

Special Risks to Consider About *This Franchise*

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

1. **Out-of-State Dispute Resolution.** The franchise agreement and area development agreement require you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in Kentucky. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in Kentucky than in your own state.
2. **Short Operating History.** The franchisor is at an early stage of development and has a limited operating history. This franchise is likely to be a riskier investment than a franchise in a system with a longer operating history."
3. **Financial Condition.** The franchisor's financial condition, as reflected in its financial statements (see Item 21), calls into question the franchisor's financial ability to provide services and support to you.
4. **Spousal Liability.** Your spouse must sign a document that makes your spouse liable for all financial obligations under the franchise agreement even though your spouse has no ownership interest in the franchise. This guarantee will place both your and your spouse's marital and personal assets, perhaps including your house, at risk if your franchise fails."
5. **Sales performance required.** You must maintain minimum sales performance levels. Your inability to maintain these levels may result in loss of any territorial rights you are granted, termination of your franchise, and loss of your investment.

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

franchise agreement for each Restaurant you develop under the ADA. Each franchise agreement will be our then-current form of franchise agreement, which may differ from the current Franchise Agreement attached to this Disclosure Document (except the royalty fee will not exceed 6% of Gross Sales). You must sign the form of Franchise Agreement that is attached to this Disclosure Document for your first (1st) Restaurant at the time you sign the ADA.

Market and Competition

The target market for CHOP5 Salad Kitchen customers includes health-conscious members of the general public between the ages of 24 and 49. Sales are not seasonal, although Restaurants located in areas subject to harsh winter conditions may experience a reduction in sales during the winter months.

The fast-casual restaurant industry is mature and highly competitive. As a franchisee, you will primarily compete with other fast-casual restaurants featuring healthy dining options. Some of these businesses are independently owned and operated while others are regional or national chains. Some of our competitors operate under a franchise model.

Laws and Regulations

You must comply with all local, state and federal laws that apply to businesses generally, including laws governing discrimination and sexual harassment in the work place, minimum wage, smoking in public areas as well as EEOC and OSHA standards.

The Americans with Disabilities Act of 1990 requires readily accessible accommodations for disabled people and may affect your building construction, site design, entrance ramps, doors, seating, bathrooms, drinking facilities, etc. Building codes and requirements vary in different jurisdictions and it is important for you and your architect to be aware of and comply with all local laws.

The United States Department of Agriculture and the Food and Drug Administration regulate the manufacture, labeling and distribution of food products. There may also be local ordinances and regulations governing food storage, preparation and serving. The Food and Drug Administration regulates menu labeling for retail food establishments that are part of a chain of 20 or more locations operating under the same name, regardless of ownership. Many states have enacted similar state laws governing menu labeling and disclosure of nutritional content. Some state and federal laws prohibit false or misleading statements regarding the health or nutritional value of food or beverage items (such as “low calorie” or “fat free”) on menus and in advertising.

You must comply with federal, state and local health and sanitation laws and licensure requirements applicable to food establishments, including laws that require food handlers to have certain inoculations and/or food service permits. Health laws are intended, in part, to reduce food borne illnesses and may cover such issues as:

- requiring employees to take a test and obtain a license as a food service worker
- having accessible sinks and bathrooms for certain size establishments
- inspections for cleanliness and sanitation standards, including equipment cleaning, food storage and packaging, ingredients utilized, refrigeration requirements, etc.

The Payment Card Industry Data Security Standard (“PCI”) requires that all companies that process, store, or transmit credit or debit card information maintain a secure environment. PCI applies to all organizations or merchants, regardless of size or number of transactions, that accept, transmit or store any cardholder data.

There may be other local, state and/or federal laws or regulations that apply to your Restaurant. We strongly suggest that you investigate these laws before buying this franchise.

ITEM 4 BANKRUPTCY

No bankruptcy is required to be disclosed in this Item.

ITEM 5 INITIAL FEES

Initial Franchise Fee

You pay us a nonrefundable \$40,000 initial franchise fee in one lump sum at the time you sign the Franchise Agreement. The initial franchise fee is uniformly imposed except as discussed below for area developers and qualified veterans.

Initial Training Fee

You pay us a nonrefundable \$5,000 initial franchise fee in one lump sum before you attend initial training, which covers both: (1) the 1-week initial training program we conduct at our company-owned Restaurant; and (2) the 2-week onsite training program we conduct at your Restaurant. If you are a multi-unit franchisee opening your 2nd or subsequent Restaurant, we reserve the right to limit or waive certain aspects of our initial training program, and provide you with a corresponding reduction or waiver of the initial training fee, based on our subjective assessment of the qualifications and experience of you and your management team. The initial training fee is otherwise uniformly imposed.

Development Fee

If you sign an ADA, you pay us a nonrefundable development fee in one lump sum calculated as the sum of the total initial franchise fees you pay for all Restaurants you commit to develop under the ADA. The initial franchise fee for each Restaurant and the development fee are determined in accordance with the following table:

Restaurants Purchased	Initial Franchise Fee	Development Fee
1	\$40,000	N/A - 2 Restaurant minimum for ADA
2	\$40,000	\$80,000
3	\$35,000	\$115,000
4	\$35,000	\$150,000
5	\$35,000	\$185,000
6 (and all additional Restaurants)	\$25,000 (per Restaurant)	\$210,000 (plus \$25,000 for each additional Restaurant)

The development fee is deemed to satisfy the initial franchise fee associated with each Restaurant you develop under the ADA. We anticipate most area developers will purchase the right to develop between 2 and 5 Restaurants, which results in development fees ranging from \$80,000 to \$185,000. Development fees are uniformly imposed except as disclosed below for qualified veterans.

Veteran's Discount

Qualified veterans receive a 10% discount on the initial franchise fee or development fee, as applicable. To qualify, a person holding at least a 51% interest in the franchise must be an honorably discharged veteran of any branch of the United States military and provide a Form DD-214.

or discontinue our website and/or your local webpage at any time.

Except for the webpage we provide, you may not (a) develop, host, or otherwise maintain a website or other digital presence relating to your Restaurant (including any website bearing any of our Marks); (b) utilize the Internet to conduct digital or online advertising; or (c) engage in ecommerce. However, we do permit you to market your Restaurant through approved social media channels, subject to the following requirements:

- you may only conduct social media utilizing the social media platforms that we approve
- you must strictly comply with our social media policy, as revised from time to time
- you must immediately remove any post we disapprove, even if it complies with our social media policy
- we may require that you contract with and utilize a social media company we designate
- you must provide us with full administrative rights to your social media accounts
- we must retain ownership of all social media accounts relating to your Restaurant

Gift Card and Loyalty Programs

We may require that you participate in a gift card or other customer loyalty program in accordance with our policies and procedures. In order to participate, you may be required to purchase additional equipment, software and/or Apps and pay fees relating to the use of that equipment, software and/or Apps. We have the right to determine how proceeds from gift card sales are divided or otherwise accounted for and we may retain proceeds from unredeemed gift cards. You must follow all policies we establish for gift card and/or loyalty programs.

Advertising Cooperatives

We may, but need not, form advertising cooperatives for the benefit of all Restaurants located in a particular region. We will determine the boundaries of the cooperative. In most instances, the boundaries will coincide with zip codes, designated marketing areas or municipal boundaries. We will specify the manner in which the cooperative is organized and governed. We may choose between: (a) administering the cooperative ourselves; or (b) establishing an advertising council, comprised by the cooperative's members, to administer the cooperative. We may require that the cooperative be administered in accordance with written bylaws, organizational documents or other governing documents that we approve. The governing documents will be made available to you upon request.

If your Restaurant is located within a region subject to an advertising cooperative you must: (a) participate in the cooperative according to its rules and procedures and abide by its decisions; and (b) pay a cooperative advertising fee. We may set the minimum cooperative advertising fee or we may allow the cooperative to set the fee based on majority vote of its members. In either case, the cooperative advertising fee will not exceed your Local Advertising Commitment. All cooperative advertising fees you pay are credited against your Local Advertising Commitment. Any company-owned Restaurant located in the cooperative will contribute on the same basis as franchisees.

Advertising cooperatives are not required to prepare annual or periodic financial statements. Any financial statements that are prepared will be made available to you upon request. We reserve the right to form, change, merge or terminate advertising cooperatives at any time.

Brand and System Development Fund

We intend to establish and administer the Brand Fund to promote public awareness of our brand and improve our System. We expect to establish the Brand Fund on the opening date of the first franchised Restaurant. We may use the Brand Fund to pay for any of the following in our discretion:

- developing maintaining, administering, directing, preparing, or reviewing advertising and marketing materials, promotions and programs

Except as otherwise disclosed above with respect to the Toast POS system: (a) neither we nor any other party has any obligation to provide ongoing maintenance, repairs, upgrades or updates to your computer system; and (b) we are not aware of any optional or required maintenance, updating, upgrading or support contracts relating to your computer system.

Collection and Sharing of Data

Your computer system will collect sales data, customer data (including names, contact information and purchase history), employee data, inventory management data, financial accounting data and other relevant operational data. We will have independent unlimited access to the data collected on your computer system and there are no contractual limits imposed on our access.

We own all data relating to your operations and customers. We grant you a license to use this data solely for purposes of operating your Restaurant. You must protect all customer data with a level of control proportionate to the sensitivity of data. You must comply with all applicable data protection laws and our data processing and data privacy policies in the Manual. You must also comply with the standards established by PCI-DSS to protect the security of credit card information.

Computer System Maintenance and Changes

You must maintain the computer system in good condition at your cost. We may require that you upgrade or update your computer system and other Technology Systems to conform to our then-current specifications. There are no contractual limitations on the frequency or cost of these updates or upgrades.

ITEM 12 TERRITORY

You will not receive an exclusive territory or development territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control.

Restaurant Location

Each Franchise Agreement grants you the right to operate one Restaurant from a site we approve. You must identify a site for your Restaurant within the Site Selection Area described in Part C of ATTACHMENT "A" to your Franchise Agreement.

You may relocate your Restaurant with our prior written approval, ~~which we will not unreasonably withhold.~~ We will approve your request if either: (a) your Restaurant is destroyed or damaged to such an extent that it cannot be repaired within a reasonable time or at a reasonable cost; or (b) your Restaurant is consistently losing money and we and you mutually agree that relocation to a more desirable site would significantly improve the profitability of the Restaurant. We do not intend to approve relocation requests for any other reason, but reserve the right to do so. If we allow you to relocate, you must: (a) engage the Real Estate Company to provide Real Estate Management Services and pay the associated fee; (b) obtain our approval of the site for your new Restaurant within the Site Selection Area (but outside any territory granted or reserved to us, our affiliate or any other franchisee); (c) comply with our then-current site selection and development requirements; (d) remove trade dress and alter the premises of the closed (i.e., former) Restaurant to eliminate any resemblance to a CHOP5 Salad Kitchen; (e) pay us a relocation fee of \$5,000 at the time we approve your request to relocate; (f) pay the Project Manager a \$15,000 project management fee; and (g) open your Restaurant at the new site and resume operations within 30 days* after closing your Restaurant at the former site.

* If your Restaurant is destroyed, condemned or otherwise rendered unusable due to the physical condition of the premises, you will instead have 180 days to relocate and resume operations at the new site.

Description of Territory (Franchise Agreement)

Your territory will consist of the geographic area within a ½-mile radius from your Restaurant. Upon renewal, we reserve the right to modify the boundaries of your territory in accordance with our then-current territory

Costs”, we included the total amount of royalty fees the Qualifying Restaurant would have incurred if it was a Franchised Restaurant.

4. **Imputed Brand Fund Fees:** The Qualifying Restaurant did not pay brand fund fees during the Measuring Period. The Franchise Agreement requires a brand fund fee calculated as: (a) 0.5% of Gross Sales for the 1st year of operation; (b) 1.0% of Gross Sales for the 2nd year of operation; and (c) 1.5% of Gross Sales for the remainder of the term. For purposes of imputing fees and costs, we applied the highest brand fund fee rate of 1.5% of Gross Sales based on the Qualifying Restaurant’s opening date. For “Imputed Fees & Costs”, we included the total amount of brand fund fees the Qualifying Restaurant would have incurred if it was a Franchised Restaurant.
5. **Imputed LAC:** Each month, franchisees must spend a minimum amount of money on local advertising and marketing equal to the Local Advertising Commitment (LAC). The LAC is: (a) 8% of Gross Sales for the 1st year of operation; and (b) 3% of Gross Sales for the remainder of the term. For purposes of imputing fees and costs, we applied the LAC rate of 3% of Gross Sales based on the Qualifying Restaurant’s opening date. For “Imputed Fees & Costs”, we included the additional Marketing Expenses the Qualifying Restaurant would have incurred if it was a Franchised Restaurant. The additional amount for the Qualifying Restaurant was \$8,919, calculated as the difference between (a) \$53,516 (i.e., 3% of Gross Sales) and (b) \$44,597 (the amount of Marketing Expenses actually incurred by the Restaurant).
- ~~6.5. You should consult with your advisors to develop your own estimates of revenue and expenses for your Restaurant.~~

Some Restaurants have earned this amount. Your individual results may differ. There is no assurance that you will earn as much.

Written substantiation for this financial performance representation will be made available to you upon your reasonable written request.

Other than the preceding financial performance representation, we do not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor’s management by contacting our President, Brian Mills, at 6011 Brownsboro Park Blvd., Suite F, Louisville, Kentucky 40207 or by phone (858) 717-5200, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20 OUTLETS AND FRANCHISEE INFORMATION

TABLE 1 - SYSTEM-WIDE OUTLET SUMMARY FOR YEARS 2021 TO 2023				
Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2021	0	0	0
	2022	0	0	0
	2023	0	0	0
Company-Owned	2021	2	3	+1
	2022	3	2	-1
	2023	2	3	+1
Total Outlets	2021	2	3	+1
	2022	3	2	-1
	2023	2	3	+1

MARYLAND ADDENDUM TO FRANCHISE AGREEMENT

~~In recognition of the requirements of the Maryland Franchise Registration and Disclosure Law (the “Maryland Franchise Law”), the Disclosure Document is amended as follows:~~

~~Item 17 of the Disclosure Document~~ In recognition of the requirements of the Maryland Franchise Law, the Franchise Agreement is amended to add the following:

- ~~a. The general release required as a condition of renewal, sale and/or assignment/transfer shall not apply any liability under the Maryland Franchise Registration and Disclosure Law.~~
- ~~b. A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.~~

1. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three (3) years after the grant of the franchise.

- ~~e. In the event of a conflict of laws to the extent required by the Maryland Franchise Registration and Disclosure Law, Maryland law shall prevail.~~

~~(a) The Franchise Agreement and Supplemental Agreements provide for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101, et seq.).~~

~~The Franchise Disclosure Questionnaire, which is attached as an Exhibit to the Disclosure Document, is amended as follows:~~

~~All representations requiring prospective franchisees to assent to the release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel, or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.~~

~~In recognition of the requirements of the Maryland Franchise Law, the Franchise Agreement and Supplemental Agreements are amended to add the following:~~

~~1. Any claims arising under the Maryland Franchise Law must be brought within three (3) years after the grant of the franchise.~~

2. Pursuant to COMAR 02.02.08.16L, the general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Law.

3. You may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Law.

4. This franchise agreement provides that disputes are resolved through arbitration. A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.

5. All representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

6. Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement.

7. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.
8. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.
9. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

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

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Addendum concurrently with the execution of the Franchise Agreement.

CHOP5 FRANCHISE LLC

[FRANCHISEE]

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

MARYLAND ADDENDUM TO AREA DEVELOPMENT AGREEMENT

In recognition of the requirements of the Maryland Franchise Law, the Area Development Agreement is amended to add the following:

1. Any claims arising under the Maryland Franchise Law must be brought within three (3) years after the grant of the franchise.
2. Pursuant to COMAR 02.02.08.16L, the general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Law.
- 2.3. You may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Law.
The Franchise Questionnaire
4. This area development agreement provides that you completed in connection with your application for the disputes are resolved through arbitration. A Maryland franchise requires you, as regulation states that it is an unfair or deceptive practice to require a prospective franchisee, to disclaim the occurrence and/or acknowledge the non-occurrence of acts that would constitute to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Law as a condition to your purchase of the franchise. Any such. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.
- 3-5. All representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

2. Any acknowledgements or representations by you that disclaim the occurrence and/or acknowledge the non-occurrence of acts that would constitute a violation of the Maryland Law are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Law.

Nothing in the Franchise Agreement, Supplemental Agreement or in any related agreement is intended to disclaim the representations made in the Franchise Disclosure Document.
6. Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all development fees and initial payments by area developers shall be deferred until the first franchise under the development agreement opens.
7. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.
8. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Area development agreement.
9. Except as expressly modified by this Addendum, the Area development agreement remains unmodified and in full force and effect.

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

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Addendum concurrently with the execution of the Area development agreement.

CHOP5 FRANCHISE LLC

[FRANCHISEE]

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

MARYLAND ADDENDUM TO THE DISCLOSURE DOCUMENT

In recognition of the requirements of the Maryland Franchise Registration and Disclosure Law (the “Maryland Franchise Law”), the Disclosure Document is amended as follows:

1. Item 5 of the Disclosure Document is amended to add the following:

“Fee Deferral

Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement. In addition, all development fees and initial payments by area developers shall be deferred until the first franchise under the development agreement opens.”

2. Item 17 of the Disclosure Document is amended to add the following:

(a) The general release required as a condition of renewal, sale and/or assignment/transfer shall not apply any liability under the Maryland Franchise Registration and Disclosure Law.

(b) A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

(c) Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

(d) The Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101, et seq.).

(e) The franchise agreement provides that disputes are resolved through arbitration. A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.

3. Pursuant to COMAR 02.02.08.16L, the general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Law.

4. You may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Law.

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

MINNESOTA

In recognition of the Minnesota Franchise Law, Minn. Stat., Chapter 80C, Sections 80C.01 through 80C.22, and the Rules and Regulations promulgated pursuant thereto by the Minnesota Commission of Securities, Minnesota Rule 2860.4400, et. seq., the Disclosure Document, Franchise Agreement and Supplemental Agreements are amended as follows:

1. Minnesota Rule 2860.4400(D) prohibits us from requiring you to assent to a general release.
2. We will comply with Minnesota Statute Section 80C.14, Subds. 3, 4 and 5 which require, except in certain specified cases, that you be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the Franchise Agreement or Supplemental Agreement; and that consent to the transfer of the franchise will not be unreasonably withheld.
3. Minnesota Statute Section 80C.21 and Minnesota Rule 2860.4400(J) prohibit us from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring you to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce any of your rights as provided for in Minnesota Statutes, chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction. In addition, we will comply with the provisions of Minnesota Rule 2860.4400(J), which state that you cannot waive any rights, you cannot consent to our obtaining injunctive relief, we may seek injunctive relief, and a court will determine if a bond is required.
4. We will comply with Minnesota Statute Section 80C.12, Subd. 1(g), which requires that we protect your right to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify you from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name.
5. We will comply with Minnesota Statute Section 80C.17, Subd. 5 regarding limitation of claims.
6. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (a) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (b) 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.
7. Items 5 and 7 of this Disclosure Document are amended to include the following:
"All fees referenced are subject to deferral pursuant to order of the State of Minnesota. Accordingly, you will pay no fees to us until we have completed all of our material pre-opening responsibilities to you and you commence operating the franchised business."

VIRGINIA

In recognition of the requirements of the Virginia Retail Franchising Act, the Disclosure Document, Franchise Agreement and Supplemental Agreements are amended as follows:

1. Item 17 of the Disclosure Document is amended to add the following:

Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the Franchise Agreement or Supplemental Agreement does not constitute "reasonable cause," as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to use undue influence to induce a franchisee/area developer to surrender any right given to him under the applicable agreement.

2. If any provision of the Franchise Agreement or any Supplemental Agreement involves the use of undue influence by the franchisor to induce a franchisee/area developer to surrender any rights given to him under the applicable agreement, that provision may not be enforceable.
3. We will not require that you prospectively assent to a waiver, condition, stipulation, or provision that purports to relieve any person from liability imposed by the Virginia Retail Franchising Act. This provision does not prohibit you and us from entering into binding arbitration consistent with the Virginia Retail Franchising Act.
4. Any provision in the Franchise Agreement or Supplemental Agreement that limits the time period in which you may assert a legal claim against us under the Virginia Retail Franchising Act is amended to provide for a four (4) year statute of limitations for purposes of bringing a claim arising under the Virginia Retail Franchising Act.
5. Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it shall be unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the Franchise Agreement or Supplemental Agreement does not constitute "reasonable cause," as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

6. The Virginia State Corporation Commission's Division of Securities and Retail Franchising requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement.

7. The Franchise Agreement is amended to state the following:

"The Virginia State Corporation Commission's Division of Securities and Retail Franchising requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement.

8. The Area Development Agreement is amended to state the following:

"The Virginia State Corporation Commission's Division of Securities and Retail Franchising requires us to defer payment of the development fee owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the development agreement."

MAY NOT BE SIGNED OR USED IF FRANCHISEE RESIDES WITHIN, OR THE FRANCHISED BUSINESS WILL BE LOCATED WITHIN, ~~A FRANCHISE REGISTRATION STATE~~⁺ CALIFORNIA, HAWAII, ILLINOIS, INDIANA, MARYLAND, MICHIGAN, MINNESOTA, NEW YORK, NORTH DAKOTA, RHODE ISLAND, SOUTH DAKOTA, VIRGINIA, WASHINGTON OR WISCONSIN.

FRANCHISEE DISCLOSURE QUESTIONNAIRE

As you know CHOP5 Franchise LLC (“we” or “us), and you are preparing to enter into a Franchise Agreement for the operation of a CHOP5 Salad Kitchen franchise. We require that you complete this Questionnaire (a) so that we can determine whether our franchise sales team followed proper sales procedures and (b) to provide us with reasonable assurance that, prior to signing the Franchise Agreement, you have had an adequate opportunity to review the Franchise Disclosure Document and its attachments, consult with legal and/or business advisors of your choosing, and ask us questions about any disclosures or terms that you do not understand. **You cannot sign or date this Questionnaire the same day as the Receipt for the Franchise Disclosure Document but you must sign and date it the same day you sign the Franchise Agreement and pay your franchise fee.** Please review each of the following questions carefully and provide honest responses to each question.

- Yes__ No__ 1. Have you received from us and personally reviewed the Franchise Agreement and, if applicable, Area Development Agreement (“ADA”), together with all attachments to those agreements?
[If you answer “no,” please explain in Explanation Section]
- Yes__ No__ 2. Have you received from us and personally reviewed a Franchise Disclosure Document (“FDD”)?
[If you answer “no,” please explain in Explanation Section]
- Yes__ No__ 3. Did you sign a receipt for the FDD indicating the date you received it?
- Yes__ No__ 4. Do you understand all the information contained in the FDD, Franchise Agreement and ADA (if applicable)?
[If you answer “no,” please identify any information you don’t understand in Explanation Section]
- Yes__ No__ 5. Did you receive the FDD at least 14 calendar days before signing any agreement relating to the franchise (other than an NDA) or paying any money?
- Yes__ No__ 6. Did you receive a complete execution copy of the Franchise Agreement and ADA (if applicable), with all material terms filled in, at least seven (7) calendar days before you signed it?
- Yes__ No__ 7. Have you reviewed the FDD, Franchise Agreement and ADA (if applicable) with a lawyer, accountant or other professional advisor?
- Yes__ No__ 8. Have you discussed the benefits and risks of developing and operating a CHOP5 Salad Kitchen franchise with an existing CHOP5 Salad Kitchen franchisee?
- Yes__ No__ 9. Do you understand the risks of developing and operating a CHOP5 Salad Kitchen franchise?
- Yes__ No__ 10. Do you understand the success or failure of your franchise will depend in part upon your skills, abilities and efforts and those of the persons you employ as well as many factors beyond your control such as competition, interest rates, the economy, inflation, labor and supply costs and other relevant factors?

⁺ ~~Registration states include California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington and Wisconsin.~~