filed a response to the notice of arbitration with the ICDR. Subsequently, Respondent entered into discussions with the Petitioner in relation to the buyout of the BDA, and an agreement for such buyout was reached on January 17, 2023. As a condition of such buyout, the Petitioner also withdrew its arbitration claim and the matter was deemed closed by the ICDR on January 18, 2023.

51) ~~45)~~ In the Matter of: H.J. Trautwein and B. Fischer v. Subway International B.V., case # 10365814 CV EXPL 23-3009, in the Canton courts in Amsterdam, the Netherlands. Two former Business Development Agents in Switzerland have filed suit claiming improper termination and/or non-renewal of their Development Agent Agreements. Claimants seek damages along with attorneys' fees. Respondents deny the claims and filed a motion to dismiss. The parties signed a settlement agreement on July 27, 2023. The main terms of the settlement were: withdrawal of the court proceedings; settlement payment paid by SIBV; and mutual release and waiver of all claims.

52) ~~46)~~ Arizona Subway Development Corporation v. Doctor's Associates LLC, (American Arbitration Association, Case # 01-22-0004-1309). On September 30, 2022, the Claimant, Business Developer ("BD") Richard Schibler, through his operating company, Arizona Subway Development Corporation, filed an arbitration against the Respondent, DAL claiming Respondent wrongfully took actions to eliminate him as a BD from the Subway® system in violation of his BD Contract. The claim was Amended October 27, 2022. The claims involve the BD Contract expiration date, Third Party Restaurant Evaluations, alleged lost compensation over discounts and deferrals of royalties DAL gave to franchisees at the beginning of the COVID-19 pandemic, and DAL's exercise of its Right of First Refusal in the sale and purchase of Franchises. The Claimant alleges breach of contract, breach of the implied covenant of good faith and fair dealing, fraud, fraudulent inducement, fraudulent and negligent misrepresentation, contractual and common law indemnity, violation of the Connecticut Unfair Trade Practices Act, and Unjust Enrichment. The Claimant seeks declaratory relief,

including specific orders preventing DAL from imposing third party evaluations in Arizona, prohibiting DAL and its successors from exercising its right of first refusal targeted at the Schibers, or refusing to execute Franchise Agreements with qualified prospective franchisees submitted by the BD, from terminating or refusing to renew the BD Contract indefinitely (unless Claimant commits a material, uncured breach), and prohibiting DAL from unilaterally modifying Claimant's BD compensation, along with money damages, pre- and post-judgment interest, reasonable attorney's fees and costs, punitive damages, and further relief as deemed proper. Respondent denies the allegations and filed its Answer and Affirmative Defenses on November 10, 2022. On June 1, 2023, the Claimant and DAL entered into a confidential settlement, termination and release agreement pursuant to which the parties agreed to the termination of the BD Contract and DAL paid Claimant \$4,000,000. On June 5, 2023, the Claimant withdrew all claims in the arbitration with prejudice.

- 53) ~~47)~~ Sharon Peskett, on behalf of herself and all others similar situated, Plaintiff v. Doctor's Associates, Inc., d/b/a Subway, Defendant (Superior Court of the State of California for the County of Los Angeles, Case No: 23STCV04783). On March 3, 2023, Plaintiff filed a putative class action alleging the franchised Subway restaurant she visited misstated menu prices by charging a 5% "Service Fee." The purported class is all persons who made a purchase at a Subway restaurant and were charged a similar "Service Fee." The complaint alleges violation of California's Unfair Competition Law; violation of Connecticut's Unfair Trade Practices Act; and, breach of contract, and seeks monetary damages, restitution, and injunctive and declaratory relief. Defendant has not yet responded to the complaint. The parties agreed to a confidential Settlement as of July 5, 2023, wherein Defendant agreed to pay the Plaintiff \$1,000 in exchange for full releases and dismissal of the matter, without admission of any wrongdoing by either party.
- 54) [Tiare Technology, Inc. v. Subway Sandwich Shops LLC, Subway Subs LLC, Franchise World Headquarters, LLC, Subway Holdings, LLC, Subway Worldwide Holdings, LLC and Doctor's Associates LLC \(Case No. 2:23-cv-254-JRG\).](#) On May 30, 2023, an action was filed in the U.S. District Court for the Eastern District of Texas, captioned [Tiare Technology, Inc. v. Subway Sandwich Shops LLC, Franchise World Headquarters, LLC, Subway Holdings, LLC, Subway Worldwide Holdings, LLC and Doctor's Associates LLC \(Case No. 2:23-cv-254-JRG\)](#), naming Subway Sandwich Shops LLC, Subway Subs LLC, Franchise World Headquarters, LLC, Subway Holdings, LLC, Subway Worldwide Holdings, LLC, and Doctor's Associates LLC (collectively, "Subway") as defendants. The suit alleges that Subway infringed three of the plaintiff's patents related to mobile ordering systems technology: U.S. Patent Nos.: 8,682,729, 10,157,414 and 11,195,224 (collectively, the "Tiare Patents"). The complaint further alleges that the ordering application and location-tracking functionality through the mobile application provided by Subway infringes the Tiare Patents. The plaintiff seeks compensatory damages of an amount no less than the amount of a "reasonable royalty" under 35 U.S.C. § 284, treble damages under 35 U.S.C. § 284 for Subway's alleged willful infringement of the Tiare Patents, a declaratory judgment that Subway has infringed each of the Tiare Patents, a judgment and order enjoining Subway from infringing upon the Tiare Patents and a judgment and order finding the case "exceptional", thus, requiring Subway to pay the plaintiff its reasonable attorneys' fees and costs incurred in the litigation pursuant to 35 U.S.C. § 285. Subway filed a motion to dismiss for lack of venue on August 8, 2023. On October 5, 2023 the parties settled the matter. The case was dismissed on October 18, 2023.
- 55) [Han-young Cho, Plaintiff v. Subway International B.V., Defendant \(Seoul Central District Court Case No. 5223576\).](#) On August 25, 2021, Plaintiff, a former franchise owner in South Korea, filed a claim before the Seoul Central District Court alleging unlawful termination of his Franchise Agreement. The Plaintiff alleged inter alia, that the arbitration clause in the Franchise Agreement is not valid under Dutch case law and certain provisions of the Dutch Civil Code. The final hearing was held on December 2, 2022. On February 10, 2023, the court dismissed the Plaintiff's claim.

### C. Restrictive Orders

- 56) ~~48)~~ Settlement Agreement Between the United States of America, and Doctor's Associates Inc. and Subway Real Estate Corp. (DJ 204-32-44). On July 31, 2007, DAI, SREC and the United States Department of Justice (DOJ) negotiated a Settlement Agreement on compliance with the Americans with Disabilities Act. No hearing, trial or adjudication took place and both DAI and SREC denied having violated the ADA. Under the Settlement Agreement, DAI will continue to design franchisees' stores to ADA standards. DAI will train field

staff and agents, and retain experts to provide assistance in connection with ADA issues in stores. Field staff and agents will evaluate stores and advise franchisees to remedy existing ADA issues and for future stores attempt to select sites that are accessible to the disabled. DAI will fund an interest-free remediation loan program for franchisees to make required changes. DAI paid \$25,000 to the United States Treasury as a civil penalty.

57) 49) ~~In the Matter of: The Commissioner of Financial Protection and Innovation v. Doctor's Associates LLC d/b/a Subway (California Department of Financial Protection and Innovation) Consent Order Oct. 28, 2020 (no case number).~~ As part of an informal investigation with which we cooperated fully, the Commissioner of Financial Protection and Innovation ("Commissioner") notified us of certain alleged violations of the California Franchise Investment Law ("FIL") (Corp. Code § 31000 et seq.). To comply with the FIL, we qualify for, and rely on, an exemption for well-capitalized, experienced franchisors from registration. In addition to the capitalization and experience qualifications that we meet, to secure the availability of the exemption, we are required to file an annual exemption notice and pay a filing fee prior to offering or selling franchises in California. The exemptions apply for the calendar year filed or otherwise specified in the notice. In certain years in the last decade, we filed the exemption notice later than the beginning of the year. Accordingly, because of the late filing, the Commissioner alleged that we sold unregistered franchises in California and materially modified franchise agreements in parts of the years 2013-2015 and 2018 without complying with the registration requirements under the FIL. Under the FIL, it is unlawful for any person to offer or sell a franchise in California or to solicit a franchisee's agreement to a material modification to its existing franchise agreement unless the offer or material modification has been registered or is otherwise exempt. The Commissioner did not file an administrative enforcement action against us; instead, on November 4, 2020, we and the Commissioner entered into a Consent Order whereby we agreed to stop such violations, and pay penalties totaling \$410,000 for the alleged violations. We also agreed that certain management personnel would attend four hours of California franchise law training courses. We completed the training on December 17, 2020.

~~50) Tiare Technology, Inc. v. Subway Sandwich Shops LLC, Subway Subs LLC, Franchise World Headquarters, LLC, Subway Holdings, LLC, Subway Worldwide Holdings, LLC and Doctor's Associates LLC (Case No. 2:23-cv-254 JRG) On May 30, 2023, an action was filed in the U.S. District Court for the Eastern District of Texas, captioned Tiare Technology, Inc. v. Subway Sandwich Shops LLC, Franchise World Headquarters, LLC, Subway Holdings, LLC, Subway Worldwide Holdings, LLC and Doctor's Associates LLC (Case No. 2:23-cv-254 JRG), naming Subway Sandwich Shops LLC, Subway Subs LLC, Franchise World Headquarters, LLC, Subway Holdings, LLC, Subway Worldwide Holdings, LLC, and Doctor's Associates LLC (collectively, "Subway") as defendants. The suit alleges that Subway infringed three of the plaintiff's patents related to mobile ordering systems technology: U.S. Patent Nos.: 8,682,729, 10,157,414 and 11,195,224 (collectively, the "Tiare Patents"). The complaint further alleges that the ordering application and location tracking functionality through the mobile application provided by Subway infringes the Tiare Patents. The plaintiff seeks compensatory damages of an amount no less than the amount of a "reasonable royalty" under 35 U.S.C. § 284, treble damages under 35 U.S.C. § 284 for Subway's alleged willful infringement of the Tiare Patents, a declaratory judgment that Subway has infringed each of the Tiare Patents, a judgment and order enjoining Subway from infringing upon the Tiare Patents and a judgment and order finding the case "exceptional", thus, requiring Subway to pay the plaintiff its reasonable attorneys' fees and costs incurred in the litigation pursuant to 35 U.S.C. § 285. Subway filed a motion to dismiss for lack of venue on August 8, 2023.~~

#### D. Actions Involving Non-Subway Affiliates and Management

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

58) The People of the State of California v. Arby's Restaurant Group, Inc. (California Superior Court, Los Angeles County, Case No. 19STCV09397, filed March 19, 2019). On March 11, 2019, our affiliate, Arby's Restaurant Group, Inc. ("ARG"), entered into a settlement agreement with the states of California, Illinois, Iowa, Maryland, Massachusetts, Minnesota, New Jersey, New York, North Carolina, Oregon and Pennsylvania. The Attorneys General in these states sought information from ARG on its use of franchise agreement provisions prohibiting the franchisor and franchisees from soliciting or employing each other's employees. The states

alleged that the use of these provisions violated the states' antitrust, unfair competition, unfair or deceptive acts or practices, consumer protection and other state laws. ARG expressly denies these conclusions but decided to enter into the settlement agreement to avoid litigation with the states. Under the settlement agreement, ARG paid no money but agreed (a) to remove the disputed provision from its franchise agreements (which it had already done); (b) not to enforce the disputed provision in existing agreements or to intervene in any action by the Attorneys General if a franchisee seeks to enforce the provision; (c) to seek amendments of the existing franchise agreements in the applicable states to remove the disputed provision from the agreements; and (d) to post a notice and ask franchisees to post a notice to employees about the disputed provision. The applicable states instituted actions in their courts to enforce the settlement agreement through Final Judgments and Orders, Assurances of Discontinuance, Assurances of Voluntary Compliance, and similar methods.

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

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

**EXHIBIT Q  
BUSINESS DEVELOPERS**

*If your territory is not next to a BD, then your territory is managed by SMO.*

<b>Business Developer Name and Contact Information</b>	<b>Contract Number</b>	<b>Territory</b>
<b>Adams, Steve</b> <b>c/o Subway Development of Alaska</b> 1118 East 70 <sup>th</sup> Ave. Suite 200 Anchorage, AK 99518 (907) 563-4228	637	<b>Alaska</b> - The counties of Aleutian Islands, Anchorage Borough, Bethel, Bristol Bay Borough, Dillingham, Fairbanks North Star Borough, Haines Borough, Juneau Borough, Kenai Peninsula Borough, Ketchikan Gateway Borough, Kobuk, Kodiak Island Borough, Matanuska-Susitna Borough, Nome, North Slope Borough, Prince of Wales-Outer Ke, Sitka Borough, Skagway-Yakutat-Angoon, Southeast Fairbanks, Valdez-Cordova, Wade Hampton, Wrangell-Petersburg and Yukon-Koyukuk.
<del><b>Phipps, Michele/ Starr, Matthew/ Weissman, David</b> <b>e/o Elevation Development Group Inc.</b> 310 E 4500 S, Ste 150 Murray, UT 84107 (801) 492-4344</del>	<del>544</del>	<del><b>Utah</b>—The entire state; <b>Nevada</b>—The county of Elko, Eureka and White Pine; <b>Wyoming</b>—The counties of Lincoln, Sweetwater, Sublette, Teton and Uinta.</del>
<del><b>Phipps, Michele/Starr, Matthew</b> <b>Apex Development Group</b> 17700 SW Upper Boones Ferry Road Suite 135 Portland, OR 97224 (503) 344-4815</del>	<del>524</del>	<del><b>Oregon</b>—The counties of Clackamas, Clatsop, Columbia, Hood River, Marion, Multnomah, Sherman, Tillamook, Wasco, Washington and Yamhill; <b>Washington</b>—The counties of Clark, Cowlitz, Skamania and Wahkiakum.</del>
	<del>575</del>	<del><b>Oregon</b>—The counties of Benton, Coos, Crook, Curry, Deschutes, Douglas, Jackson, Jefferson, Josephine, Klamath, Lake, Lane, Lincoln, Linn and Polk.</del>
<b>Fong, Johnnie V./Fong, Marcos</b> <b>c/o Subway Investments Corp</b> #161 US Army Juan Fejeran St Barrigada Heights Guam GU 96913 (670) 235-2255	631	The Island of <b>Guam</b> and <b>Northern Marianas Islands</b> .
<del><b>Golf, Ethan</b> <b>e/o Subway Development of SW Washington</b> 6521 43rd Avenue Court NW, Suite A, Gig Harbor, WA 98335 (253) 851-8117</del>	<del>580</del>	<del><b>Washington</b>—The counties of Clallam, Grays Harbor, Jefferson, Kitsap, Lewis, Mason, Pacific Pierce and Thurston.</del>
<b>Grewal DC/MD</b> <b>Grewal, Jesse S./Grewal, Hardeep/Grewal, Harpaul</b> <b>OhCal MidAtlantic, LLC</b> 7601 Lewinsville Road, Suite 310 McLean, VA 22102 (703) 790-1010	520	<b>Maryland</b> - The counties of Calvert, Charles, Prince George, St. Marys and the parts of Montgomery County which are less than thirteen miles from the Washington Beltway; <b>Virginia</b> - The counties of Arlington, Clarke, Fairfax, Fauquier, Frederick, King George, Lancaster, Loudoun, Northumberland, Prince William, Richmond, Lancaster, Stafford, Warren, Westmoreland and the city of Alexandria; <b>Washington DC</b> - The entire area.

Business Developer Name and Contact Information	Contract Number	Territory
<b>Grewal VA</b> <b>Grewal, Jesse S./Grewal, Hardeep/Grewal, Harpaul</b> <b>OhCal MidAtlantic, LLC</b> 7601 Lewinsville Road, Suite 310 McLean, VA 22102 (703) 790-1010	549	<b>Virginia</b> -The counties of Accomack, Albemarle, Alleghany, Amelia, Amherst, Appomattox, Augusta, Gath, Bedford, Bland, Botetourt, Brunswick, Buchanan, Buckingham, Campbell, Caroline, Carroll, Charles City, Charlotte, Chesterfield, Craig, Culpeper, Cumberland, Dickenson, Dinwiddie, Essex, Floyd, Fluvanna, Franklin, Giles, Gloucester, Goochland, Grayson, Greene, Greensville, Halifax, Hanover, Henrico, Henry, Highland, Isle of Wight, James City, King and Queen, King George, King William, Lee, Louisa, Lunenburg, Madison, Mathews, Mecklenburg, Middlesex, Montgomery, Nelson, New Kent, Northampton, Nottoway, Orange, Page, Patrick, Pittsylvania, Powhatan, Prince Edward, Prince George, Pulaski, Rappahannock, Roanoke, Rockbridge, Rockingham, Russell, Scott, Shenandoah, Smyth, Southampton, Spotsylvania, Suffolk, Surry, Sussex, Tazewell, Washington, Wise, Wythe, York.
<b>Grewal, Harpaul/Grewal, Gurcharan</b> <b>Grewal Foods OC, LLC</b> 9870 Irvine Center Dr. Irvine CA 92618 (949) 387-2667	543	<b>California</b> - Orange county.
<b>Grewal LA</b> <b>OhCal Foods, LLC.</b> <b>c/o Grewal, Hardeep</b> 6110 Variel Avenue, Suite 2A Woodland Hills, CA 91367 (818) 715-9400	530	<b>California</b> - Los Angeles county
<del><b>Van Nispen/Grinsell/Wilhelm N.WI &amp; N.MI</b></del> <del><b>Van Nispen, Todd/Grinsell, Howard/ Wilhelm, Brandon</b></del> <del><b>Northwoods BDA Group, LLC</b></del> <del>166 North Concord Exchange</del> <del>Floor 2</del> <del>South Saint Paul, MN 55075</del> <del>(651) 735-3624</del>	553	<del><b>Michigan</b>—The counties of Alger, Baraga, Chippewa, Delta, Dickinson, Gogebic, Houghton, Iron, Keweenaw, Luce, Mackinac, Marquette, Menominee, Ontonagon and Schoolcraft;</del> <del><b>Wisconsin</b>—The counties of Adams, Ashland, Brown, Calumet, Door, Florence, Fond du Lac, Forest, Green Lake, Iron, Juneau, Kewaunee, Langlade, Lincoln, Manitowoc, Marathon, Marinette, Marquette, Menominee, Oconto, Oneida, Outagamie, Portage, Price, Shawano, Sheboygan, Taylor, Vilas, Waupaca, Waushara, Winnebago, Wood.</del>
<del><b>Marshall, John R/ Marshall, Karlye</b></del> <del><b>e/o Clearstone Development Inc.</b></del> <del>3510 Hartsel Drive,</del> <del>Colorado Springs, CO 80920</del> <del>(719) 590-1502</del>	557	<del><b>Colorado</b>—The counties of Alamosa, Archuleta, Baca, Bent, Cheyenne, Conejos, Costilla, Crowley, Custer, Dolores, Douglas, El Paso, Elbert, Fremont, Hinsdale, Huerfano, Kiowa, Kit Carson, La Plata, Las Animas, Lincoln, Mineral, Montezuma, Otero, Ouray, Prowers, Pueblo, Rio Grande, Saguache, San Juan, San Miguel and Teller.</del>
<b>Marwaha, Raghu/ Marwaha, Rohit</b> <b>Marwaha/Marwaha Sac-Reno CA</b> <b>MGDA NorCal, LLC</b> 4210 Green River Rd. Corona, CA 92880 (951) 523-8603	526	<b>California</b> - The counties of Amador, Butte, Colusa El Dorado, Glenn, Lassen, Modoc, Mono, Nevada, Placer, Plumas, Sacramento, Shasta, Sierra, Siskiyou, Sutter, Tehama, Trinity, Yolo and Yuba; <b>Nevada</b> - The counties of Carson City, Churchill, Douglas; Humboldt, Lander, Lyon, Mineral, Pershing, Storey and Washoe.

<b>Business Developer Name and Contact Information</b>	<b>Contract Number</b>	<b>Territory</b>
<b>Marwaha, Rohit/Marwaha, Ravinder</b> c/o Subway Development of San Diego LLC 2551 W. Woodland Drive Anaheim, CA 92801 (805) 403-7353	534	<b>California</b> - The county of San Diego.
<b>Marwaha, Raghu/Marwaha, Rohit/Riverside</b> 2551 W. Woodland Drive Anaheim, CA 92801 (805) 403-7353	584	<b>California</b> - The counties of San Bernardino, Riverside and Imperial.
<del><b>Nonnamaker, Joe/Nonnamaker, William/Nonnamaker, Wayne</b> c/o Consulting Professionals Inc. 5441 Global Gateway- North Canton, OH 44720- (330) 563-0123</del>	614	<del><b>Ohio</b>—The counties of Carroll, Columbiana, Harrison, Jefferson, Portage, Stark and Summit.</del>
	551	<del><b>Pennsylvania</b>—The counties of Armstrong, Butler, Cameron, Centre, Clarion, Clearfield, Clinton, Crawford, Elk, Erie, Forest, Indiana, Jefferson, Lawrence, McKean, Mercer, Potter, Venango and Warren;- <b>Ohio</b>—The counties of Trumbull and Mahoning.</del>
	556	<del><b>Pennsylvania</b>—Allegheny county</del>
<b>Olson, Brent/ Clark, John/ Anderson, Mark</b> c/o Minneapolis Subway Development 9800 Shelard Parkway Suite 205 Plymouth, MN 55441 (763) 540-0788	599	<b>Minnesota</b> - The counties of Benton, Blue Earth, Brown, Carver, Cass, Crow Wing, Faribault, Freeborn, Hennepin, Kandiyohi, Le Sueur, Martin, McLeod, Meeker, Millie Lacs, Morrison, Nicollet, Renville, Rice, Scott, Sherburne, Sibley, Stearns, Steele, Todd, Wadena, Waseca, Watonwan and Wright.
<del><b>Swanson/Vazquez</b> <b>Lyle A Swanson III / Jose E Vazquez</b> 1569 Calle Alda Urb. Carbe, Suite 201 San Juan, PR 00926-  (787) 282-0101</del>	883	<del><b>US Virgin Islands (St. Croix, St. John &amp; St. Thomas).</b></del>
<b>Swanson III, Lyle A. /Vazquez, Jose</b> c/o Subs Island Development Inc. 1569 Calle Alda Urb. Carbe, Suite 201 San Juan, PR 00926  (787) 282-0101	699	<b>Puerto Rico</b> – The entire commonwealth.
<del><b>Wilhelm, Jeffrey/Wilhelm, Phoebe/Wilhelm, Brandon</b> c/o Subway J.P.W. Inc— 720 N Mulford Road Rockford, IL 61109— (815) 398-0190</del>	569	<del><b>Illinois</b>—The counties of Boone, Carroll, Jo Davies, Lee, Ogle, Stephenson, Whiteside and Winnebago; <b>Wisconsin</b>—The counties of Columbia, Crawford, Dane, Dodge, Grant, Green, Iowa, Jefferson, Lafayette, Richland, Rock, Sauk and Vernon.</del>
	596	<del><b>Illinois</b>—The counties of Lake and McHenry.</del>
	629	<del><b>Illinois</b>—The counties of Bureau, Henry, LaSalle, Putnam and Rock Island; <b>Iowa</b>—The counties of Clinton, Muscatine and Scott.</del>

## EXHIBIT R

### State Effective Dates

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the states, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered, or exempt from registration, as of the Effective Date stated below:

<b>State</b>	<b>Effective Date</b>
California	Effective April 25, 2024
Hawaii	Effective May 14, <a href="#">2024, as amended July 2, 2024, as amended November 25, 2024</a>
Illinois	Effective April 25, 2024
Indiana	Effective April 25, 2024
Maryland	Effective <del>June 8</del> <a href="#">May 30, 2023</a> <a href="#">2024</a>
Michigan	Effective December 5, 2023
Minnesota	<del>Pending</del> <a href="#">Effective June 25, 2024, as amended</a>
New York	Effective April 25, 2024
North Dakota	Effective April 30, 2024
Rhode Island	Effective May 10, 2024
South Dakota	Effective April 30, 2024
Virginia	Effective May 6, <a href="#">2024, as amended July 9, 2024, as amended November 18, 2024</a>
Washington	Effective May 2, 2024
Wisconsin	Effective April 25, 2024, as amended May 6, <a href="#">2024, as amended June 24, 2024, as amended November 14, 2024</a>

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

Issued: 04/25/23 04/25/24
Amended: 08/31/23
06/21/24

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 DAL offers you a franchise, DAL must provide this Disclosure Document to you at the earliest of either: 1) 14 calendar or 10 business days (whichever is later) or 2) the first personal meeting to discuss our franchise (APPLICABLE ONLY IN NEW YORK) before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

DAL has appointed the persons listed in Exhibit I as its registered agent authorized to receive service of process for DAL. The name, principal business address and telephone number of each franchise seller offering the franchise is: Doctor's Associates LLC, 325 Sub Way, Milford Corporate Drive, Suite 1000, Shelton, CT 0646106484, Phone: (800) 888-48481-800-888-4848;

Date of Issuance: April 25, 20232024, amended August 31June 21, 20232024. Exhibit S provides the effective dates of this Disclosure Document for certain states requiring Disclosure Document registration, filing or exemption from registration.

I received a Disclosure Document dated April 25, 20232024, amended August 31June 21, 20232024, that included the following Exhibits: A - Franchise Agreement; A-1 - Franchise Agreement Rider; A-2 - Owner's Statement A-3 - Sub Shop/2000™ Software License Agreement; A-3-1-SubwayPOS® End User License Agreement; A-3-2-Subway® Payment Manager Software End User License Agreement; A-4 - Walmart® Rider; A-4-1 - Walmart® Addendum; A-4-2 - Sub-Sublease Form for Walmart®; A-5 - Auntie Anne's® Rider; A-5-1 - Auntie Anne's® Addendum; A-6 - NEXCOM Rider; A-6-1 - NEXCOM Addendum; A-7 - AAFES Addendum; A-7-1 AAFES Rider; A-8 - MCCS Rider; A-8-1 - MCCS Addendum; A-9 - Co-Brand Location Rider; A-10 - Dual Location Rider; A-11 - Franchisee Participation Agreement; A-12 - Development Agreement; A-13 - Multi-Unit Franchise Agreement; A-14 - Grab & Go (On-Site) Rider; B - List of Subway® Franchises as of December 31, 20222023; B-1 List of Subway® Outlets with Multiple Ownership Changes during same Fiscal Year for Years 2023, 2022, and 2021-and-2020; B-2 List of Subway® Franchisees who Ceased Operating during the Fiscal Year ended December 31, 20222023; C-1 - Audited Financial Statements for the Fiscal Years Ended December 31, 2023, 2022, 2021,-2020; D - Sublease; D-1 Franchisor Lease Rider; D-2 Lease Amendment; D-3 - Sublicense; D-4 - Subconcession Agreement; D-5 - Sub Contract; D-6 - Franchisee Acceptance of Renegotiation; D-7 Lease and Sublease Termination Agreement; E - Intent to Sublease; F - Pre-Authorized Bank Form; G-1 - Renewal Addendum; G-2 - Transfer Addendum; H - State Agencies; I - Agents For Service of Process; J - Operations Manual Table of Contents; K-1 - DAL Promissory Note; K-2 - Huntington Technology Finance Equipment Lease; L - Litigation; M - FranchiseeGlobal Privacy NoticeStatement; N - Social Media Guidelines; O - General Release; P - State Addenda; Q - Business Developers; R - Franchise Systems Affiliated with Buyer and Roark; S - State Effective Dates; Company Restaurant Sale Addendum (if applicable); and this detachable Acknowledgment of Receipt.

The Disclosure Document was received on: \_\_\_\_\_ .

I acknowledge my understanding that it is my responsibility to review the Disclosure Document or to have my attorney review it with me so that I am fully familiar with the transaction contemplated before the execution of any document or the payment of any monies.

If individual structure: SIGNATURE: \_\_\_\_\_ NAME: \_\_\_\_\_ (Please Print) DATE: \_\_\_\_\_ SIGNATURE: \_\_\_\_\_ NAME: \_\_\_\_\_ (Please Print) STATE OF INCORPORATION / FORMATION: \_\_\_\_\_



RECEIPT

Issued: 04/25/23 04/25/24
Amended: 08/31/23
06/21/24

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 DAL offers you a franchise, DAL must provide this Disclosure Document to you at the earliest of either: 1) 14 calendar or 10 business days (whichever is later) or 2) the first personal meeting to discuss our franchise (APPLICABLE ONLY IN NEW YORK) before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale. If we do not deliver this Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and your state agency listed in Exhibit H.

DAL has appointed the persons listed in Exhibit I as its registered agent authorized to receive service of process for DAL. The name, principal business address and telephone number of each franchise seller offering the franchise is: Doctor's Associates LLC, 325 Sub Way, Milford 1 Corporate Drive, Suite 1000, Shelton, CT 06461 06484, Phone: (800) 888-4848 1-800-888-4848; the name, principal business address and telephone number of the Business Developer for your state or territory as listed on Exhibit Q; or, as follows (if applicable):

[Empty box for Business Developer information]

Date of Issuance: April 25, 2023, 2024, amended August 31 June 21, 2023 2024. Exhibit S provides the effective dates of this Disclosure Document for certain states requiring Disclosure Document registration, filing or exemption from registration.

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The Disclosure Document was received on: \_\_\_\_\_ .

I acknowledge my understanding that it is my responsibility to review the Disclosure Document or to have my attorney review it with me so that I am fully familiar with the transaction contemplated before the execution of any document or the payment of any monies.

If individual structure:

If entity structure:

SIGNATURE: \_\_\_\_\_

SIGNATURE: \_\_\_\_\_

(Authorized Signatory)

NAME: \_\_\_\_\_

NAME: \_\_\_\_\_

(Please Print)

(Please Print Name of Authorized Signatory)

DATE: \_\_\_\_\_

NAME OF ENTITY: \_\_\_\_\_

SIGNATURE: \_\_\_\_\_

TYPE OF ENTITY (Corporation, LLC, etc.): \_\_\_\_\_

NAME: \_\_\_\_\_

STATE OF INCORPORATION / FORMATION: \_\_\_\_\_