

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 \$238,623 to \$536,745 (\$199,135 to \$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 \$246,123 to \$604,245 per restaurant (\$206,635 to \$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 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, 2024, amended May 6, 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 financial ability to provide support to my business?	Item 21 or Exhibit C includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only 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.

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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

Special Risks to Consider About *This Franchise*

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

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

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



NOTICE-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.

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

(h) A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first

refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (c).

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

THE FACT THAT THERE IS A NOTICE OF THIS OFFERING ON FILE WITH THE ATTORNEY GENERAL DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE ATTORNEY GENERAL.

Please be advised that the franchisor is not subject to the escrow provisions in the section of the Michigan Franchise Law. Therefore, there are no statements as to the rights of the franchisee in this regard.

Any questions regarding this notice or the Michigan Franchise Act should be directed to: Consumer Protection Division, 670 Williams Building, 525 W. Ottawa St., Lansing, MI 48909 (517) 373-7117 or Doctor's Associates LLC, in care of Legal Notice Administrator-Legal Department, Franchise World Headquarters, LLC, 1 Corporate Drive, Suite 1000, Shelton, CT 06484.

ITEM	TABLE OF CONTENTS	PAGE
1.	THE FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES.....	1
2.	BUSINESS EXPERIENCE.....	11
3.	LITIGATION.....	15
4.	BANKRUPTCY.....	15
5.	INITIAL FEES.....	15
6.	OTHER FEES.....	22
7.	ESTIMATED INITIAL INVESTMENT.....	36
8.	RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES.....	42
9.	FRANCHISEE’S OBLIGATIONS.....	48
10.	FINANCING.....	50
11.	FRANCHISOR’S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING.....	52
12.	TERRITORY.....	65
13.	TRADEMARKS.....	66
14.	PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION.....	68
15.	OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS.....	69
16.	RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL.....	69
17.	RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION.....	70
18.	PUBLIC FIGURES.....	78
19.	FINANCIAL PERFORMANCE REPRESENTATIONS.....	78
20.	OUTLETS AND FRANCHISE INFORMATION.....	79
21.	FINANCIAL STATEMENTS.....	96
22.	CONTRACTS.....	96
23.	RECEIPTS.....	96

EXHIBITS

A	Franchise Agreement	C	Audited Financial Statements for the Fiscal Years Ended December 31, 2022, 2021, and 2020
A-1	Franchise Agreement Rider	D	Sublease
A-2	Owner’s Statement	D-1	Franchisor Lease Rider
A-3	SubwayPOS® End User License Agreement	D-2	Lease Amendment
A-4	Walmart® Rider	D-3	Sublicense
A-4-1	Walmart® Addendum	D-4	Subconcession Agreement
A-4-2	Sub-Sublease Form for Walmart®	D-5	Sub Contract
A-5	Auntie Anne’s® Rider	D-6	Franchisee Acceptance of Renegotiation
A-5-1	Auntie Anne’s® Addendum	D-7	Lease and Sublease Termination Agreement
A-6	NEXCOM Rider	E	Intent to Sublease
A-6-1	NEXCOM Addendum	F	Pre-Authorized Bank Form
A-7	AAFES Rider	G-1	Renewal Addendum
A-7-1	AAFES Addendum	G-2	Transfer Addendum
A-8	MCCS Rider	H	State Agencies
A-8-1	MCCS Addendum	I	Agents for Service of Process
A-9	Co-Brand Location Rider	J	Operations Manual Table of Contents
A-10	Dual Location Test Rider	K-1	DAL Promissory Note and Security Agreement
A-11	Franchisee Participation Agreement (SVS)	K-2	Huntington Technology Finance Equipment Lease
A-12	Development Agreement	L	Litigation
A-13	Multi-Unit Franchise Agreement	M	Subway Global Privacy Statement
A-14	Grab & Go (On-Site) Rider	N	Social Media Guidelines
B	List of Subway® Franchises as of December 31, 2022	O	General Release
B-1	List of Subway® Outlets with Multiple Ownership Changes during same Fiscal Year for Years 2022, 2021, and 2020	P	State Addenda
B-2	List of Subway® Franchisees who Ceased Operating during the Fiscal Year ended December 31, 2022	Q	Business Developers
		R	Franchise Systems Affiliated with Buyer and Roark
		SR	State Effective Dates

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 Dr., Suite 1000, Shelton, CT 06484. Our agents for service of process are disclosed in Exhibit I. 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 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 Master Franchise Businesses in Brazil, China, Costa Rica, Panama and Uruguay, and our affiliate SIBV has sold Master Franchise 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.~~
Through a series of related step transactions, on April 30, 2024, our parent, Underground Purchaser, LLC (“UPL”), acquired all of the issued and outstanding equity interests of our former parent, Subway Worldwide System Holdings, LLC (“SWSH,” successor in interest to our former parent, Subway Worldwide, Inc.). SWSH is a Delaware limited liability company and shares our principal business address. UPL is a Delaware limited liability company owned by several investment funds managed by Roark Capital Management, LLC, an Atlanta-based private equity firm (“Roark”), or one of its affiliates, and shares Roark’s principal business address, 1180 Peachtree Street, N.E., Suite 2500, Atlanta, Georgia 30309-3521.

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 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 Headquarters, LLC (“FWH”)	FWH provides services to us, our franchisees, our affiliated franchisors and their franchisees, 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 program 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.
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.
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 affiliate, SSF, to offer licenses for Subway® restaurants in South Africa.
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.
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.
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.
Subway Franchise Systems Brazil Ltda. (“SFSB”)	Brazilian limited liability company	São Paulo, Alameda Santos, 1.293, 4th floor, part, Cerqueira César, CEP 01419-904	SFSB began franchising in 2023. It sells franchises for Subway® restaurants in Brazil.

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, 2023, PFG Ventures sold 1,862 franchises, and of the total franchises sold by ProForma and PFG Ventures, 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

Through control with private equity funds managed by Roark, we are affiliated with the following franchise programs ("Affiliated Programs"). None of these affiliates operate a Subway franchise.

GoTo Foods Inc. ("GoTo Foods") is the indirect parent company to seven franchisors, including: Auntie Anne's Franchisor SPV LLC ("Auntie Anne's"), Carvel Franchisor SPV LLC ("Carvel"), Cinnabon Franchisor SPV LLC ("Cinnabon"), Jamba Juice Franchisor SPV LLC ("Jamba"), McAlister's Franchisor SPV LLC ("McAlister's"), Moe's Franchisor SPV LLC ("Moe's"), and Schlotzsky's Franchisor SPV LLC ("Schlotzsky's"). All seven GoTo Foods franchisors have a principal place of business at 5620 Glenridge Drive NE, Atlanta, GA 30342 and have not offered franchises in any other line of business.

Auntie Anne's franchises Auntie Anne's® shops that offer soft pretzels, lemonade, frozen drinks and related foods and beverages. In November 2010, the Auntie Anne's system became affiliated with GoTo Foods through an acquisition. Auntie Anne's predecessor began offering franchises in January 1991. As of December 31, 2023, there were 1,156 franchised and 11 affiliate-owned Auntie Anne's shops in the United States and 817 franchised Auntie Anne's shops outside the United States.

Carvel franchises Carvel® ice cream shoppes and is a leading retailer of branded ice cream cakes in the United States and a producer of premium soft-serve ice cream. The Carvel system became an Affiliated Program in October 2001 and became affiliated with GoTo Foods in November 2004. Carvel's predecessor began franchising retail ice cream shoppes in 1947. As of December 31, 2023, there were 324 franchised Carvel shoppes in the United States and 29 franchised Carvel shoppes outside the United States.

Cinnabon franchises Cinnabon® bakeries that feature oven-hot cinnamon rolls, as well as other baked treats and specialty beverages. It also licenses independent third parties to operate domestic and international franchised Cinnabon® bakeries and Seattle's Best Coffee® franchises on military bases in the United States and in certain international countries, and to use the Cinnabon trademarks on products dissimilar to those offered in Cinnabon bakeries. In November 2004, the Cinnabon system became affiliated with GoTo Foods through an acquisition. Cinnabon's predecessor began franchising in 1990. As of December 31, 2023, there were 959 franchised and 22 affiliate-owned Cinnabon bakeries in the United States and 952 franchised Cinnabon bakeries outside

the United States. In addition, as of December 31, 2023, there were 185 franchised Seattle's Best Coffee units outside the United States.

Jamba franchises Jamba® stores that feature a wide variety of fresh blended-to-order smoothies and other cold or hot beverages and offer fresh squeezed juices and portable food items to customers who come for snacks and light meals. Jamba has offered JAMBA® franchises since October 2018. In October 2018, Jamba became affiliated with GoTo Foods through an acquisition. Jamba's predecessor began franchising in 1991. As of December 31, 2023, there were approximately 733 franchised Jamba stores in the United States and 57 franchised Jamba stores outside the United States.

McAlister's franchises McAlister's Deli® restaurants which offer a line of deli foods, including hot and cold deli sandwiches, baked potatoes, salads, soups, desserts, iced tea and other food and beverage products. The McAlister's system became an Affiliated Program through an acquisition in July 2005 and became affiliated with GoTo Foods in October 2013. McAlister's or its predecessor have been franchising since 1999. As of December 31, 2023, there were 506 domestic franchised McAlister's restaurants and 33 affiliate-owned restaurants operating in the United States.

Moe's franchises Moe's Southwest Grill® fast casual restaurants which feature fresh-mex and southwestern food. In August 2007, the Moe's system became affiliated with GoTo Foods through an acquisition. Moe's predecessor began offering Moe's Southwest Grill franchises in 2001. As of December 31, 2023, there were 606 franchised and six affiliate-owned Moe's Southwest Grill restaurants in the United States.

Schlotzsky's franchises Schlotzsky's® quick-casual restaurants which feature sandwiches, pizza, soups, and salads. Schlotzsky's signature items are its "fresh-from-scratch" sandwich buns and pizza crusts that are baked on-site every day. In November 2006, the Schlotzsky's system became affiliated with GoTo Foods through an acquisition. Schlotzsky's restaurant franchises have been offered since 1976. As of December 31, 2023, there were 295 franchised Schlotzsky's restaurants and 22 affiliate-owned restaurants operating in the United States.

Inspire Brands, Inc. ("Inspire Brands") is a global multi-brand restaurant company, launched in February 2018 upon completion of the merger of the Arby's and Buffalo Wild Wings brands. Inspire Brands is a parent company to six franchisors offering and selling franchises in the United States, including: Arby's Franchisor, LLC ("Arby's"), Baskin-Robbins Franchising LLC ("Baskin-Robbins"), Buffalo Wild Wings International, Inc. ("Buffalo Wild Wings"), Dunkin' Donuts Franchising LLC ("Dunkin'"), Jimmy John's Franchisor SPV, LLC ("Jimmy John's"), and Sonic Franchising LLC ("Sonic"). Inspire Brands is also a parent company to the following franchisors offering and selling franchises internationally: Inspire International, Inc. ("Inspire International"), DB Canadian Franchising ULC ("DB Canada"), DDBR International LLC ("DB China"), DD Brasil Franchising Ltda. ("DB Brasil"), DB Mexican Franchising LLC ("DB Mexico"), and BR UK Franchising LLC ("BR UK"). All of Inspire Brands' franchisors have a principal place of business at Three Glenlake Parkway NE, Atlanta, Georgia 30328 and, other than as described below for Arby's, have not offered franchises in any other line of business.

Arby's is a franchisor of quick-serve restaurants operating under the Arby's® trade name and business system that feature slow-roasted, freshly sliced roasted beef and other deli-style sandwiches. In July 2011, Arby's became an Affiliated Program through an acquisition. Arby's has been franchising since 1965. Predecessors and former affiliates of Arby's have, in the past, offered franchises for other restaurant concepts including T.J. Cinnamons® stores that served gourmet baked goods. All of the T.J. Cinnamons locations have closed. As of December 31, 2023, there were 3,413 Arby's restaurants operating in the United States (2,316 franchised and 1,097 company-owned), and 200 franchised Arby's restaurants operating internationally.

~~Reark 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.~~

Buffalo Wild Wings is a franchisor of sports entertainment-oriented casual sports bars that feature chicken wings, sandwiches, and other products, alcoholic and other beverages, and related

services under Buffalo Wild Wings® name (“Buffalo Wild Wings Sports Bars”) and restaurants that feature chicken wings and other food and beverage products primarily for off-premises consumption under the Buffalo Wild Wings GO name (“BWW-GO Restaurants”). Buffalo Wild Wings has offered franchises for Buffalo Wild Wings Sports Bars since April 1991 and for BWW-GO Restaurants since December 2020. As of December 31, 2023, there were 1,185 Buffalo Wild Wings Sports Bars operating in the United States (533 franchised and 652 company-owned) and 65 franchised Buffalo Wild Wings or B-Dubs restaurants operating outside the United States. As of December 31, 2023, there were 79 BWW-GO Restaurants operating in the United States (31 franchised and 48 company-owned).

Sonic is the franchisor of Sonic Drive-In® restaurants, which serve hot dogs, hamburgers and other sandwiches, tater tots and other sides, a full breakfast menu and frozen treats and other drinks. Sonic became an Affiliated Program through an acquisition in December 2018. Sonic has offered franchises for Sonic restaurants since May 2011. As of December 31, 2023, there were 3,521 Sonic Drive-Ins operating in the United States (3,195 franchised and 326 company-owned).

Jimmy John’s is a franchisor of restaurants operating under the Jimmy John’s® trade name and business system that feature high-quality deli sandwiches, fresh baked breads, and other food and beverage products. Jimmy John’s became an Affiliated Program through an acquisition in October 2016 and became part of Inspire Brands by merger in 2019. As of December 31, 2023, there were 2,644 Jimmy John’s restaurants operating in the United States (2,604 franchised and 40 affiliate-owned). Of those 2,644 restaurants, 2,641 were single-branded Jimmy John’s restaurants and 3 were franchised Jimmy John’s restaurants operating at multi-brand locations.

Dunkin’ is a franchisor of Dunkin’® restaurants that offer doughnuts, coffee, espresso, breakfast sandwiches, bagels, muffins, compatible bakery products, croissants, snacks, sandwiches and beverages. Dunkin’ became an Affiliated Program through an acquisition in December 2020. Dunkin’ has offered franchises in the United States and certain international markets for Dunkin’ restaurants since March 2006. As of December 31, 2023, there were 9,580 Dunkin’ restaurants operating in the United States (9,548 franchised and 32 company-owned). Of those 9,580 restaurants, 8,295 were single-branded Dunkin’ restaurants, 2 were franchised Dunkin’ restaurants operating at multi-brand locations, and 1,283 were franchised Dunkin’ and Baskin-Robbins combo restaurants. Additionally, as of December 31, 2023, there were 4,210 single-branded franchised Dunkin’ restaurants operating internationally.

Baskin-Robbins is a franchisor of Baskin-Robbins® restaurants that offer ice cream, ice cream cakes and related frozen products, beverages and other products and services. Baskin-Robbins became an Affiliated Program through an acquisition in December 2020. Baskin-Robbins has offered franchises in the United States and certain international markets for Baskin-Robbins restaurants since March 2006. As of December 31, 2023, there were 2,261 franchised Baskin-Robbins restaurants operating in the United States. Of those 2,261 restaurants, 977 were single-branded Baskin-Robbins restaurants, 1 was a Baskin-Robbins restaurant operating at a multi-brand location, and 1,283 were Dunkin’ and Baskin-Robbins combo restaurants. Additionally, as of December 31, 2023, there were 5,383 single-branded franchised Baskin-Robbins restaurants operating internationally and in Puerto Rico.

Inspire International has, directly or through its predecessors, has offered and sold franchises outside the United States for the following brands: Arby’s restaurants (since May 2016), Buffalo Wild Wings sports bars (since October 2019), Jimmy John’s restaurants (since November 2022), and Sonic restaurants (since November 2019). **DB Canada** was formed in May 2006 and has, directly or through its predecessors, offered and sold Baskin-Robbins franchises in Canada since January 1972. **DB China** has offered and sold Baskin-Robbins franchises in China since its formation in March 2006. **DB Brasil** has offered and sold Dunkin’ and Baskin-Robbins franchises in Brazil since its formation in May 2014. **DB Mexico** has offered and sold Dunkin’ franchises in Mexico since its formation in October 2006. **BR UK** has offered and sold

Baskin-Robbins franchises in the UK since its formation in December 2014. The restaurants franchised by the international franchisors are included in the brand-specific disclosures above.

Primrose School Franchising SPE, LLC (“Primrose”) is a franchisor that offers franchises for the establishment, development and operation of educational childcare facilities serving families with children from 6 weeks to 12 years old operating under the Primrose® name. Primrose’s principal place of business is 3200 Windy Hill Road SE, Suite 1200E, Atlanta GA 30339. Primrose became an Affiliated Program through an acquisition in June 2008. Primrose and its affiliates have been franchising since 1988. As of December 31, 2023, there were 505 franchised Primrose facilities in the United States. Primrose has not offered franchises in any other line of business.

ME SPE Franchising, LLC (“Massage Envy”) is a franchisor of businesses that offer professional therapeutic massage services, facial services and related goods and services under the name “Massage Envy®” since 2019. Massage Envy’s principal place of business is 14350 North 87th Street, Suite 200, Scottsdale, Arizona 85260. Massage Envy’s predecessor began operation in 2003, commenced franchising in 2010, and became an Affiliated Program through an acquisition in 2012. As of December 31, 2023, there were 1,053 Massage Envy locations operating in the United States, including 1044 operated as total body care Massage Envy businesses and 9 operated as traditional Massage Envy businesses. Additionally, Massage Envy’s predecessor previously sold franchises for regional developers, who acquired a license for a defined region in which they were required to open and operate a designated number of Massage Envy locations either by themselves or through franchisees that they would solicit. As of December 31, 2023, there were 9 regional developers operating 11 regions in the United States. Massage Envy has not offered franchises in any other line of business.

CKE Inc. (“CKE”), through two indirect wholly-owned subsidiaries (Carl’s Jr. Restaurants LLC and Hardee’s Restaurants LLC), owns, operates and franchises quick serve restaurants operating under the Carl’s Jr.® and Hardee’s® trade names and business systems. Carl’s Jr. restaurants and Hardee’s restaurants offer a limited menu of breakfast, lunch and dinner products featuring charbroiled 100% Black Angus Thickburger® sandwiches, Hand-Breaded Chicken Tenders, Made from Scratch Biscuits and other related quick serve menu items. A small number of Hardee’s Restaurants offer Red Burrito® Mexican food products through a Dual Concept Restaurant. A small number of Carl’s Jr. Restaurants offer Green Burrito® Mexican food products through a Dual Concept Restaurant. CKE Inc.’s principal place of business is 6700 Tower Circle, Suite 1000, Franklin, Tennessee. In December 2013, CKE Inc. became an Affiliated Program through an acquisition. Hardee’s restaurants have been franchised since 1961. As of January 29, 2024, there were 204 company-operated Hardee’s restaurants and there were 1,406 domestic franchised Hardee’s restaurants, including 136 Hardee’s/Red Burrito Dual Concept restaurants. Additionally, there were 458 franchised Hardee’s restaurants operating outside the United States. Carl’s Jr. restaurants have been franchised since 1984. As of January 29, 2024, there were 49 company-operated Carl’s Jr. restaurants, and there were 1,019 domestic franchised Carl’s Jr. restaurants, including 243 Carl’s Jr./Green Burrito Dual Concept restaurants. In addition, there were 661 franchised Carl’s Jr. restaurants operating outside the United States. Neither CKE nor its subsidiaries that operate the above-described franchise systems have offered franchises in any other line of business.

Driven Holdings, LLC (“Driven Holdings”) is the indirect parent company to 9 franchisors, including Meineke Franchisor SPV LLC (“**Meineke**”), Maaco Franchisor SPV LLC (“**Maaco**”), Merlin Franchisor SPV LLC (“**Merlin**”), Econo Lube Franchisor SPV LLC (“**Econo Lube**”), 1-800-Radiator Franchisor SPV LLC (“**1-800-Radiator**”), CARSTAR Franchisor SPV LLC (“**CARSTAR**”), Take 5 Franchisor SPV LLC (“**Take 5**”), ABRA Franchisor SPV LLC (“**ABRA**”) and FUSA Franchisor SPV LLC (“**FUSA**”). In April 2015, Driven Holdings and its franchised brands at the time (which included Meineke, Maaco, Merlin and Econo Lube) became Affiliated Programs through an acquisition. Subsequently, through acquisitions in June 2015, October 2015, March 2016, September 2019, and April 2020, respectively, the 1-800-Radiator, CARSTAR, Take 5, ABRA and FUSA brands became Affiliated Programs. The principal business address of Meineke, Maaco, Econo Lube, Merlin, CARSTAR, Take 5, Abra and FUSA is 440 South Church Street, Suite 700, Charlotte, North Carolina 28202. 1-800-Radiator’s principal business address is

4401 Park Road, Benicia, California 94510. None of these franchise systems have offered franchises in any other line of business.

Meineke franchises automotive centers that offer to the general public automotive repair and maintenance services that it authorizes periodically. These services currently include repair and replacement of exhaust system components, brake system components, steering and suspension components (including alignment), belts (V and serpentine), cooling system service, CV joints and boots, wiper blades, universal joints, lift supports, motor and transmission mounts, trailer hitches, air conditioning, state inspections, tire sales, tune ups and related services, transmission fluid changes and batteries. Meineke and its predecessors have offered Meineke center franchises since September 1972, and Meineke's affiliate has owned and operated Meineke centers on and off since March 1991. As of December 30, 2023, there were 698 franchised Meineke centers, 22 franchised Meineke centers co-branded with Econo Lube, and no company-owned Meineke centers or company-owned Meineke centers co-branded with Econo Lube operating in the United States.

Maaco and its predecessors have offered Maaco center franchises since February 1972 providing automotive collision and paint refinishing. As of December 30, 2023, there were 373 franchised Maaco centers and no company-owned Maaco centers in the United States.

Merlin franchises shops that provide automotive repair services specializing in vehicle longevity, including the repair and replacement of automotive exhaust, brake parts, ride and steering control system and tires. Merlin and its predecessors offered franchises from July 1990 to February 2006 under the name "Merlin Muffler and Brake Shops," and have offered franchises under the name "Merlin Shops" since February 2006. As of December 30, 2023, there were 22 Merlin franchises and no company-owned Merlin shops located in the United States.

Econo Lube offers franchises that provide oil change services and other automotive services including brakes, but not including exhaust systems. Econo Lube's predecessor began offering franchises in 1980 under the name "Muffler Crafters" and began offering franchises under the name "Econo Lube N' Tune" in 1985. As of December 30, 2023, there were 9 Econo Lube N' Tune franchises and 12 Econo Lube N' Tune franchises co-branded with Meineke centers in the United States, which are predominately in the western part of the United States, including California, Arizona, and Texas, and no company-owned Econo Lube N' Tune locations in the United States.

1-800-Radiator franchises distribution warehouses selling radiators, condensers, air conditioning compressors, fan assemblies and other automotive parts to automotive shops, chain accounts and retail consumers. 1-800-Radiator and its predecessor have offered 1-800-Radiator franchises since 2004. As of December 30, 2023, there were 196 1-800-Radiator franchises in operation in the United States. 1-800-Radiator's affiliate has owned and operated 1-800-Radiator warehouses since 2001 and, as of December 30, 2023, owned and operated 1 1-800-Radiator warehouse in the United States.

CARSTAR offers franchises for full-service automobile collision repair facilities providing repair and repainting services for automobiles and trucks that suffered damage in collisions. CARSTAR's business model focuses on insurance-related collision repair work arising out of relationships it has established with insurance company providers. CARSTAR and its affiliates first offered conversion franchises to existing automobile collision repair facilities in August 1989 and began offering franchises for new automobile repair facilities in October 1995. As of December 30, 2023, there were 455 franchised CARSTAR facilities and no company-owned facilities operating in the United States.

Take 5 franchises motor vehicle centers that offer quick service, customer-oriented oil changes, lubrication and related motor vehicle services and products. Take 5 commenced offering franchises in March 2017, although the Take 5 concept started in 1984 in Metairie, Louisiana. As of

December 30, 2023, there were 325 franchised Take 5 outlets and 643 affiliate-owned Take 5 outlets operating in the United States.

Abra franchises repair and refinishing centers that offer high quality auto body repair and refinishing and auto glass repair and replacement services at competitive prices. Abra and its predecessor have offered Abra franchises since 1987. As of December 30, 2023, there were 57 franchised Abra repair centers and no company-owned repair centers operating in the United States.

FUSA franchises collision repair shops specializing in auto body repair work and after-collision services. FUSA has offered Fix Auto shop franchises since July 2020, although its predecessors have offered franchise and license arrangements for Fix Auto shops on and off from April 1998 to June 2020. As of December 30, 2023, there were 203 franchised Fix Auto repair shops operating in the United States, 9 of which are operated by FUSA's affiliate under a franchise agreement with FUSA.

Driven Holdings is also the indirect parent company to the following franchisors that offer franchises in Canada: (1) **Meineke Canada SPV LP** and its predecessors have offered Meineke center franchises in Canada since August 2004; (2) **Maaco Canada SPV LP** and its predecessors have offered Maaco center franchises in Canada since 1983; (3) **1-800-Radiator Canada, Co.** has offered 1-800-Radiator warehouse franchises in Canada since April 2007; (4) **Carstar Canada SPV LP** and its predecessors have offered CARSTAR franchises in Canada since September 2000; (5) **Take 5 Canada SPV LP** and its predecessor have offered Take 5 franchises in Canada since November 2019; (6) **Driven Brands Canada Funding Corporation** and its predecessors have offered UniglassPlus and Uniglass Express franchises in Canada since 1985 and 2015, respectively, Vitro Plus and Vitro Express franchises in Canada since 2002, and Docteur du Pare Brise franchises in Canada since 1998; (7) **Go Glass Franchisor SPV LP** and its predecessors have offered Go! Glass & Accessories franchises since 2006 and Go! Glass franchises since 2017 in Canada; and (8) **Star Auto Glass Franchisor SPV LP** and its predecessors have offered Star Auto Glass franchises in Canada since approximately 2012.

As of December 30, 2023, there were: (i) 15 franchised Meineke centers and no company-owned Meineke centers in Canada; (ii) 18 franchised Maaco centers and no company-owned Maaco centers in Canada; (iii) 10 1-800-Radiator franchises and no company-owned 1-800-Radiator locations in Canada; (iv) 313 franchised CARSTAR facilities and 1 company-owned CARSTAR facility in Canada; (v) 30 franchised Take 5 outlets and 7 company-owned Take 5 outlets in Canada; (vi) 57 franchised UniglassPlus businesses, 27 franchised UniglassPlus/Ziebart businesses, and 5 franchised Uniglass Express businesses in Canada, and 2 company-owned UniglassPlus businesses and 1 company-owned UniglassPlus/Ziebart business in Canada; (vii) 10 franchised VitroPlus businesses, 57 franchised VitroPlus/Ziebart businesses, and 4 franchised Vitro Express businesses in Canada, and 3 company-owned VitroPlus businesses and no company-owned VitroPlus/Ziebart businesses in Canada; (viii) 32 franchised Docteur du Pare Brise businesses and no company-owned Docteur du Pare Brise businesses in Canada; (ix) 12 franchised Go! Glass & Accessories businesses and no franchised Go! Glass business in Canada, and 8 company-owned Go! Glass & Accessories businesses and no company-owned Go! Glass businesses in Canada; and (x) 8 franchised Star Auto Glass businesses and no company-owned Star Auto Glass businesses in Canada.

In January 2022, Driven Brands acquired Auto Glass Now's repair locations. As of December 30, 2023, there were more than 220 repair locations operating under the AUTOGLASSNOW® name in the United States ("**AGN Repair Locations**"). AGN Repair Locations offer auto glass calibration and windshield repair and replacement services. In the future, AGN Repair Locations may offer products and services to Driven Brands' affiliates and their franchisees in the United States, and/or Driven Brands may decide to offer franchises for AGN Repair Locations in the United States.

ServiceMaster Systems LLC is the direct parent company to three franchisors operating five franchise brands in the United States: Merry Maids SPE LLC (“Merry Maids”), ServiceMaster Clean/Restore SPE LLC (“ServiceMaster”) and Two Men and a Truck SPE LLC (“Two Men and a Truck”). Merry Maids and ServiceMaster became Affiliated Programs through an acquisition in December 2020. Two Men and a Truck became an Affiliated Program through an acquisition on August 3, 2021. The three franchisors have a principal place of business at One Glenlake Parkway, Suite 1400, Atlanta, Georgia 30328 and have never offered franchises in any other line of business.

Merry Maids franchises residential house cleaning businesses under the Merry Maids® mark. Merry Maids’ predecessor began business and started offering franchises in 1980. As of December 31, 2023, Merry Maids had 967 franchises in the United States.

ServiceMaster franchises (i) businesses that provide disaster restoration and heavy-duty cleaning services to residential and commercial customers under the ServiceMaster Restore® mark and (ii) businesses that provide contracted janitorial services and other cleaning and maintenance services under the ServiceMaster Clean® mark. ServiceMaster’s predecessor began offering franchises in 1952. As of December 31, 2023, ServiceMaster had 671 ServiceMaster Clean franchises and 2,157 ServiceMaster Restore franchises operating in the United States.

Two Men and a Truck franchises (i) businesses that provide moving services and related products and services, including packing, unpacking and the sale of boxes and packing materials under the Two Men and a Truck® mark and (ii) businesses that provide junk removal services under the Two Men and a Junk Truck™ mark. Two Men and a Truck’s predecessor began offering moving franchises in February 1989. Two Men and a Truck began offering Two Men and a Junk Truck franchises in 2023. As of December 31, 2023, there were 293 Two Men and a Truck franchises and three company-owned locations operating in the United States. As of December 31, 2023, there were no Two Men and a Junk Truck franchises or company-owned locations in operation.

Affiliates of ServiceMaster Systems LLC also offer franchises for operation outside the United States. Specifically, ServiceMaster of Canada Limited offers franchises in Canada, ServiceMaster Limited offers franchises in Great Britain and Two Men and a Truck offers franchises in Canada, Ireland and the United States.

NBC Franchisor LLC (“NBC”) franchises gourmet bakeries that offer and sell specialty bundt cakes, other food items and retail merchandise under the Nothing Bundt Cakes® mark. NBC’s predecessor began offering franchises in May 2006. NBC became an Affiliated Program through an acquisition in May 2021. NBC has a principal place of business at 4560 Belt Line Road, Suite 350, Addison, Texas 75001. As of December 31, 2023, there were 562 Northing Bundt Cake franchises and 16 company-owned locations operating in the United States. NBC has never offered franchises in any other line of business.

Mathnasium Center Licensing, LLC (“Mathnasium”) franchises learning centers that provide math instruction using the Mathnasium® system of learning. Mathnasium began offering franchises in late 2003. Mathnasium became an Affiliated Program through an acquisition in November 2022. Mathnasium has a principal place of business at 5120 West Goldleaf Circle, Suite 400, Los Angeles, California 90056. As of December 31, 2023, there were 968 franchised and 4 affiliate-owned Mathnasium centers operating in the United States. Mathnasium has never offered franchises in any other line of business. Affiliates of Mathnasium Center Licensing, LLC also offer franchises for operation outside the United States.

Mathnasium Center Licensing Canada, Inc. has offered franchises for Mathnasium centers in Canada since May 2014. As of December 31, 2023, there were 89 franchised Mathnasium centers in Canada. Mathnasium International Franchising, LLC has offered franchises outside the United States and Canada since May 2015. As of December 31, 2023, there were 78 franchised Mathnasium centers outside the United States and Canada. Mathnasium Center Licensing, LLC, Mathnasium Center Licensing Canada, Inc. and Mathnasium International Franchising, LLC each have their principal place of business at 5120 West

Goldleaf Circle, Suite 400, Los Angeles, California 90056 and none of them has ever offered franchises in any other line of business.

Youth Enrichment Brands, LLC is the direct parent company to three franchisors operating in the United States: i9 Sports, LLC (“i9”), SafeSplash Brands, LLC also known as “**Streamline Brands**”), and School of Rock Franchising LLC (“**School of Rock**”). i9 became an Affiliated Program through an acquisition in September 2021. Streamline Brands became an Affiliated Program through an acquisition in June 2022. School of Rock became an Affiliated Program through an acquisition in September 2023. The three franchisors have never offered franchises in any other line of business.

i9 franchises businesses that operate, market, sell and provide amateur sports leagues, camps, tournaments, clinics, training, development, social activities, special events, products and related services under the i9 Sports® mark. i9 began offering franchises in November 2003. i9 became an Affiliated Program through an acquisition in September 2021. i9 has a principal place of business at 9410 Camden Field Parkway, Riverview, Florida 33578. As of December 31, 2023, there were 245 i9 Sports franchises in the United States.

Streamline Brands offers franchises under the SafeSplash Swim School® brand and operates under the SwimLabs® and Swimtastic® brands, all of which provide “learn to swim” programs for children and adults, birthday parties, summer camps, other swimming-related activities. Streamline Brands has offered swim school franchises under the SafeSplash Swim School brand since August 2014. Streamline Brands offered franchises under the Swimtastic brand since August 2015 through March 2023 and under the SwimLabs brand from February 2017 through April 2023. Streamline Brands has a principal place of business at 12240 Lioness Way, Parker, Colorado 80134. Streamline Brands became an Affiliated Program through an acquisition in June 2022 and has a principal place of business at 12240 Lioness Way, Parker, Colorado 80134. As of December 31, 2023, there were 128 franchised and company-owned SafeSplash Swim School outlets (including 12 outlets that are dual-branded with SwimLabs), 11 franchised and licensed SwimLabs swim schools, 11 franchised Swimtastic swim schools and one dual-branded Swimtastic and SwimLabs swim school operating in the United States.

School of Rock franchises businesses that operate performance-based music schools with a rock music program under the School of Rock® mark. School of Rick began offering franchises in September 2005. School of Rock has a principal place of business at 1 Wattles Street, Canton, MA 02021. As of December 31, 2023, there were 234 franchised and 47 affiliate-owned School of Rock schools in the United States and 78 franchised School of Rock schools outside the United States.

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 ¹	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, captive travel plaza, 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 ¹	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 ^{1, 2}	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 ³	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 ^{1, 4}	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 agree to subcontract the right to establish a restaurant at an AAFES, NEXCOM, or MCCS location to you. In certain circumstances you will enter into an agreement directly with AAFES or NEXCOM.
Satellite Location ⁵	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.
Short-Term Satellite Location ⁶	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.

<i>Program/Type of Location</i>	<i>Addendum/Rider</i>	<i>Description</i>
Dual Location Test Site ⁷	Dual Location Test Rider (Exhibit A-10)	We may deem a restaurant to be located close in proximity to another Subway® 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 ⁸	Co-Brand Location Rider (Exhibit A-9) Walmart® Rider (Exhibit A-4), if applicable Auntie Anne’s® 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® stores in connection with their Subway® 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® Catering Program ⁹	N/A Our approval required only	All restaurants are required to participate in our basic catering program, which may include online catering. The catering menu features the following core items: sandwich platters, Subway to Go!™ 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 ¹⁰	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.
Grab & Go Program	Grab & Go (On-Site) Rider (Exhibit A-14)	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 & Go Program. Terms, conditions, specification and standards for the Grab & Go Program are set forth in the Grab & Go (On-Site) Rider and the Manual, and may be amended from time to time.

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 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, 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, 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 a different agreement from the franchise for the Base Restaurant that will support the satellite location. If we approve the location, we will enter into a new and separate Franchise Agreement with you licensing the satellite location only. The Franchise Agreement for a satellite location consists of our standard form of Franchise Agreement and the Franchise Agreement Rider. The Franchise Agreement Rider amends and supplements the standard form of Franchise Agreement. In some circumstances, we may allow you to establish a satellite location in a non-traditional location, and you must also sign the Franchise Agreement Rider.

Note 6:

The Franchise Agreement for a short-term satellite location consists of our standard form of Franchise Agreement and the Franchise Agreement Rider, which amends the standard form of Franchise Agreement.

Note 7:

Non-traditional locations are not eligible to be “Dual Location Test Sites” at this time. The Franchise Agreement for a short-term satellite location consists of our standard form of Franchise Agreement and the Franchise Agreement Rider, which amends the standard form of Franchise Agreement.

Note 8:

We may negotiate agreements with other third parties and will give you the information on any additional co-branding opportunities. You must review your lease to determine if there are any restrictions that would prevent you from operating your Subway® restaurant in connection with a third party franchisor’s concept. You must make your own inquiries about the third party franchisor and franchise. You will receive a separate Disclosure Document from the third party franchisor and if your co-brand location is approved, you will enter into a franchise agreement with the third party franchisor, which may have different terms than your Franchise Agreement with us. You will operate the other concept as a direct franchisee of the third party franchisor. You will pay to the third party franchisor a franchise fee, royalty, advertising fee, and other charges due under the terms of your franchise agreement with the third party franchisor. You may pay these fees to us as collection agent if provided in the third party franchisor’s franchise agreement.

You will sign the Co-Brand Location Rider to address the different conditions inherent in operating a co-brand location. If you are interested in a co-brand location, please review Exhibit A-7 carefully so you will be familiar with how the Co-Brand Location Rider will affect your Franchise Agreement with us. You grant us a release under the Co-Brand Location Rider with respect to a co-brand location. Each franchisor will be separately responsible to you under its own franchise system. The third party franchisor may pay us all or a portion of certain fees for services we may provide. You may also pay us directly under the Co-Brand Location Rider a continuing fee between 0% to 8% of your sales from the other franchised concept. We will determine the continuing fee, if any, after we finalize the master agreement with the third party franchisor.

Note 9:

To participate in the ezOrdering, you must opt-in for catering on the Restaurant Management Portal. If you participate, you will be charged a fee equal to 5% ezOrdering commission for each catering order and approximately 2.75% for credit card processing. These fees may change and other fees may be charged in connection with the catering program in the future.

Note 10:

Voting procedures may be required depending on the expense impact of the MOP decision. If your market or franchisees throughout the country do not elect to offer the MOP item, then you may not offer it unless you were offering the item before the cutoff date or we grant you a waiver. You must review your lease to determine if there are any restrictions that would prevent you from preparing or selling any SOP or MOP items at your location. You will have additional investment costs. In the future, we may implement a Region Option Program and you will be responsible for any associated costs, but as of the date of this Disclosure Document, details on any such program are still forthcoming.

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 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 statement may be amended from time to time and is available to you on our website 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 Shelton, Connecticut.

Director, President and Chief Executive Officer of ~~SW~~SWSH; President of FWH: John Chidsey

Mr. Chidsey has served as Director, President and Chief Executive Officer of ~~SW~~SWSH since April 2024, 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 of SWSH and FWH: Doug Fry

Mr. Fry has served as President of North America of SWSH since April 2024, and of FWH since September 2023. Previously, ~~Doug~~Mr. Fry 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.

Director, Executive Vice President, Chief Financial Officer and Treasurer of SWSH; Chief Financial Officer and Treasurer of FWH and ~~SW~~; Vice President and Treasurer of SIP, DAL, FWHT and FWH; President and Treasurer of Subway MyWay; Vice President of FWH; Trustee of SFAPT: Jeff Shepherd

Mr. Shepherd has served as Director, Executive Vice President, Chief Financial Officer and Treasurer of SWSH since April 2024, and as Chief Financial Officer and Treasurer of FWH since November 2023. Previously he was employed by Advance Auto Parts as Executive Vice President, Chief Financial Officer 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.

Executive Vice President and Chief Operating & Insights Officer of SWSH; Chief Operating and Insights Officer of FWH: Michael Kappitt

Mr. Kappitt has served as Executive Vice President and Chief Operating & Insights Officer of SWSH since April 2024, and Chief Operating and Insights Officer of FWH since March 2020. Previously he was employed by Bloomin' Brands as President of Carrabba's Italian Grill from 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 of ~~SW~~SWSH and 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 SWSH since April 2024, and for FWH since March 2020, 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; Director, Executive Vice President, Chief Legal Officer and Secretary of ~~SW~~SWSH; Vice President and Secretary of SIP and FWHT; Vice President of DAL: Ilene Kobert

Ms. Kobert has served as Director, Executive Vice President, Chief Legal Officer and Secretary of ~~SW~~SWSH since April 2024, 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 of 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.

President of Latin America and Caribbean of SWSH: Jorge Rodriguez

Mr. Rodriguez has served as President of Latin America and Caribbean of SWSH since January 2022. Prior to that, Mr. Rodriguez served as Vice President Finance Transformation for McDonalds from August 2018 until January 2022.

Executive Vice President and Chief Digital & Information Officer of SWSH; Chief Digital and Information Officer of FWH: Donagh Herlihy

Mr. Herlihy has served as Executive Vice President and Chief Digital & Information Officer of SWSH since April 2024, and Chief Information Officer of FWH 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.

Executive Vice President Chief Global Development Officer of SWSH; Global Chief Development Officer of FWH: Mike Kehoe

Mr. Kehoe ~~will be~~ has served as Executive Vice President Chief Global Development Officer of SWSH since April 2024, and as Global Chief Development Officer starting inof FWH since 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 of SWSH and FWH, President of SIP: Cristina Wells

Ms. Wells has served as Senior Vice President of U.S. Marketing for SWSH since April 2024 and for FWH 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 for FWH: Ian Poole

Mr. Poole has served as Vice President of Development since February 2024. Previously, he was employed by Planet Fitness as Vice President of Real Estate and Construction of Corporate Clubs from April 2023 until February 2024. Prior to that he was employed by 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 of FWH: Stephen England

Mr. England has served as Senior Vice President of Operations 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 Growth Initiatives of FWH: Kelly Farley

Ms. Farley has served as Senior Director of 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 Sales Operations of FWH: Allison Morrow

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

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

Ms. Borders has served as the Director of 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.

Senior Non-Traditional Franchise Sales Manager of FWH: John Edmonds

Mr. Edmonds has been a Senior Non-Traditional 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.

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FRANCHISE BROKERS/BUSINESS DEVELOPERS

Business Developers are franchise brokers. We have engaged Business Developers whose duties include franchise sales, site location assistance, training, and operational assistance to franchisees. Business Developers also make recommendations as to whether prospective franchisees in their territories should be granted franchises and we take their recommendations into consideration. We generally recruit Business Developers from existing franchisees. We pay Business Developers a portion of amounts we collect from franchisees as payment for their services, including approximately one-half of the initial franchise fee, and up to one-third of royalties, transfer fees and extension fees. We also pay them approximately one-third of any fees we receive from a third-party franchisor and any co-brand continuing fees, if they provide services for the other concept. We may also pay them bonuses and penalize them depending upon whether they are ahead or behind their development schedules for establishing restaurants in their areas. We prohibit Business Developers from making any representations of sales or profits to you. Additionally, we require Business Developers to abide by all federal and state laws in the performance of their duties. Business Developers are independent contractors and not employees of ours or our affiliates. We and our affiliates disclaim responsibility for any acts or statements made by Business Developers contrary or in addition to the disclosures made

in this Disclosure Document, or in the Franchise Agreement, the Operations Manual, or related contracts. Therefore, unless otherwise disclosed in this Item 2, Business Developers are not our directors, trustees, general partners, or principal officers, nor will they have management responsibility relating to the sale or operation of franchises offered by this document.

Exhibit Q contains the name, contact information, contract number(s), and a description of the servicing territory for each Business Developer for DAL in the United States and its territories, as of the effective date of this Disclosure Document.

**Item 3
LITIGATION**

Other than the 60 actions and the 23 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 ¹	\$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 ^{2,3}	\$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 ^{2,3}	\$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 ^{2,3}	\$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 ^{2, 3, 4}	\$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 ^{5, 7}	\$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 ^{6, 7}	\$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:

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 4:

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 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 5:

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.

Note 6:

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 7:

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.

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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 other policies. We may change the amount of these incentives, including eliminating or reducing the credit for the cost of the airfare or mileage. This incentive is not valid for travel related to attending training.

Any of the fee arrangements and incentive programs described in this Item 5 may be modified or discontinued from time to time in our sole discretion.

We do not charge an initial franchise fee for our School Lunch Program or the Community Development Program. We do not charge an initial franchise fee if you purchase an existing restaurant as a transfer, but you or the transferor must pay the transfer fee.

Under the School Lunch Program, we will franchise (1) a school system directly, (2) an institutional food service provider, or (3) an existing individual Subway® franchisee, to operate a Subway® restaurant located in a school.

You must open your school location within 6 months after you sign your school lunch Franchise Agreement. If you are not the school board, school district, or municipality controlling the school location, within 6 months after you sign your Franchise Agreement you must sign a contract, license, or lease, giving you the right to operate the restaurant, or your Franchise Agreement will automatically terminate. You must identify a location for the school lunch restaurant and your proposed operation plan before you sign the Franchise Agreement. The term of the Franchise Agreement for a school lunch location is a period of 5 years, with the right for additional 5-year renewals, with no renewal fee. If you are an individual franchisee, you must establish the restaurant in the school as a satellite location.

Under the Community Development Program, franchisees may establish franchises within facilities operated by organizations or individuals that offer support services within the community in which they are located. Examples of these facilities include places of worship, shelters, half way homes, rehabilitation centers, community centers, and disaster relief centers. Your restaurant must be operated with the intent of providing job training to individuals with barriers to employment. You must identify a location for your restaurant and your proposed operation plan before you sign the Franchise Agreement.

Refund Policy. We do not refund any of the initial franchise fees except as stated above or under the following circumstances: 1) you purchase a franchise for a location where we will allow you to enter into a lease or license directly with the landlord and we do not grant final approval of the location within 90 days after you sign the Franchise Agreement; or 2) you purchase a franchise for a dual location test site and you do not obtain a Sublease or Sublicense in accordance with our requirements. In either case, we may dismiss you from the training program, cancel your franchise agreement and refund one-half of your franchise fee.

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Other Initial Fees

The following table and notes describe various other initial fees:

<i>Type of Fee</i>	<i>Amount</i>	<i>Description</i>
Extension Fee ¹	\$1,000	If you sign the standard Franchise Agreement, you will have 12 months to open your restaurant or Franchise Agreement will expire. You may request in writing and we may grant you in writing an extension to open your restaurant. You will pay to us the extension fee and will sign our then-current form of Franchise Agreement.

<i>Type of Fee</i>	<i>Amount</i>	<i>Description</i>
Location Fees, Deposits and Rent ²	\$2,000 - \$12,000	<p>If you enter into a Sublease for the premises you will pay our affiliate \$50 as a nonrefundable fee for administrative costs to record the master lease. In addition, you will be responsible for all other costs we incur to record the master lease, including but not limited to, recording fees, recording taxes, conveyance fees and conveyance taxes. We estimate that these costs may range from \$50 to \$2,500, depending upon your state and local laws. These fees are nonrefundable.</p> <p>You must pay a deposit of 2 months' rent when you sign the Intent to Sublease, representing one month's rent and one month's security deposit. We estimate that the security deposit will cost approximately \$2,000 to \$12,000. If you are required to sign a Sublicense for the location, you may be required to pay an advancement fee when you sign the Intent to Sublicense. If the landlord does not require the security deposit, we or our designee will return the money to you.</p>
Menu Board Translites, Promotional and Operational Items	<p>\$500 - \$750 for 4 – 6 menu board translites</p> <p>\$8,000 – \$14,000 for digital menu boards</p> <p>\$155/mo. digital menu board HaaS program</p>	<p>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.</p> <p>Once available, you may 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. Ongoing licensing fees and support fees may apply. Alternatively, you may opt to lease them through our approved supplier's Hardware-as-a-service program, currently \$155 per month. In the future, we may require you to purchase digital menu boards.</p>
Training Cancellation Fee	\$100	If you register for and fail to attend the training program, or if you cancel a registration for the training program with less than 10 business days' notice, you must pay the nonrefundable cancellation fee.
Purchase Price of a Company or Affiliate-Owned Restaurant ⁴	Varies	If you are purchasing a company or affiliate-owned restaurant, you must sign a Franchise Agreement and pay the initial franchise fee that applies to you. You must pay the purchase price in cash or by certified check. Financing is available for some of the purchase price.
POS System Hardware Costs ⁵	\$57/mo.	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, which must be paid to us, our affiliate, designee or directly to HP, as we require.

<i>Type of Fee</i>	<i>Amount</i>	<i>Description</i>
Payment Terminal Fees ⁶	\$237.70 for the P400 payment terminal;	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.
	\$320 for the issued/configured terminal;	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.
	\$323.30 for the P400 kit	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 2023, we sold 79 restaurants ranging in price from \$1 to \$70,493.31 and our affiliates sold 25 restaurants ranging in price from \$1 to \$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:

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.

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We may collect taxes from you that the law requires you to pay. You will pay or reimburse use 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 the Franchise Agreement, whether assessed on you or on us. We will pass on to you taxes we must pay directly to any taxing authority.

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**Item 6
OTHER FEES**

OTHER FEES*

Type of Fee	Amount	Due Date	Remarks
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
Renewal Fee	25% of our then-current franchise fee (currently \$3,750) for a standard renewal 25% of our then-current satellite franchise fee (currently \$1,250) for a satellite renewal \$1,000 for a short-term satellite renewal		
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

Type of Fee	Amount	Due Date	Remarks
		Sublicense or when required by landlord if leased directly.	paid to leasing affiliate or landlord/licensor (in our discretion). See Note 6
Equipment Purchase and Freight Charges	Cost of equipment plus buffer to cover freight charges, taxes, and other costs	When you place order	See <u>ITEM 5</u> and <u>ITEM 7</u>
Insurance	\$1,000 - \$6,000 per year	When you sign lease, license, Sublease or Sublicense	See Note 7
Indemnification	All liability, damages and costs, including lawyers' fees, incurred.	When incurred by us or other indemnified party	See <u>ITEM 7</u>
Noncompete Violation	\$15,000 for each competing business plus 8% of its gross sales	Upon competition	See Note 8
Confidentiality Violation	Our damages	Upon violation	See Note 9
Trademark Violation	\$250 per day	Upon violation	See Note 10
Limited Time Offering and Auto Shipment	Costs vary, depending on the product to be shipped	Varies	At this time, payable to the IPC. See Note 11
Dispute Resolution	Half of arbitration fee, except you will pay the whole fee plus costs, including lawyers' fees, management preparation time, and travel expenses if you withhold money from us or an affiliate	Your share of the arbitration fee will be due upon invoicing from the third party	See Note 12
	If you breach the provisions of the Franchise Agreement regarding mandatory arbitration, or restrictions on damages or against whom you can arbitrate, or the proper forum for an action, you will pay our expenses and the expenses of anyone you name improperly, including lawyers' fees; you will be liable for abuse of process	You will pay our expenses or the expenses of a person you name improperly when we request when you violate the provisions of the Franchise Agreement	
Co-Brand Continuing Fee	0%-8% of total gross sales of a co-brand concept	Payable weekly	See Note 13
Fees Charged by Co-Brand Franchisor	Fees and rates set by third party co-brand franchisor	Payable weekly when your royalty to us is due	We may act as collection agent for third party co-brand franchisor. See Note 13 and <u>ITEM 1</u>

Type of Fee	Amount	Due Date	Remarks
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
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 \$0.22 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

Type of Fee	Amount	Due Date	Remarks
	<p><u>Payment Terminal Fees</u></p> <p>- P400 terminal kit is 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>	-Available for purchase from our approved terminal vendor	
Subway® Gift Card Fees	<p>Currently as follows:</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® Gift Card is redeemed</p> <p>-Additional Subway® Gift 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>Fees are subject to reasonable increases as set forth in the ordering system pricing updated from time to time.</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. Currently, this fee only applies to non-traditional Restaurants.</p>
Subway® MVP Rewards Program	1.9%, subject to any annual adjustments, of the gross sales,	Payable weekly	We or FWH will withdraw these fees from your DAL

Type of Fee	Amount	Due Date	Remarks
	for each transaction made by a Subway® MVP Rewards program member at your restaurant		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 <u>ITEM 5</u> , <u>ITEM 7</u> , <u>ITEM 10</u> and <u>ITEM 11</u> and Note 19
Digital Menu Board Hardware-as-a-Service Fee	\$155 per month	Payable monthly	The digital menu board package includes four 49” professional grade high 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	CapEx charges are as follows: For a 4-Screen Indoor Digital Menu Board: \$8,200 per restaurant For a 3-Screen Indoor Digital Menu Board: \$7,650 per restaurant For a 2-Screen Indoor Digital Menu Board: \$7,150 per restaurant In all cases: \$39 per month	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.
Kount Fraud Protection Fee	Currently, \$0.0068 per digital transaction, subject to increase if vendor price increases	Monthly	This fee will be billed to your pre-authorized account and paid to our current vendor, Kount, to provide digital transaction fraud protection services.
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.

Type of Fee	Amount	Due Date	Remarks
			See Note 15
Restaurant Design Charge	<p>Currently, as follows:</p> <p>Remodels: \$1,000 for 1 original plus one revision floor plan; \$250 for additional revisions</p> <p>New Restaurants and Relocations: \$1,000 for 1 original plus 2 revision floor plans; \$250 for additional revisions</p>	Varies	<p>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.</p> <p>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.</p> <p>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.</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	Payable weekly when a guest places an order with	Paid to a third party. See Note 18

Type of Fee	Amount	Due Date	Remarks
	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	the call center or website to be fulfilled by your restaurant	
Restaurant Excellence Visits Revisit Fee	\$136.59 per revisit, subject to increase by 3% per year Effective January 1, 2025, the Revisit Fee will increase to \$140.69 per revisit (subject to increase by 3% per year).	Varies	Paid to a third party. See Note 20.
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 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 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.

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 certain fees, to carry out repairs and to recover costs. Any right of first refusal to purchase the restaurant property provided in the master lease shall remain with our affiliate or its assignee.

In order to lease directly from the landlord in lieu of a Sublease, you must request in writing and we must approve in writing the landlord's form of lease, including any modifications, amendments, renewals or extensions of the lease. In addition, you and the landlord must execute our Franchisor Lease Rider in a form substantially similar to Exhibit D-1. You will sign the lease directly with the landlord and you will pay all costs associated with the lease.

In limited instances, we may enter into master agreements granting us a master license with the right to sublicense to you the right to operate on the premises of a third-party licensor. Under this circumstance you would be required to enter into a Sublicense for the location instead of a Sublease. We may also require you to sign a license for your restaurant, in limited circumstances, where it would be inadvisable for you to sign a Sublease or where the premises for your restaurant can only be licensed. For example, we may require you to sign a license instead of a Sublease if petroleum products, controlled by another, are sold on the premises where your restaurant will be located. You will

pay the licensor either a fixed monthly fee or a fee based on the percentage of your gross sales depending upon the terms of the license.

For non-traditional locations such as truck stops and gas stations where there were or currently are fuel tanks or fuel pumps located on the property, the policy of ours and our leasing affiliate is to enter into a Concession Agreement, rather than a lease, to secure the location. A Concession Agreement may limit the liability of you, us and our leasing affiliate in the event of an environmental disaster caused by petroleum products, such as a tank leak or fire. Under this circumstance you would be required to enter into a Subconcession Agreement with our leasing affiliate for the location instead of a Sublease. You will pay the Concessionor a monthly concession fee plus all costs associated with the Concession Agreement.

In limited circumstances, our leasing affiliate may enter into a contract for premises, when required by the licensor of a non-traditional location. Under this circumstance, we may also require you to sign a Subcontract with our leasing affiliate and you will be required to pay all charges associated with the contract.

There are risks involved if your arrangements with a third party are short term. For example, if an oil company controls the premises and you have only a 3-year agreement to operate a service station, your Franchise Agreement with us could become valueless and you could lose your investment in the restaurant if the oil company does not renew its agreement with you at the end of the three year period.

In some circumstances, we and/or our affiliate may earn a profit from your Sublease or Sublicense. You may have to make payments directly to our affiliate for rent that is in excess of the cost of the lease as well as an initial fee to process the lease. We or our affiliate may also keep all or a portion of any landlord or government payment for early termination of the lease. This compensation may be partially attributed to lost royalties, loss of market penetration, extended down time, and other factors associated with the termination of the lease.

In certain circumstances, we may permit you to own the real estate for your restaurant directly.

Note 7. *Insurance.* Your insurance costs may be higher depending upon the geographic location, construction of your restaurant, insurance market and claims history. Insurance payments must be made through Electronic Funds Transfer (“EFT”) directly to the insurance carrier. If you are a school district, school board, or municipality buying a school lunch franchise and you are not allowed by law to provide the required insurance coverage or indemnification, you must notify us before you sign the Franchise Agreement. You must participate in any insurance program we specify. If you fail to meet our insurance requirements, you are in violation of your Franchise Agreement, and you will reimburse us for the costs we incur to enforce this obligation. These costs include, but are not limited to, insurance premiums, claims costs, mediation and arbitration fees, court costs, attorneys’ fees, management preparation time, witness fees, and travel expenses incurred by us or our agents or representatives.

Note 8. *Noncompete Violation.* You cannot have any direct or indirect association with a competitive business, as defined in the franchise agreement, located within 3 miles of any location where a Subway® restaurant operates or operated in the prior year during the term of your Franchise Agreement and for 1 year after the termination, expiration or transfer of your Franchise Agreement. These fees are nonrefundable. We modify these covenants for a non-traditional or school lunch location.

Note 9. *Confidentiality Violation.* You agree not to disclose our trade secrets and confidential information, including the contents of the Operations Manual.

Note 10. *Trademark Violation.* You agree to stop using the trademark Subway® and other marks and materials associated with a Subway® restaurant, and to return whichever form of the Operations Manual you have in your possession when your Franchise Agreement terminates or expires.

Note 11. *Limited Time Offering Promotions and Auto Shipments.* You may be required to carry certain ingredients, products, packaging or smallwares for Limited Time Offering (“LTO”) promotions, and to use the ingredients, products or packaging for these promotions until they are depleted at both the restaurant and distributor. Ingredients, products, packaging and/or smallwares necessary for LTOs may be automatically shipped to you one or more times throughout the duration of the LTO and you will be responsible for the costs of the shipment(s). In limited

circumstances, other required items may be automatically shipped with prior notice to you when necessary to provide the item(s) to restaurants quickly and efficiently, and you will be responsible for the cost of the item(s) as well as the shipment(s).

Note 12. *Dispute Resolution.* For fee information concerning arbitration, you can call your local office of the American Arbitration Association, American Dispute Resolution Center, or other arbitration agency (as applicable). You will also have to pay your own costs related to the proceeding, including the costs of your own lawyer or other advisors as well as travel expenses to Connecticut. You may also be liable to us for our collection costs, including lawyers' fees. You will pay our leasing company affiliate its costs for enforcing the Sublease or Sublicense, including lawyers' fees and legal costs, as additional rent/ licensing fees under the Sublease or Sublicense.

You will pay us a Probationary Case Management fee of \$500 if you breach the provisions of the Franchise Agreement and we settle with you and allow you to continue operation of your restaurant on the condition that you comply with the terms of our probationary agreement. You will pay us an extension fee of \$250 if we grant you an extension of the probationary agreement. You will pay us an Interim Order Case Management fee of \$250 if you breach the provisions of the Franchise Agreement and we settle with you after arbitration has been filed to allow you to continue operation of your restaurant on the condition that you comply with the terms of our interim order. You may also have to pay additional fees as part of a settlement. If we commence arbitration against you for failure to comply with the Operations Manual and we then approve the transfer of your restaurant, you may be required to pay us a Litigation Expense fee in an amount equal to 5% of the gross consideration you receive from sale of your restaurant, not to exceed \$5,000. These fees cover our costs to enforce your obligations to meet our system standards.

You should read Section 24 of the Franchise Agreement carefully. It contains other important provisions concerning dispute resolution including the requirement that arbitration be administered by the American Arbitration Association or its successor ("AAA") or the American Dispute Resolution Center or its successor ("ADRC") at the discretion of the party first filing a demand for arbitration. AAA will administer the arbitration in accordance with its administrative rules (including, as applicable, the Commercial Rules of the AAA and the Expedited procedures of such rules). The ADRC will administer the arbitration under its administrative rules (including, as applicable, the Rules of Commercial Arbitration or under the Rules for Expedited Commercial Arbitration). If both the AAA and ADRC are no longer in business, we and you will mutually agree upon an arbitration agency to administer the arbitration. If we and you cannot agree on the administrative arbitration agency, then a court of competent jurisdiction will select the agency. Section 24 of the Franchise Agreement also provides a limitation that you can only seek relief from us and not any of our affiliates or individuals associated with us or our affiliates. You must pay certain fees and costs for the arbitration. The provisions in the Franchise Agreement concerning arbitration and litigation do not apply to your Sublease, Sublicense or any other agreement with us or our affiliates. Our designated affiliate may terminate your Sublease or Sublicense without us also terminating your Franchise Agreement. This may render your Franchise Agreement valueless.

Section 24 also contains important provisions limiting your right to recover damages, including an exclusion for incidental, exemplary, contingent, punitive or consequential damages, except where prohibited by governing law.

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®, 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.

When you use the SubwayPOS® software, you will be bound by the SubwayPOS® End User License Agreement in a form substantially similar to Exhibit A-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® End User License Agreement in order to access required software updates.

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 SubwayPOS® software through alternative means.

You are also required to use the Subway® Payment Manager (“SPM”) software in connection with offering integrated credit/debit, contactless and mobile device guest payment options, Subway® Gift Card Program and Subway® 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® Gift Card Program, Subway® 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® Gift Card Program and Subway® 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. *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 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)	106,785	157,532	208,845	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>	\$238,623 \$199,135	\$393,927 \$282,077	\$536,745 \$403,745			

All figures in this Item 7 are estimates only. Actual costs will vary for each franchisee and each location.

Certain non-traditional locations and locations operating within Walmart stores may participate in a co-brand arrangement with AUNTIE ANNE'S® stores. If you are participating in one of these locations, there may be additional costs and your initial investment costs may be higher.

If you are offering our additional menu items under the Store/Marketwide Option Program described in Item 1, you will have additional costs. We provide these costs below.

NOTES:

Note 1. *Initial Franchise Fee.* The initial franchise fee is \$15,000. The initial franchise fee may be lower for additional franchises or if you qualify for a reduced fee. We currently offer a discount of the franchise fee for qualified US Veterans purchasing a franchise. We are currently waiving the initial franchise fee for satellite locations located in the same facility as the Base Restaurant and for oil company retailers who have at least 50 units and convert an existing sandwich business that they created, own and operate at their facility into a Subway® restaurant. The initial franchise fee for a satellite location is \$5,000 or \$1,000 if the satellite location will be in operation for a shorter term of one year or less.

Note 2. *Real Property.* We estimate this amount to be the deposit of 2 months' rent payable when you sign the Intent to Sublease or a direct lease with the landlord. This represents a security deposit of one month's rent and payment of one month's rent. You may pay a significantly higher security deposit if our affiliate leasing corporation cannot obtain a lease with a reduced security deposit or if you rent directly from a landlord under a direct lease rather than under a Sublease. You make direct payments to the master landlord for anything due under the Sublease and master lease terms; or, if you lease directly from the landlord, you will make direct payments to the landlord. This could vary if you use a portion of the premises for other than a Subway® restaurant. Each of your owners will sign and deliver to our affiliate a guarantee of the payment obligations under the Sublease. The master landlord under a Sublease, or landlord under a direct lease, may require you to personally guarantee the lease. You will also pay \$50 to our affiliate when you sign the Sublease as a nonrefundable fee for administrative costs to record the lease. In addition, you will be responsible for any additional costs associated with recording the lease. The \$50 nonrefundable fee and additional costs are estimated in the entry for Miscellaneous Expenses in this chart.

Under certain circumstances, your landlord or the licensor may require us or one of our affiliates to make rental payments for your restaurant to them on your behalf. All rental payments and related charges we pay on your behalf will be deducted from your pre-authorized account with us, which you agree to adequately fund for such payments when due. Review the terms of your Sublease for circumstances where your rental payment may be refunded. In some cases, you may sign a license or sublicense for your restaurant when the premises can only be licensed. Depending upon the terms of the license, you may be required to pay the licensor an advance fee when you sign the license.

Real estate costs vary widely, but we estimate the typical monthly rent expense runs from \$1,000 per month to a high of \$6,000 per month. The typical restaurant measures approximately 1,375 square feet, but some restaurants are as small as 300 square feet and others as large as 2,000 square feet. Restaurants are in a wide range of locations, including strip centers, enclosed malls, food courts, free standing buildings, downtown locations, and seasonal and non-traditional sites. Factors such as these will affect your costs, which may be higher than our estimates.

In certain circumstances, we may permit you to purchase the real estate for your restaurant. If you choose to do so, and if we permit you to do so, your initial real estate costs could be substantially higher, depending upon your financing arrangement, including the amount of any down payment.

Note 3. *Leasehold Improvements.* We estimate these costs to be the costs to build out your restaurant in accordance with the standards and specifications in the Operations Manual. Your local law may require use of a grease trap in your restaurant. This may increase your leasehold improvement costs between \$8,000 and \$12,000 depending upon the location of the grease trap.

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 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

the other entities or individuals in the preceding sentence as an additional insured. We may change or increase your insurance requirements due to changes in experience, and you must comply with the new requirements. The estimated cost is for one year for property, and general liability coverage, but does not include any Workers' Compensation, Employers Liability, Employment Practices Liability Insurance, health insurance, or other benefits, or Auto Liability. Your insurance costs may be higher depending upon the geographic location, construction of your restaurant, the insurance market, and claims history. You must defend and indemnify us, our affiliates, SIP, SFAFT, the Business Developer, our agents, representatives, shareholders, directors, officers, employees, and those of our affiliates and the Business Developer against any claims that arise in or in connection with the operation of your restaurant or , against any claim for which we and/or our affiliates have to indemnify the Master Landlord under the master lease for your restaurant, regardless of cause or any fault or negligence.

If you are a school board, school district, or municipality buying a franchise for a school lunch location, you must notify us before you sign the Franchise Agreement if the law prevents you from providing the required insurance coverage or indemnification. We may elect to amend your Franchise Agreement to delete the unlawful insurance coverage or indemnification requirements.

We have designated one or more approved insurance brokers and their associated carrier(s) from which you must buy your insurance under our Gold Standard Insurance Program for each of your restaurants. We have negotiated to provide an insurance package, including property, general liability, auto liability, statutory Workers' Compensation, business income, and additional forms of insurance coverage for Subway® franchisees. At the brokers' direction, the carriers will name all the additional insureds your Franchise Agreement and Sublease or Sublicense, if any, requires and will also provide insurance certificates to us and our real estate affiliate. You must make payments directly to your insurance carrier via EFT. If your insurable interest in the facility in which the restaurant is located is greater than the restaurant, subject to our written approval and your signing the Franchise Agreement Rider, Part I, you may maintain a program of self-insurance or buy your insurance through your local insurance broker or carrier. If you own another business operating on the premises where your restaurant is located, subject to prior written approval, we may allow you to buy your insurance from the broker or carrier, who places the insurance for the other business. In these cases, which we allow you to obtain your insurance from a source other than that approved under our Gold Standard Insurance Program, your broker or agency must meet our requirements relating to Errors & Omissions coverage, indemnification and reporting specifications and place your insurance with a carrier maintaining a rating of at least A-/IX in Best's Insurance Guide.

You must buy your insurance from the brokers and companies we designate and provide indemnification under our current language for all of your restaurants.

Neither we, nor our affiliates receive any income from placing insurance coverage or benefit plans with any insurance broker or carrier.

Note 6. *Training Expenses.* You do not pay us a training fee but you will be responsible for all personal expenses for the training, including transportation to the designated training restaurant, lodging, meals, wages, and benefits for any of your employees. We may substitute a shorter training program for school lunch franchisees but you may have travel costs depending on where you receive your training. We do not charge a separate training fee for school lunch franchises, but we may do so for franchises purchased in the future, if we are waiving the initial franchise fee at that time.

Note 7. *Miscellaneous Expenses.* You must pay the cost of all permits, licenses, registrations, certifications, utilities, or other consents required for leasing, constructing, or operating your restaurant. The \$50 nonrefundable fee and any additional costs associated with recording the lease that you pay to our affiliate are included in the total. You may have to pay data use charges in connection with any wireless internet service and a transmission fee to transmit data from your restaurant to our designated database. In addition to these expenses your municipality may assess impact fees on your Subway® restaurant location. Impact fees are charges assessed by your municipality against new development projects, such as your restaurant, in an attempt to recover the cost incurred by the municipality in providing the public facilities required to serve the new development. Impact fees may vary among municipalities; however, we estimate these fees to be between \$5,000 and \$25,000. These fees are nonrefundable.

In accordance with Nevada state law, you will 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 a Subway® restaurant located in or contemplated in Nevada. If we do not designate your architect, the architect you use must be approved by us and will be required to sign a non-disclosure agreement. You will be required to utilize the architect's services for the design and construction of your restaurant. The Store Design Department of FWH will have the right to approve or disapprove any plans used in the construction of your restaurant. You will be solely responsible for all fees charged by the architect. We estimate these fees to be between \$1,500 and \$3,000.

Note 8. *Additional Funds.* This is an estimate only of the range of initial start-up expenses for 3 months. These expenses assume you lease your equipment from us, and include payroll costs but do not include royalty, advertising fees, or food costs or any allowance for an owner's draw. The actual amount of additional funds you will need to operate for three months depends on a variety of factors, including the size and location of your restaurant, your own management skill, economic conditions, competition in the area of your restaurant, the sales level reached during this period, and other factors. We cannot estimate the operating results of your restaurant. We disclaim that by providing these estimates of your costs we are making any representation that you will have any level of sales. The estimates are of your costs only and do not reflect any offsetting sales revenue you may earn from operations to help pay these costs. We do not make earnings claims. The estimate of Additional Funds for three months shown in the above chart is not an estimate of working capital you will need, but relates only to certain expenses for the time period stated. The time period of three months is not a representation of when you should expect to break even, if ever.

Note 9. *Opening Advertising.* You must hold a grand opening sale within 4 to 8 weeks after the opening your restaurant or a change in the ownership of your restaurant. In addition to new restaurants, this grand opening sale requirement applies to all restaurants that relocate, remodel, or transfer to a new franchisee. If the transfer consists of an addition or deletion of a name, the restaurant is not required to hold the sale. We recommend that you spend at least \$2,000 on the grand opening sale.

Note 10. *Outside Signs.* These costs do not apply to school lunch locations.

Note 11. *Total.* These figures are estimates of the complete investment for setting up a Subway® restaurant and operating it for three months. It is possible to significantly exceed in any of the areas listed. Your costs could also be substantially lower if you are purchasing a non-traditional, satellite or school lunch location. Some costs will vary in relation to the physical size of your restaurant. A lower cost restaurant is one that will require fewer leasehold improvements, less seating, and fewer equipment purchases. Moderate and higher cost restaurants may require extensive interior renovations, extensive seating, and additional equipment. It may not be possible for you to construct your restaurant at the location you selected at the lower or moderate total investment cost listed above. To avoid excessive construction costs, we strongly recommend you choose contractors carefully by obtaining several competitive bids before construction begins. The above figures do not include extensive exterior renovations or "key money" to the master landlord. We have relied on our own experience of over 50 years in the restaurant business to compile these figures.

This Item 7 presents the estimate initial investment to develop a new Subway® restaurant. If you purchase an existing restaurant, the purchase price you pay for the restaurant may vary from the estimates presented in this Item 7. In certain cases when you agree to buy an existing restaurant, we may require you to pay a deposit. The amount of the deposit is usually a certain percentage of the purchase price and will vary depending on the amount of the purchase price.

If you participate in our multi-unit development program, with our approval, 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, as described in Item 5. 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. Therefore, the estimated initial investment under the development program, which includes the estimated initial investment to develop your first new restaurant, plus the development fee to be paid under the Development Agreement, is as follows:

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>	\$246,123 \$206,635	\$431,427 \$319,577	\$604,245 \$471,245			

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.

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 ¹	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 ²	\$2,610	\$5,200

¹ Equipment for the soup program is optional.

² All costs are nonrefundable. See Item 10.

Actual costs will vary for each franchisee and each location. This additional information concerning additional product lines is subject to the qualifications and notes mentioned above.

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Item 8 RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Approved Products and Services

You will purchase all required food, equipment, beverages, and other products or services typically used in Subway® restaurants exclusively from an approved distribution center or another approved source, which could be us or our affiliate, as we may designate. If there is not a designated distribution center or other approved source, you must purchase or lease other food products, packaging materials, construction materials, equipment, items bearing the Subway® trademark, and other products and materials required for the operation of your restaurant in accordance with our specifications. We consider our criteria for approving suppliers to be a proprietary trade secret, and therefore we do not make them available to franchisees.

You may order your food and beverage products, smallwares, and other supplies through an approved web-based portal, where the list of approved suppliers and products available per Distribution Center is available. If there are cases where approved products or services you use in your restaurant are no longer available at the Distribution Center, Subway will coordinate for substitutions or provide waivers as needed, but franchisees are not allowed to independently source products. We may withhold approval for a substitute supplier for a legitimate business purpose, including identification of the system with one recognized brand, obtaining volume price benefits, or achieving uniform quality, procedures or systems.

We may change our specifications and supplier designations as a result of experience or changes in the marketplace or law. If you purchase a franchise for a school lunch location, you may have to modify the menu items with different specifications in order to satisfy nutritional requirements.

Limited Time Offerings

Your choice of products and supplies, however, may be limited by the market in which you are located under the Marketwide Option Program. You may be required to carry certain ingredients, products, packaging or smallwares for LTO promotions, and to use the ingredients, products or packaging for these promotions until they are depleted at both the restaurant and distributor. Ingredients, products, packaging and/or smallwares necessary for LTOs may be automatically shipped to you one or more times throughout the duration of the LTO and you will be responsible for the costs of the shipment(s). In limited circumstances, other required items may be automatically shipped with prior notice to you when necessary to provide the item(s) to restaurants quickly and efficiently, and you will be responsible for the cost of the item(s) as well as the shipment(s).

Approved Supplier and Product Criteria and Alternative Supplier Approval

We consider the manner in which we establish our standards and specifications, as well as our criteria for supplier approval, to be confidential, and have no established policy to provide this information to franchisees or other unapproved suppliers. The goal of establishing and approving a specification is to promote consistency across the Subway® system, regardless of the supplier. All food product suppliers must successfully complete an application process and may be required to submit product samples for examination and testing. Prospective equipment and supplies vendors must meet or exceed our specifications for the equipment or supplies. Equipment and supplies vendors may have to pay an application fee and submit samples. Standards and specifications for non-food products include minimum requirements for weight, delivery, performance, warranties, design, and quality control. Approved suppliers are required to pay any fees associated with any testing or auditing of their products, which may result in an upcharge on certain products. Suppliers may also pay all or part of the costs to test new products. These costs include market research, consumer interviews, the production of point-of-sale advertising materials and the production of television pieces.

Suppliers must successfully complete our application and approval process before start supplying any products across the Subway® System. To request approval of a supplier, franchisees must submit the request in writing to our Food Safety and Quality Department. We will advise you within a reasonable time whether the supplier is approved. The

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.

Our affiliate, FWH, will provide full support for the SubwayPOS® software. 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 Required Suppliers

One or more of our officers owns an interest in Schoox, our training platform, and publicly-traded stock in three of our required suppliers, PepsiCo, Inc., The Coca-Cola Company and Microsoft. In addition, some of our franchisees and our Business Developers may have interests in various required suppliers. Other than that, no current officers of DAL have any ownership interest in any 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 2023, we derived \$15,211 in revenue from franchisee required purchases, which is approximately 0.002% of DAL's total revenues of \$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 2023, we derived \$100,530,813 in revenue from these various contributions and discounts.

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

1. FWHT received \$23,334,891 in revenue from franchisee required purchases.

2. FWH collected \$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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Item 9
FRANCHISEE’S OBLIGATIONS

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

<i>Obligation</i>	<i>Section in Agreement</i>	<i>Item in Franchise Disclosure Document</i>
a. Site selection and acquisition/lease	Franchise Agreement (“FA”) Section 4; Franchise Agreement Rider (“FAR”) Section I.D, II.D I.J, II.D, IV.F Dual Location Test Rider (“DLTR”) Section D Co-Brand Location Rider (“CBLR”) Section D Multi-Unit Franchise Agreement (“MUFA”) Section 4	Items 1, 6, 7, 8, 11 and 12
b. Pre-opening purchases/leases	FA Section 5, 7, 10 FAR Section I.D, II.D, IV.F DLTR Section D CBLR Section D MUFA Section 5, 7, 10	Items 7, 8 and 10
c. Site development and other pre- opening requirements	FA Section 5, 6, 7, 10 FAR Section I.D, I.a.A, II.D, II.E, IV.F, IV.G DLTR Section D CBLR Section D MUFA Section 5, 6, 7, 10	Items 6, 7, 8, 11 and 17
d. Initial and ongoing training	FA Section 6, 10 FAR Section I.C, I.a.A, II.C, II.E, IV.F MUFA Section 6, 10	Items 11 and 15
e. Opening	FA Section 6, 10 FAR I.D, II.D MUFA Section 6, 10 Development Agreement (“DA”) Section 4	Items 7 and 11
f. Fees	FA Key Contract Data Page, Section 3, 4, 6, 10, 11, 13, 16, 18, 19, 20, 21, 22, 23, 24 FAR Section I.D, I.G., I.H. I.I., III.A, IV.C, IV.F, IV.K, IV.M, IV.N DLTR Section C, D CBLR Section D, E MUFA Section 3, 4, 6, 10, 11, 13, 16, 18, 19, 20, 21, 22, 23, 24 DA Section 3	Items 5, 6, 7, 10 and 17
g. Compliance with standards and policies /Operations Manual	FA Section 5, 6, 8, 9, 10, 11, 12, 13, 14, 15, 16, 21, 22, 24 FAR Section I.D, II.D, II.K, IV.B, IV.E, IV.F, IV.G, CBLR Section D MUFA Section 5, 6, 8, 9, 10, 11, 12, 13, 14, 15, 16, 21, 22, 24 DA Section 6	Items 8, 16 and 17
h. Trademarks and proprietary information	FA Section 5, 8, 15, 19, 23 CBLR Section D MUFA Section 5, 8, 15, 19, 23 DA 2, 9, 15	Items 6, 13, 14 and 17
i. Restrictions on products /services offered	FA Section 9, 10, 11, 12, 14 FAR Section I.F, II.H, IV.B, IV.G, CBLR Section D MUFA Section 9, 10, 11, 12, 14	Items 8 and 16
j. Warranty and guest service requirements	FA Section 9, 10 MUFA Section 9, 10	Items 8 and 16

<i>Obligation</i>	<i>Section in Agreement</i>	<i>Item in Franchise Disclosure Document</i>
k. Territorial development and sales quotas	FA Section 4 MUFA Section 4 DA Section 4	Item 12
l. Ongoing product /service purchases	FA Section 5, 7, 9, 10, 11, 12, 14, 19, 21 FAR Section I.B, I.F, II.H, IV.B, IV.G CBLR Section D MUFA Section 5, 7, 9, 10, 11, 12, 14, 19, 21	Item 8
m. Maintenance, appearance and remodeling requirements	FA Section 5, 8, 9, 10, 12, 14, 19 MUFA Section 5, 8, 9, 10, 12, 14, 19	Items 11 and 17
n. Insurance	FA Section 9, 12, 19, 21 FAR Section I.D, II.G, IV.H, CBLR Section D MUFA Section 9, 12, 19, 21	Items 6, 7 and 8
o. Advertising	FA Section 5, 9, 10, 12, 13, 14, 19 FAR Section III, IV.I, CBLR Section D MUFA Section 5, 9, 10, 12, 13, 14, 19	Items 6, 7 and 11
p. Indemnification	FA Section 20, 24 FAR Section II.G MUFA Section 20, 24 DA Section 11	Items 6 and 7
q. Owner's participation/ management/staffing	FA Section 10 MUFA Section 10	Items 11, 15 and 19
r. Records and reports	FA Section 16 FAR Section I.G, II.I CBLR Section D MUFA Section 16	Item 6
s. Inspections/audits	FA Section 8, 10, 13, 16 FAR Section II.I CBLR Section D MUFA Section 8, 10, 13, 16	Items 6 and 11
t. Transfer	FA Section 17, 18 FAR Section I.a.B, IV.M CBLR Section D Transfer Addendum, Exhibit G-2 MUFA Section 17, 18 DA Section 8	Items 6 and 17
u. Renewal	FA Section 3 FAR Section II.K, IV.K Renewal Addendum, Exhibit G-1 MUFA Section 3 DA Section 5	Item 17
v. Post-termination obligations	FA Section 8, 15, 19, 23 FAR Section I.F, II.H MUFA FA Section 8, 15, 19, 23	Items 6 and 17
w. Non-competition covenants	FA Section 19 FAR Section I.F, II.H MUFA Section 19	Items 6, 15 and 17

<i>Obligation</i>	<i>Section in Agreement</i>	<i>Item in Franchise Disclosure Document</i>
x. Dispute resolution	FA Section 24 MUFA Section 24 DA Section 15	Item 17

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**Item 10
FINANCING**

SUMMARY OF FINANCING OFFERED

Item Financed	Source	Down Payment	Amount Financed	Term (Yrs)	Interest Rate	Monthly Payment (At Max. Loan)	Prepay Penalty	Security Required (Note 1)	Liability Upon Default	Loss of Legal Right on Default
Leased Space Note 2	(Our Designated Affiliate)	Approx. \$2,000 to \$12,000 (See Item 7)	Varies	Varies	Not Applicable	Approx. \$1,000 to \$6,000 per month (See Item 7)	Not Applicable	See Down Payment *Depends on master lease	*Entire bal. due w/interest *Costs and legal fees *Termination of Sublease *Default under FA	*You lose right to enforce Sublease
Varies – in connection with a Subway® restaurant Notes 3, 4	(Us)	Negotiable One-time fee of 1% of the loan amount for any loan guarantee we make on your behalf.	Negotiable	Negotiable	Negotiable	Varies	None	Varies	Same as Franchise Fee Above	Same as Franchise Fee Above
Equipment Leasing Note 5	Huntington Technology Finance	None	Varies by piece of equipment	3 year Initial Term, with options to renew for two years	Not Applicable	Varies by piece of equipment	None; lessee may purchase equipment for fair market value	None, but lender keeps title to equipment	*Payment of all lease payment due under the term of the lease *Repossession of equipment *Costs and legal fees *Default under FA	Repossession without court order
DAL Guaranty of RTaaS Payments Note 6	HP or other then-current approved vendor	None	Then-current fee; currently, \$57 per month	Varies	Not Applicable	Currently, \$57 per month	Not Applicable	None, but HP keeps title to POS System hardware	*Liquidated Damages *Repossession of equipment *Costs and legal fees *Default under FA	Repossession without court order

Note 1. All shareholders or other equity holders must guarantee your obligations under any financing arrangements. See Item 15 and 17.

Note 2. If you enter into a Sublease or Sublicense for the restaurant premises, our designated affiliate will enter into the master lease or license with the landlord. The landlord is usually an unrelated third party. The Sublease or Sublicense (as applicable) incorporates the landlord’s form of lease or license, which will vary. You should read the master lease or license (as applicable) and the Sublease or Sublicense (as applicable) carefully. You may also want to review these documents with a lawyer. You must pay a security deposit, equal to two month’s rent, when you sign the Intent to Sublease. The landlord may also require you to pay “key money”.

Under the Sublease or Sublicense, the costs and obligations of the master lease or license between our affiliate and the landlord, are passed onto you, and we may earn a profit by charging you an amount in excess of these costs. When you enter into the Sublease or Sublicense, our affiliate is not relieved from its obligations under the master lease or license. Under a Sublease or Sublicense, you pay the rent or license fee for your restaurant to the landlord of the premises or to our designated affiliate, at our option. See Sublease, Section 3 or Sublicense, Paragraph 6 (as applicable) and the Franchise Agreement. You may have the right to prepay the lease without penalty; however, many lease agreements do not allow payments to be made more than 1 or 2 months in advance. Under certain circumstances, your landlord or the licensor may require us or one of our affiliates to make rental payments for your restaurant to them on your behalf. All rental payments and related charges we pay on your behalf will be deducted from your pre-authorized account with us, which you agree to adequately fund for such payments when due.

You may hold over at the end of the term of the Sublease only with the written consent of our affiliate. During such hold over tenancy your rent will increase to an amount equal to 200% of the rent amount that existed immediately prior to the expiration date of the Sublease. See Sublease Section 2.3.

Our leasing affiliate may earn a profit if you use a portion of the leased or licensed premises for any business other than a Subway® restaurant. We and our affiliated leasing companies have an interest in compensation which often may include, but is not limited to, lost royalties, loss of market penetration, extended down time and other factors associated with the termination of a lease. We or our affiliate may also keep all or a portion of any landlord or government payment for early termination of the lease. See Items 5 and 8 and Exhibits D and D-1. Our affiliate may assess late payment fees and other costs arising from the administration of the lease. Our affiliate has the same rights as the landlord on default to charge you for certain fees, to carry out repairs and to recover costs. You are responsible for all costs associated with making alterations to the premises to conform to our then current image of the Subway® brand. In connection with any such alterations exceeding \$20,000, our affiliate may require you to obtain a surety bond in the amount equal to the estimated cost of the alterations. You will be responsible for any costs associated with obtaining the surety bond.

Each of your owners will sign and deliver to our affiliate a guarantee of the payment obligations under the Sublease. The landlord may also require you to personally guarantee the lease or license.

The landlord may require a right of first refusal if you want to transfer your restaurant. The master lease may contain a right of first refusal to purchase the property in which your restaurant operates. Our affiliate will not include with your Sublease the ability to exercise this right to purchase the property. In the event your landlord elects to sell the property, any right of first refusal to purchase the property shall remain with our affiliate. Our affiliate may assign its right of first refusal to an assignee of its choosing, which may be an affiliate or your Business Developer. In the event our affiliate or its assignee exercises its right of first refusal and purchases the property where your restaurant is located, our affiliate or its assignee will become your landlord.

The individuals who sign the Franchise Agreement must also sign the Sublease and are personally liable for payments under the Sublease. If you default under the provisions of the master lease or license, our affiliate may terminate the Sublease on 10 days' written notice, and you must surrender and leave the premises. See Sublease, Sections 1 and 5 and Sublicense Paragraph 4. A default under the Sublease or Sublicense is a default under your Franchise Agreement (Franchise Agreement Section 22) and we may terminate your Franchise Agreement. Conversely, a default under your Franchise Agreement will be a default under your Sublease or Sublicense (as applicable). See Sublease, Section 8 and Sublicense Paragraph 4. In such case, our affiliate may evict you if you do not leave. Any action to enforce our affiliate's rights against you under the Sublease is not considered an arbitrable dispute under the Franchise Agreement, and is not subject to arbitration required under the Franchise Agreement. See Franchise Agreement, Section 24. Under the Sublicense, you and our affiliate waive trial by jury. See Sublicense, Paragraph 4. You will remain liable for payment of the balance of the rent or license fee due under the master lease or license, and you will be liable for attorneys' fees, other legal and court costs that our affiliate may incur in enforcing the Sublease or Sublicense. See Sublease, Section 8 and Sublicense, Paragraph 4. Our affiliate may charge you interest on all past due amounts at the rate provided in the Sublease, or in the master license if you sign the Sublicense. See Sublease, Section 3 and Sublicense Paragraph 4.

Note 3. The promissory note and security agreement permits us to declare the entire balance of the note due if you default. The promissory note and security agreement you execute will be substantially similar to Exhibit K-1. We may collect our reasonable costs of collection and lawyers' fees, calculated as 15% of the unpaid loan balance. A default under a note will also be a default under your Franchise Agreement and we may terminate your Franchise Agreement. See Promissory Note and Security Agreement, Paragraph 10 and Franchise Agreement, Section 22. You may prepay the note without penalty. You must pay the note in full if you wish to transfer your restaurant. See Franchise Agreement Section 18. The note includes a general release of claims and grants to us a security interest which will be at our discretion to determine and may be limited to the equipment or as much as all assets. You must execute pre-authorized draft forms for your note payments.

Note 4. We may lend money to franchisees in connection with a Subway® restaurant. The terms and purposes of these loans are negotiable and you will sign a promissory note and security agreement in the form of Exhibit K-1 and

described in Note 3 above. In addition, we may guarantee a commercial loan with a third-party lender for a franchisee in connection with a Subway® restaurant. There will be a one-time fee deducted from your pre-authorized account of 1% percent of the loan amount for any loan guarantee we make on your behalf.

Note 5. We have arranged for a leasing program with certain designated suppliers and lenders for bread ovens and speed ovens to be used in your restaurant. Huntington Technology Finance, Inc. is currently our designated lessor, and you will execute its form lease attached as Exhibit K-2.

Note 6. We have approved HP to offer POS hardware-as-a-service to franchisees under the RTaaS program described in Item 5. You will enter into an agreement directly with HP to obtain the approved hardware, and we will collect fees you owe to HP on HP's behalf. We may approve other hardware vendors to lease the POS System hardware to you, or offer a similar type of arrangement in the future, and we may collect any fees under the lease or similar arrangement on behalf of the vendor. You will make payments directly to HP, and we will guaranty your payments to HP; however, we reserve the right again collect RTaaS fees and related fees directly from you on behalf of the vendor.

We may change or eliminate these loan programs without any prior notice to franchisees. We and our affiliates did not discount or assign to anyone (other than an affiliate) any franchisee notes, or commercial paper, prior to January 1, 1998. When we and our affiliates do discount and assign the notes, and commercial paper to the third party, the third party may be immune under the law to claims or defenses you may have against us or our affiliate, or the equipment manufacturer.

Whether, and on what terms, you can obtain financing from third parties will depend on a variety of factors, including your own creditworthiness, the type of security you can offer, the policies of lending institutions, and the availability and cost of commercial credit generally. You may not be able to obtain a loan. Except for payments made to us or our affiliates under (i) Subleases or leases for constructed restaurants, and (ii) loans in connection with a Subway® restaurant, we and our affiliates do not receive payments for the placement of financing or providing financing. We may receive payments under the Sublease or Sublicense if you use a portion of the premises for any use other than a Subway® restaurant, or under the lease or license if the lease or license is terminated early by the landlord or the government. Except for the lease or license for your restaurant premises, we and our affiliates do not guarantee your obligations to third parties. Also, you may lose your defenses against us and others in a collection action on a loan that is assigned, as disclosed above. We do require you to sign a general release of claims as a condition of making a loan to you. The master lease or license for your restaurant may contain a waiver of notice, confession of judgment, or a waiver of defenses. Except as disclosed in this Item, we do not arrange financing from other sources.

Franchisees of the Subway® system are eligible for expedited and streamlined SBA loan processing through the SBA's Franchise Registry Program, www.franchiseregistry.com.

Item 11

FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS, AND TRAINING

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

Pre-Opening Obligations.

1. Initial training, at times and locations we designate (Franchise Agreement and MUFA Section 6, Franchise Agreement Rider Section I.C, II.C, II.E, IV.F, IX).

2. Approval of the location of your restaurant. Under the Franchise Agreement, you must operate your restaurant only at a single site of which you and we both approve. You have sole responsibility for finding a location. You may not be able to locate in a territory we grant to a franchisee with limited exclusivity rights. We will not unreasonably withhold approval of a location you find. You must submit a location approval request describing the proposed location. We will accept or reject the location within a reasonable time, providing reasons if we reject the location. We have a site review procedure conducted at our sole option to address concerns regarding the positioning of restaurants. Depending upon the results of the procedure, we may approve or disapprove a location or suspend

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 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 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 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, 2023, SFAFT spent approximately 73% of its total revenue in the United States on U.S. network media placement and other media-related expenses, 18% on production of advertisements, promotional materials, and marketing related activities such as loyalty programs and other technology initiatives, and 9% on administrative expenses. Total expenses for 2023 were approximately 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.

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 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. As part of the overall marketing strategy, SFAFT may offer other promotions in which you may be required to 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.

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, SubwayPOS® software is the only approved POS software. SubwayPOS® is the required POS software for all 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. 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.

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 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.

The SubwayPOS® software is 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 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.

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.

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. 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 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. 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.

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 points and rewards that may be used toward purchases made at Subway® restaurants. 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.

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 by way of online webinars which are led by our FWH Trainers.. The "on-the-job" training site is a Subway® restaurant. You will be responsible for your own transportation to and from "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	0.5	-	-
Guest Experience & Thru-Put	2.5	-	-
Leadership	0.5	2.0	-
Scheduling Restaurant Employees	1.0	-	-
WISR Introduction, Mechanics & Analysis	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	-	-
Total Hours	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 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 required your current manager for your restaurant to complete remedial training within thirty (30) days after we give you notice.

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Item 12 TERRITORY

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

You will not receive any territorial rights and there are no radius restrictions or minimum or maximum population requirements which limit where we can license or open another Subway® Restaurant, unless otherwise provided under applicable state law.

We do not presently intend to establish other franchises or company- or affiliate-owned outlets selling similar products or services under a different trade name or trademark, but we reserve the right to do so. In the future, we may offer our own branded product lines under a separate license. We may charge an additional license fee. We may establish units as separate franchises not located within a Subway® restaurant. We and our affiliates have unlimited rights to compete with you and to license others to compete with you. We and our affiliates retain the exclusive unrestricted right to produce, distribute, and sell food products, beverages, and other products and services, under the Subway® mark or any other mark, directly and indirectly, through employees, representatives, licensees, assigns, agents, and others, at wholesale, retail, and otherwise, at any location, without restriction by any right you may have, and without regard to the location of any Subway® Restaurant, and these other stores or methods of distribution may compete with the Restaurant and may adversely affect your sales. We may use methods of distribution other than through a Subway® restaurant location, including, but not limited to, a centralized call center, the Internet, catalog sales, telemarketing and other direct marketing. You will not receive any compensation from us in connection with any such production, distribution or sales. You do not have any right to exclude, control, or impose conditions on the location or development of any Subway® restaurant, other restaurant, store or other method of distribution, under the Subway® mark or any other mark.

Except as described in Item 1, we do not operate or franchise, or currently plan to operate or franchise, any business under a different trademark that sells or will sell goods or services similar to those that our franchisees sell. However, affiliates of ~~Buyer described on Exhibit R~~our parent, UPL, and other portfolio companies that currently are or in the future may be owned by private equity funds managed by Roark Capital Management, LLC, may operate and/or franchise businesses that sell similar goods or services to those that our franchisees sell. ~~Exhibit R~~Item 1 describes affiliates of ~~Buyer~~UPL that offer franchises, their principal business addresses, the goods and services they sell, whether their businesses are franchised and/or company-owned, and their trademarks. All of these other brands (with limited exceptions) maintain offices and training facilities that are physically separate from the offices and training facilities of our franchise network. Most of the affiliates of ~~Buyer listed on Exhibit R~~UPL are not direct competitors of our franchise network given the products or services they sell, although some are, ~~as described in Exhibit R~~. All of the businesses that ~~Buyer's~~UPL's affiliates and their franchisees operate may solicit and accept orders from customers near your business. Because they are separate companies, we do not expect any conflicts between our franchisees and ~~Buyer's~~UPL's affiliates' franchisees regarding territory, customers and support, and we have no obligation to resolve any perceived conflicts that might arise.

Your franchise entitles you to operate only at and from one location you select and we approve. In limited circumstances, due to difficulties in negotiating a lease with the landlord, the location you select may not be available to us or you and, therefore, we will not provide approval for the location. In such an event, we may approve the landlord to operate at that location. We will not grant you any options, rights of first refusal or similar rights to acquire additional franchises within a particular market area or contiguous areas.

You may solicit and accept orders for approved products offered in your restaurant which may compete with other Subway® restaurants. You may use Internet couponing, billboards and point of purchase advertising materials as a method of direct marketing, but only with our prior written approval prior to distribution.

If the lease for your Restaurant terminates without your fault, or if the site is destroyed, condemned or otherwise rendered unusable without your fault, or if in our judgment there is a change in character of the location of the Restaurant sufficiently detrimental to its business potential to warrant its relocation, we will grant permission for relocation of the Restaurant to a location and site acceptable to us. Any such relocation shall be at your sole expense

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® Rewards 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. 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.

You must notify us immediately when you learn about an infringement of or challenge to your use of any mark. While we do not have to defend you against a claim arising because of your use of the marks, we will reimburse you

for your liability if you used the marks in compliance with the Franchise Agreement. To receive reimbursement, you must notify us of the proceeding promptly after you learn about it, cooperate with us and SIP to defend the proceeding, and allow us or SIP to control the defense of the proceeding. We, SIP and any third party owner of the mark will have the exclusive right to pursue any claims of trademark infringement against third parties. All the above referenced materials are owned by SIP and are licensed to us for use in the United States.

You must modify or discontinue the use of a mark within a reasonable time after our notice to you of the modification or discontinuance of the mark. If we modify or discontinue the use of a mark, whether in response to a third party's claim of infringement or otherwise, our only obligation will be to reimburse you for liability as described above. We are not responsible for any other costs or expenses incurred by you in connection with the modification or discontinuance of a mark, including your costs to replace signs and paper goods.

Item 14

PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

There are no patents or pending patents that are material to the franchise.

We and SIP claim rights under copyright laws for various works, including printed matter, art work, menu boards, advertising and promotional materials, instructional operating manuals, and the like, some of which we have filed or registered copyrights for and other we have not. We do not consider any of these filed or registered copyrights material to the franchise.

SIP owns proprietary rights to information related to the Subway® franchise system and the operation of a restaurant. We license the Operations Manual from SIP. We will provide you, on loan, one copy of the confidential Operations Manual in electronic form. SIP has not filed an application for registration of copyright in the Operations Manual but does claim a copyright in its own works and we, SIP, and our affiliates treat the information in the Operations Manual as proprietary and confidential trade secrets. The Operations Manual contains the components, requirements, duties, standards, procedures, policies, and specifications pertaining to the Subway® franchise system and the operation of a restaurant. You must treat the Operations Manual and the information in it, as well as other information we make available to you, as highly confidential, in accordance with the Franchise Agreement. We make this information available to you only because of the franchisor-franchisee relationship.

You must maintain all of ours, SIP's, and our affiliates' confidential or proprietary information as confidential, both during and after the term of the Franchise Agreement. You may not at any time disclose the information you receive from us to any person except individuals involved in the operation of your restaurant who have a need to know the information. If you do disclose confidential or proprietary information in violation of the Franchise Agreement, you will be liable to us for damages and we will seek injunctive relief. We do not represent or guarantee that all aspects of the Subway® franchise system are exclusive to us or unique.

All improvements, developments, derivative works, enhancements, or modifications to the System and any confidential information, ideas, slogans, marketing plans, advertising material, concepts, drawings, techniques, inventions (including any resulting patent rights), innovations, trademarks, trade secrets, copyrights, works of authorship, and any other protectable or proprietary interest in any similar intangible asset, relating to a Subway® Restaurant (collectively, "Innovations") made or created by you, your employees or your contractors, whether developed separately or in conjunction with us, will be owned solely by us. Your employees and contractors will be bound by written agreements assigning all rights in and to any Innovations developed or created by them to you. To the extent that you, your employees or your contractors are deemed to have any interest in the Innovations, you will agree to assign all right, title and interest in and to the Innovations to us. To that end, you will be required to execute, verify, and deliver any documents (including, without limitation, assignments) and perform any other acts (including appearances as a witness) as we may reasonably request for use in applying for, obtaining, perfecting, evidencing, sustaining, and enforcing our ownership rights in and to the Innovations, and the assignment of them. In the event we are unable for any reason, after reasonable effort, to secure your signature on any document needed in connection with the actions specified in this paragraph, you will irrevocably designate and appoint us and our duly authorized officers and agents as your agent and attorney in fact, which appointment will be coupled with an interest and will be irrevocable, to act for and on your behalf to execute, verify, and file any such documents and to do all other lawfully permitted acts to further the purposes of this paragraph with the same legal force and effect as if executed by you. The obligations described in this paragraph will survive any expiration or termination of the Franchise Agreement.

We may, but are not obligated to, protect any patents or copyrights, to defend you against claims arising from your authorized use of patented or copyrighted items. We may, but are not obligated to, take affirmative action if you notify us of any infringement. If we do take any affirmative action, we solely retain the right to control any litigation. We may, but are not obligated to, indemnify you for any expenses or damages resulting from a proceeding involving a patent, patent application, or copyright used in the System. Any action described in this paragraph that we take is not contingent upon your modifying or discontinuing the use of the subject matter covered by the patent or copyright. Unless we choose to indemnify you as described in this paragraph, you are solely responsible for any damages and costs associated with any modification or discontinuance of the use of any subject matter covered by the patent or copyright.

Item 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

Your restaurant shall at all times be under your direct, on-premises supervision or that of a trained and competent employee acting as full-time manager. In the event you operate more than one franchise, or in the event you do not devote your full time to conducting the restaurant business, we may require you to designate one or more competent managers who have completed the training requirements to hold the position of full-time managers (each a “Designated Manager”) for your restaurant. You must, upon our request, keep us informed at all times of the identity of your Designated Managers. We will make training available, as is necessary in our judgment, for all managers who you designate. The Designated Manager is not required to own an equity interest in the franchise entity.

We may deal with the Designated Manager on the day-to-day operations of, and reporting requirements for the restaurant. You must hire all personnel for your restaurant and are solely responsible for the terms of their work, training, compensation, management, and oversight.

Your Designated Manager’s day-to-day tasks could include supervising employees, checking inventories, reviewing sales and food costs, bookkeeping, and making reasonable efforts to ensure smooth and efficient operations. You must keep your restaurant open within the hours specified in the Operations Manual, subject to local regulations, unless we approve different hours in writing. If you operate a satellite restaurant, you may have more limited hours of operation. We and you will agree to the hours and restaurant operation plan for a satellite location.

Even if you choose to employ a Designated Manager to supervise your restaurant, we strongly recommend you personally devote a substantial amount of time to the franchised business.

You agree not to, and you agreed to cause your Designated Manager not to, disclose our confidential or proprietary information during or after the term of the Franchise Agreement. You also agree, and your Designated Manager must agree, not to have any direct or indirect association with a Competitive Business, as defined in the Franchise Agreement, during the term of the Franchise Agreement and for 1 year after termination, expiration or transfer of the Franchise Agreement within a three mile radius of where a Subway® restaurant operates or operated within the prior year. The reference to a geographic area does not give you any territorial or other exclusive rights. Your principal owners must sign a personal guaranty, guarantying all obligations you owe to us. The Designated Manager is not required to sign this personal guaranty unless the Designated Manager is also your principal owner.

Item 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must operate the restaurant in strict compliance with all required methods, procedures, policies, standards and specifications of the Subway® system in the Operations Manual and in other writings we issue. You must use the restaurant premises only for the operation of a Subway® restaurant and you may not operate any other business at or from the location without our prior written consent. You must offer and sell only those goods and services we have approved. If your restaurant is in a non-traditional location like a convenience store or a school lunch location, the Franchise Agreement Rider will clarify your Franchise Agreement to reflect that you sell other items.

You must offer all goods and services we designate as required for all franchisees. The Operations Manual states you must at a minimum offer the basic Subway® menu. We must approve additional menu items. If you operate a school lunch location, your menu will probably be more limited, as we and you will agree, and you may have to modify the food items you offer and buy food products specially approved for the school lunch program to satisfy nutritional requirements. We may authorize tests of new products or methods at company- or affiliate-owned or franchised restaurants. Based upon the results of these tests, we may make changes in our menu. We reserve the right to designate additional required or optional goods and services in the future and to withdraw any of our previous approvals. There are no limits on our right to do so. You must comply with our new requirements. If you establish a third party franchisor’s concept, you will sign the Co-Brand Location Rider (Exhibit A-9). We may modify or stop any co-branding opportunities at any time. If both of us approve your co-brand location, you will operate the other concept as a direct franchisee of the other franchisor. You will receive a Disclosure Document from the other franchisor and enter into a direct franchise agreement with the other franchisor. You will sign a license or sublicense

with the third party allowing you to offer a third party's branded products. You may have to sign a test agreement to offer our additional menu items that are under test. We do not have to permit all franchisees to offer the additional menu items that are under test. We also designate some goods and services as optional programs for qualified franchisees. Current optional programs include catering call center and local menu items. To offer optional goods or services, you must be in compliance with your Franchise Agreement and the Operations Manual and meet any additional requirements we may have for the program, including state or local licenses, training, marketing, and insurance. The Operations Manual and other written or electronic materials we distribute contain written lists and requirements for optional programs.

We adopted the Marketwide Option Program (MOP), and Store Option Program (SOP) to promote consistency of items offered for sale, including methods of preparation and presentation, throughout an advertising fund market or region. You will make the decision for your restaurant on certain options categorized as SOP items. You will have to follow the decision made for the market on items categorized as MOP, unless we grant you a waiver. Your lease may contain restrictions or you may have space or other limitations that prevent you from participating in a program approved for your market. If the investment cost to implement the item is less than \$100 (not including the cost of product inventory), the decision on MOP items will be made for the market by the favorable votes of both the local advertising advisory board or SFAFT US Advisory Board and the Business Developer (or the Business Developers representing at least two-thirds of the restaurants in the market or region). If the investment cost is \$100 or more, the decision on the MOP items will be made by the franchisees in the market. Certain MOP items have default selections. If a MOP item is not approved by the market within 30 days of the introduction of the product, the default selection will become a required item until the market makes a decision. If a MOP item does not win approval for the market, you may not implement the item in your restaurant unless we grant you a waiver. If a program is under test however, the restaurants in the markets approving the program will each need approval to implement the program. We permit exceptions to allow restaurants to continue offering the program if it is not approved by their market. In the future, we may implement a Region Option Program and you will be responsible for all costs, but as of the date of this Disclosure Document, details on any such program are still forthcoming.

We do not impose any restrictions or conditions that limit your access to guests, but you may not sell any goods or services to another vendor for resale without our consent. You may not sell goods or services except from your approved location without our prior written consent. Under our school lunch program, you can sell only to students, faculty, staff, and normal visitors, and not to the general public.

Item 17

RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

This table lists important provisions of the franchise and related agreements. You should read these provisions in the agreements attached to this Disclosure Document. The provisions of the Franchise Agreement ("FA") (Exhibit A) apply for any location, except as modified by the Franchise Agreement Rider ("FAR") (Exhibit A-1).

THE FRANCHISE RELATIONSHIP

<u>Provision</u>	<u>Section in FA or FAR</u>	<u>Summary</u>
a. Length of the franchise term	FA Section 3; 18.C	Term is 20 years. We may terminate your Franchise Agreement if we do not approve your location within 6 months after you sign your Franchise Agreement.
		However, if you purchase your restaurant in connection with a transfer, your initial term will be the remaining term under the existing franchise agreement. See Transfer Addendum, Exhibit G-2.
	MUFA Section 3	The term of the MUFA expires with respect to each applicable Restaurant as set forth on Exhibit B to the MUFA.
	FAR Part I or II	If Part I or II of the Franchise Agreement Rider applies, the term is 20 years, but you must open for business within 2

years or franchise terminates. We may grant you an extension. We may terminate if we do not approve your location within 90 days after you sign your Franchise Agreement.

FAR Part II

Term for a school lunch location is 5 years but you must sign contract, license, or lease (if applicable) and open for business within 2 years of franchise purchase or franchise terminates with no right to any extension.

FAR Part IV

Term for a satellite restaurant is from the date of the satellite Franchise Agreement until the expiration or termination of the Franchise Agreement for the Base Restaurant. You must sign Sublease or Sublicense within 90 days of satellite franchise purchase or the satellite Franchise Agreement expires, with no right to any extension. If we allow you to operate a satellite restaurant pursuant to Part I or II of the Franchise Agreement Rider, you must open for business within 2 years after you sign the satellite Franchise Agreement. 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 expires or terminates. Either party may terminate the satellite Franchise Agreement by notice if we or our designee is not able to offer a Sublease or disapproves the location within 90 days of franchise purchase.

Term for the satellite restaurant is for 1 year from the date of the Franchise Agreement Rider for a Short Term Satellite Restaurant or until the expiration or termination of the Franchise Agreement for the Base Restaurant, whichever occurs sooner. You must sign Sublease or Sublicense within 90 days of satellite franchise purchase or the satellite Franchise Agreement expires, with no right to any extension. 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 expires or terminates. Either party may terminate the satellite Franchise Agreement by notice if we or our designee is not able to offer a Sublease or disapproves the location within 90 days of franchise purchase.

Dual Location Test Rider

Term is 20 years, but you must sign the Sublease for the Dual Location Test Site within 30 days after we or our designee offers it or your Franchise Agreement expires with no right to any extension. If we or our designee is not able to offer a Sublease or disapproves the location after 1 year of franchise purchase, we or you may terminate the Franchise Agreement. We will refund the franchise fee unless it was your fault we disapprove the location or we or our designee cannot offer you a Sublease.

b. Renewal or extension of the term

FA and MUFA Section 3

You will have the right to renew for an additional 20-year term provided that you meet certain criteria described below.

FAR Part II

If you are in full compliance, you may renew for five years.

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 substantially 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
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 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
FA and MUFA Section 18
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 any of the following events: (1) the transfer of ownership of capital stock, voting stock (or security convertible to voting stock) or partnership interest; (2) merger or consolidation or issuance of additional securities representing an ownership interest in you; (3) transfer of an interest in you, the Franchise Agreement or your restaurant owned by you in a divorce, insolvency, corporate or partnership dissolution proceeding or otherwise by operation of law; or (4) transfer of an interest in the Franchise Agreement, your restaurant owned by you or an ownership interest of you in the event of the death of you or any of your owners, by will, declaration of or transfer in trust, or under the laws of intestate succession.

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| l. | Franchisor approval of transfer by franchisee | FA and MUFA Section 18.B

DA Section 8.2 | We have the right to approve all transfers. We will not unreasonably withhold our consent to a transfer. |
| m. | Conditions for franchisor approval of transfer | FA Section 18.C

DA Section 8.2

FAR Part IV

CBLR Section D | <p>You first offer to sell your restaurant to us, we fail to accept the offer, buyer qualifies, you pay transfer fee, the purchase agreement meets our standards and requirements, buyer successfully completes training before the completion of the sale (unless we permit otherwise), buyer is disclosed, signs current agreement and signs current Sublease or Sublicense, you pay all money due in full for all your restaurants, you are not in default, you and the new franchisee sign a general release (sample copy of release you will sign attached as Exhibit O), you transfer the Operations Manual for your restaurant to the new franchisee on the date of transfer, you bring the restaurant into full compliance with the Operations Manual at or prior to transfer, and you and the transferee execute a Transfer Addendum in a form substantially similar to Exhibit G-2.</p> <p>We may require that (a) the proposed Transfer under the DA is made in conjunction with a simultaneous transfer of any or all comparable interests held by you under all the Franchise Agreements executed pursuant to the DA as we determine appropriate; (b) you pay to us the transfer fee for all Restaurants to be transferred; (c) you comply with the right of first refusal under each applicable Franchise Agreement; and (d) you have satisfied any and all of the conditions and requirements for transfers set forth in each Franchise Agreement, as applicable, that we deem applicable to a proposed Transfer under the DA.</p> <p>You can only transfer a satellite restaurant and its Franchise Agreement together with the Base Restaurant and its Franchise Agreement to the same buyer, except in isolated circumstances where there is a good business reason to allow transfer of only the satellite restaurant and its Franchise Agreement, as determined by us.</p> <p>You cannot transfer a restaurant and our Franchise Agreement separately from your business licensed by the third party franchisor and your Franchise Agreement with the third party.</p> |

n.	Franchisor's right of first refusal to purchase franchisee's business	FA and MUFA Section 18.D	We can match any offer for your business within 30 days of your written offer to us. We will assign to a franchisee with limited exclusivity rights to a territory the first opportunity to exercise our option. If we and any franchisee with limited exclusivity rights do not accept, you can sell to a third party, subject to our transfer requirements, but you cannot sell at a lower price or on better terms than what you offered to us.
		FAR Part IV	The option to repurchase applies to the Base Restaurant and any satellite restaurant together. See m. above.
		CBLR Section D	The right of first refusal applies to the restaurant and the third party franchisor's concept. See m. above.
p.	Death or disability of franchisee	FA and MUFA Section 18.E	Upon your death or permanent disability or, if you are a corporation, limited liability company or partnership, the owner of 50% or more of the equity or voting control of you, the executor, administrator, conservator or other personal representative of such person will assign this Agreement or interest in you to a third party approved in writing by us. This disposition of the interest in you must be completed within a reasonable time, not to exceed 12 months from the date of death or permanent disability, and will be subject to all the terms and conditions applicable to assignments contained in Section 18 and elsewhere in the Franchise Agreement. Failure to dispose of the Franchise Agreement or interest in you within the required period of time will constitute a breach of the Franchise Agreement. Pending disposition, we will have the right to approve the management of the restaurant owned by you.
q.	Non-competition covenants during the term of the franchise	FA and MUFA Section 19	No direct or indirect association with a competitive business anywhere; if you breach you must pay \$15,000 for each business and 8% of gross sales and we may seek termination of your Franchise Agreement, an injunction and/or damages. You may not disclose any confidential or proprietary information to any unauthorized person or we may seek an injunction, damages or both.
		FAR Part I and II	No direct or indirect association with a competitive business at your Facility or School, as applicable.
r.	Non-competition covenants after the franchise is terminated or expires	FA and MUFA Section 19	No direct or indirect association with a competitive business for 1 year after termination, expiration or transfer of the Franchise Agreement within a 3 mile radius of where a Subway® restaurant operates or operated within the prior year; if you breach you must pay \$15,000 for each business and 8% of gross sales and we may seek an injunction and/or damages. You may not disclose any confidential or proprietary information to any unauthorized person or we may seek an injunction and/or damages.
		FAR Part I and II	No direct or indirect association with a competitive business for 1 year after termination, expiration or transfer of the Franchise Agreement within your Facility. If you operate a

School Lunch Program Subway® restaurant, you may operate a competitive business in a different school after termination provided that you do not operate the competitive business as a full retail outlet open to the public.

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| s. | Modification of the agreement | FA and MUFA Section 24.R

DA Section 13 | The Franchise Agreement may be modified only by written agreement signed by both you and us. However, you acknowledge and agree that we may modify the Confidential Operations Manual and System Standards from time to time, subject to the terms of the Franchise Agreement. |
| t. | Integration/merger clause | FA and MUFA Section 24.N

DA Section 13 | Only the terms of the Franchise Agreement are binding (subject to state law), however, nothing in the Franchise Agreement is intended to disclaim or waive any representations in this Disclosure Document. Any other promises may not be enforceable. |
| | | | 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. |
| u. | Dispute resolution by arbitration or mediation | FA and MUFA Section 24.K

DA Section 15 | Except for certain claims we may bring, you must arbitrate in the forum noted in v. below, all disputes under the Franchise Agreement. Your claims are limited under Sections 24.G and 24.H (Section 15.3 of the DA). The Franchise Agreement, MUFA and DA contain other important provisions concerning dispute resolution. |
| v. | Choice of forum | FA and MUFA Section 24.J

DA Section 15 | Arbitration and any litigation will be held in the state of our principal place of business (currently Connecticut), subject to state law. The Franchise Agreement allows us to bring an action for injunctive relief in any court having jurisdiction if you breach the provisions of the Franchise Agreement, MUFA or DA concerning use of the trademarks, or confidentiality, or the covenants not to compete. You may not bring litigation in court under the Franchise Agreement, MUFA or DA. |
| w. | Choice of law | FA Section 24.J

DA Section 15 | Florida law applies, except the United States Arbitration Act governs the arbitration provisions, subject to state law. This provision will apply to any existing Franchise Agreement you have. |

A provision in the Franchise Agreement that terminates your franchise upon your bankruptcy may not be enforceable under federal bankruptcy law (11 U.S.C., Sections 101 and following).

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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: the Franchise Development Team at 1-800-888-4848 or email 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 2021 to 2023

Column 1 Outlet Type	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets at the End of the Year	Column 5 Net Change
U.S. Franchised	2021	22,190	21,147	-1,043
	2022	21,147	20,576	-571
	2023	20,576	20,133	-443
U.S. Company Owned	2021	0	0	0
	2022	0	0	0
	2023	0	0	0
U.S. Total Outlets	2021	22,190	21,147	-1,043
	2022	21,147	20,576	-571
	2023	20,576	20,133	-443

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

Column 1 State	Column 2 Year	Column 3 Number of Transfers
Alabama	2021	18
	2022	35
	2023	37
Alaska	2021	0
	2022	6
	2023	0
Arizona	2021	15
	2022	42
	2023	52
Arkansas	2021	24
	2022	37
	2023	25
California	2021	117
	2022	117
	2023	171
Colorado	2021	21
	2022	35
	2023	18
Connecticut	2021	12
	2022	14
	2023	15
Delaware	2021	0
	2022	0
	2023	1
District of Columbia	2021	4
	2022	1
	2023	4
Florida	2021	54
	2022	80
	2023	103
Georgia	2021	56
	2022	42
	2023	48
Guam	2021	0
	2022	1
	2023	0
Hawaii	2021	11
	2022	8
	2023	8
Idaho	2021	17
	2022	12
	2023	1
Illinois	2021	26
	2022	50

Column 1 State	Column 2 Year	Column 3 Number of Transfers
	2023	70
Indiana	2021	35
	2022	65
	2023	75
Iowa	2021	23
	2022	24
	2023	28
Kansas	2021	1
	2022	3
	2023	5
Kentucky	2021	35
	2022	23
	2023	32
Louisiana	2021	21
	2022	34
	2023	33
Maine	2021	18
	2022	23
	2023	21
Maryland	2021	33
	2022	18
	2023	38
Massachusetts	2021	11
	2022	38
	2023	21
Michigan	2021	50
	2022	49
	2023	82
Minnesota	2021	84
	2022	52
	2023	29
Mississippi	2021	17
	2022	22
	2023	15
Missouri	2021	23
	2022	24
	2023	22
Montana	2021	6
	2022	4
	2023	2
Nebraska	2021	10
	2022	20
	2023	9
Nevada	2021	5
	2022	13
	2023	13
New Hampshire	2021	16
	2022	6
	2023	3
New Jersey	2021	6
	2022	4

Column 1 State	Column 2 Year	Column 3 Number of Transfers
	2023	5
New Mexico	2021	13
	2022	12
	2023	7
New York	2021	38
	2022	63
	2023	53
North Carolina	2021	57
	2022	47
	2023	74
North Dakota	2021	4
	2022	4
	2023	6
N Mariana Islands	2021	0
	2022	0
	2023	0
Ohio	2021	42
	2022	41
	2023	67
Oklahoma	2021	16
	2022	13
	2023	7
Oregon	2021	18
	2022	34
	2023	26
Pennsylvania	2021	39
	2022	43
	2023	46
Puerto Rico	2021	2
	2022	5
	2023	15
Rhode Island	2021	6
	2022	1
	2023	1
South Carolina	2021	18
	2022	23
	2023	28
South Dakota	2021	1
	2022	12
	2023	9
Tennessee	2021	17
	2022	41
	2023	40
Texas	2021	58
	2022	108
	2023	208
Utah	2021	13
	2022	13
	2023	19
Vermont	2021	0
	2022	2

Column 1 State	Column 2 Year	Column 3 Number of Transfers
	2023	0
Virgin Islands U.S.	2021	0
	2022	0
	2023	0
Virginia	2021	44
	2022	55
	2023	83
Washington	2021	28
	2022	29
	2023	48
West Virginia	2021	2
	2022	5
	2023	18
Wisconsin	2021	35
	2022	50
	2023	20
Wyoming	2021	0
	2022	2
	2023	3
TOTAL	2021	1,220
	2022	1,505
	2023	1,764

Attached as Exhibit B-1 is a list of the outlets which changed ownership two or more times during the same fiscal years 2021 to 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 2021 to 2023

Column 1 State	Column 2 Year	Column 3 Outlets at Start of Year	Column 4 Outlets Opened ¹	Column 5 Terminations ²	Column 6 Non-Renewals	Column 7 Reacquired By Franchisor	Column 8 Ceased Operations – Other Reasons ²	Column 9 Outlets at the End of the Year
Alabama	2021	399	15	0	0	0	26	384
	2022	384	13	0	0	1	14	381
	2023	381	10	0	0	2	9	380
Alaska	2021	55	2	0	0	0	9	48
	2022	48	5	0	0	0	5	48
	2023	48	4	0	0	0	2	50
Arizona	2021	404	5	0	0	0	19	389
	2022	389	7	0	1	3	7	388
	2023	388	5	0	2	0	8	383
Arkansas	2021	254	21	0	0	1	14	244
	2022	244	6	0	0	0	4	246
	2023	246	6	0	1	0	5	245
California	2021	2,227	35	0	1	9	156	2,098
	2022	2,098	41	2	1	13	107	2,018
	2023	2,018	32	0	2	11	103	1,934
Colorado	2021	376	9	0	0	0	23	358
	2022	358	3	0	0	2	19	342
	2023	342	9	0	0	0	22	329
Connecticut	2021	285	12	0	0	1	17	277
	2022	277	0	0	0	3	15	262
	2023	262	4	0	0	0	11	255
Delaware	2021	23	3	0	0	0	2	21
	2022	21	2	0	0	0	1	22
	2023	22	2	0	0	0	0	22
District of Columbia	2021	54	4	0	0	0	3	55
	2022	55	4	0	0	0	2	57
	2023	57	2	0	0	0	2	56
Florida	2021	1,260	58	0	1	3	79	1,219
	2022	1,219	37	0	1	11	60	1,191
	2023	1,191	21	0	1	4	55	1,152
Georgia	2021	743	17	0	0	2	45	713
	2022	713	18	0	1	3	22	703
	2023	703	13	0	1	5	22	688
Guam	2021	15	10	0	0	0	1	15
	2022	15	0	0	0	0	1	14
	2023	14	0	0	0	0	0	14
Hawaii	2021	99	2	0	0	1	6	95
	2022	95	4	0	0	0	10	89

Column 1 State	Column 2 Year	Column 3 Outlets at Start of Year	Column 4 Outlets Opened ¹	Column 5 Terminations ²	Column 6 Non-Renewals	Column 7 Reacquired By Franchisor	Column 8 Ceased Operations – Other Reasons ²	Column 9 Outlets at the End of the Year
	2023	89	3	0	0	0	5	87
Idaho	2021	123	2	0	0	0	1	124
	2022	124	1	0	0	0	7	118
	2023	118	1	0	0	0	3	116
Illinois	2021	981	44	0	0	5	74	942
	2022	942	28	0	2	6	69	886
	2023	886	37	0	0	13	31	879
Indiana	2021	583	8	0	0	0	34	555
	2022	555	12	0	2	1	13	551
	2023	551	5	0	0	1	9	546
Iowa	2021	280	5	0	0	2	16	267
	2022	267	4	0	0	0	9	260
	2023	260	6	0	0	2	5	259
Kansas	2021	233	6	2	0	0	33	203
	2022	203	4	0	0	0	8	199
	2023	199	7	0	0	0	2	204
Kentucky	2021	371	9	0	0	2	21	359
	2022	359	10	0	0	2	13	356
	2023	356	4	0	0	0	9	351
Louisiana	2021	428	16	0	0	1	39	405
	2022	405	18	0	0	2	16	406
	2023	406	8	0	1	1	13	399
Maine	2021	103	0	0	0	0	3	100
	2022	100	6	0	0	0	2	100
	2023	100	5	0	0	4	4	97
Maryland	2021	407	12	0	0	2	25	393
	2022	393	13	0	2	1	20	380
	2023	380	14	0	0	4	11	379
Massachusetts	2021	319	10	0	0	0	32	297
	2022	297	13	0	0	2	22	280
	2023	280	13	0	0	8	11	274
Michigan	2021	784	21	0	0	1	70	734
	2022	734	28	0	0	2	32	726
	2023	726	27	0	1	4	28	720
Minnesota	2021	416	10	0	0	2	16	408
	2022	408	6	1	0	1	12	400
	2023	400	3	0	0	1	9	393
Mississippi	2021	280	9	0	0	0	15	272
	2022	272	11	1	0	0	7	273
	2023	273	3	0	0	2	9	265
Missouri	2021	484	10	0	0	0	50	444
	2022	444	10	0	0	0	20	434
	2023	434	8	0	1	0	15	426
	2021	76	1	0	0	0	4	73

Column 1 State	Column 2 Year	Column 3 Outlets at Start of Year	Column 4 Outlets Opened ¹	Column 5 Terminations ²	Column 6 Non-Renewals	Column 7 Reacquired By Franchisor	Column 8 Ceased Operations – Other Reasons ²	Column 9 Outlets at the End of the Year
Montana	2022	73	0	0	0	0	2	71
	2023	71	0	0	0	0	1	70
Nebraska	2021	184	3	0	0	0	14	173
	2022	173	5	0	0	0	8	170
	2023	170	3	0	0	0	5	168
Nevada	2021	182	6	0	0	1	13	175
	2022	175	6	0	0	0	9	172
	2023	172	6	0	0	0	6	172
New Hampshire	2021	86	4	0	0	0	9	80
	2022	80	1	0	0	0	3	78
	2023	78	2	0	0	0	0	80
New Jersey	2021	193	6	0	0	0	18	180
	2022	180	3	0	0	4	18	165
	2023	165	0	0	0	0	10	155
New Mexico	2021	156	5	0	0	0	11	150
	2022	150	4	0	0	2	6	148
	2023	148	2	0	0	0	6	144
New York	2021	855	21	1	1	13	81	785
	2022	785	24	0	1	11	52	754
	2023	754	10	2	0	2	43	717
North Carolina	2021	738	15	0	0	0	55	698
	2022	698	13	0	0	0	38	668
	2023	668	14	0	0	5	24	653
North Dakota	2021	66	1	0	0	0	3	64
	2022	64	0	0	0	0	1	63
	2023	63	1	0	0	0	2	62
N Mariana Islands	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
Ohio	2021	1,031	8	0	0	12	60	976
	2022	976	18	2	2	7	40	948
	2023	948	6	0	0	2	28	924
Oklahoma	2021	345	9	0	1	7	33	318
	2022	318	6	0	1	0	20	301
	2023	301	5	0	1	2	7	296
Oregon	2021	268	4	0	0	3	11	259
	2022	259	4	0	0	0	6	257
	2023	257	1	0	0	0	7	251
Pennsylvania	2021	701	18	0	0	7	54	664
	2022	664	16	0	1	5	58	621
	2023	621	10	0	0	0	30	601
Puerto Rico	2021	168	0	0	0	1	12	155
	2022	155	9	0	0	0	5	159
	2023	159	4	0	0	0	5	158

Column 1 State	Column 2 Year	Column 3 Outlets at Start of Year	Column 4 Outlets Opened ¹	Column 5 Terminations ²	Column 6 Non-Renewals	Column 7 Reacquired By Franchisor	Column 8 Ceased Operations – Other Reasons ²	Column 9 Outlets at the End of the Year
Rhode Island	2021	64	1	0	0	1	1	64
	2022	64	2	0	0	0	4	60
	2023	60	1	0	0	2	4	55
South Carolina	2021	359	11	0	0	8	24	346
	2022	346	9	0	1	2	9	345
	2023	345	0	1	0	0	8	335
South Dakota	2021	86	3	0	0	0	6	83
	2022	83	3	0	0	0	4	82
	2023	82	3	0	0	0	4	81
Tennessee	2021	566	16	0	0	1	33	548
	2022	548	14	0	1	0	16	545
	2023	545	7	0	1	0	13	538
Texas	2021	1,942	49	0	0	4	114	1,876
	2022	1,876	37	1	0	5	85	1,825
	2023	1,825	47	0	4	2	59	1,807
Utah	2021	193	5	0	0	0	7	191
	2022	191	2	0	0	0	8	185
	2023	185	3	0	0	0	3	185
Vermont	2021	45	1	0	0	0	2	43
	2022	43	1	0	0	0	1	43
	2023	43	2	0	1	0	3	41
Virginia	2021	617	12	0	0	1	26	603
	2022	603	16	0	0	0	36	582
	2023	582	10	0	0	1	17	574
Virgin Islands US	2021	7	0	0	0	0	1	6
	2022	6	0	0	0	0	0	6
	2023	6	0	0	0	0	0	6
Washington	2021	515	21	0	0	2	26	509
	2022	509	18	0	0	0	30	496
	2023	496	6	0	2	1	24	475
West Virginia	2021	170	4	0	0	1	11	161
	2022	161	3	0	0	0	3	161
	2023	161	0	0	0	0	6	155
Wisconsin	2021	530	4	0	0	1	45	488
	2022	488	8	1	1	0	16	478
	2023	478	1	0	0	0	14	465
Wyoming	2021	59	1	0	0	3	2	58
	2022	58	3	0	0	1	0	61
	2023	61	0	0	0	0	1	60
TOTAL	2021	22,190	584	3	4	98	1,505	21,147
	2022	21,147	529	8	18	90	995	20,576
	2023	20,576	396	3	19	79	733	20,133

¹Numbers 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 63% of outlets reported in this column.

²Numbers 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 2021 to 2023

Column 1 State	Column 2 Year	Column 3 Outlets at Start of Year	Column 4 Outlets Opened ¹	Column 5 Outlets Reacquired from Franchisee	Column 6 Outlets Closed ²	Column 7 Outlets Sold to Franchisee	Column 8 Outlets at End of the Year
Alabama	2021	0	0	2	0	2	0
	2022	0	0	4	0	4	0
	2023	0	0	2	0	2	0
Alaska	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0
Arizona	2021	0	0	1	0	1	0
	2022	0	0	1	0	1	0
	2023	0	0	0	0	0	0
Arkansas	2021	0	0	1	0	1	0
	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0
California	2021	0	0	5	0	5	0
	2022	0	0	4	0	4	0
	2023	0	0	11	0	11	0
Colorado	2021	0	0	0	0	0	0
	2022	0	0	5	0	5	0
	2023	0	0	0	0	0	0
Connecticut	2021	0	0	5	0	5	0
	2022	0	0	3	0	3	0
	2023	0	0	0	0	0	0
Delaware	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0
District of Colombia	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0
Florida	2021	0	0	2	0	2	0
	2022	0	0	17	0	17	0
	2023	0	0	4	0	4	0
Georgia	2021	0	0	1	0	1	0
	2022	0	0	2	0	2	0
	2023	0	0	5	0	5	0
Guam	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0
Hawaii	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0
Idaho	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 ¹	Column 5 Outlets Reacquired from Franchisee	Column 6 Outlets Closed ²	Column 7 Outlets Sold to Franchisee	Column 8 Outlets at End of the Year
	2023	0	0	0	0	0	0
Illinois	2021	0	0	1	0	1	0
	2022	0	0	9	0	9	0
	2023	0	0	13	0	13	0
Indiana	2021	0	0	0	0	0	0
	2022	0	0	2	0	2	0
	2023	0	0	1	0	1	0
Iowa	2021	0	0	6	0	6	0
	2022	0	0	2	0	2	0
	2023	0	0	2	0	2	0
Kansas	2021	0	0	0	0	0	0
	2022	0	0	1	0	1	0
	2023	0	0	0	0	0	0
Kentucky	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0
Louisiana	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
	2023	0	0	1	0	1	0
Maine	2021	0	0	3	0	3	0
	2022	0	0	0	0	0	0
	2023	0	0	4	0	4	0
Maryland	2021	0	0	0	0	0	0
	2022	0	0	1	0	1	0
	2023	0	0	4	0	4	0
Massachusetts	2021	0	0	1	0	1	0
	2022	0	0	0	0	0	0
	2023	0	0	8	0	8	0
Michigan	2021	0	0	4	0	4	0
	2022	0	0	1	0	1	0
	2023	0	0	4	0	4	0
Minnesota	2021	0	0	0	0	0	0
	2022	0	0	2	0	2	0
	2023	0	0	1	0	1	0
Mississippi	2021	0	0	3	0	3	0
	2022	0	0	2	0	2	0
	2023	0	0	2	0	2	0
Missouri	2021	0	0	1	0	1	0
	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0
Montana	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0
Nebraska	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 ¹	Column 5 Outlets Reacquired from Franchisee	Column 6 Outlets Closed ²	Column 7 Outlets Sold to Franchisee	Column 8 Outlets at End of the Year
	2023	0	0	0	0	0	0
Nevada	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0
New Hampshire	2021	0	0	0	0	0	0
	2022	0	0	1	0	1	0
	2023	0	0	0	0	0	0
New Jersey	2021	0	0	2	0	2	0
	2022	0	0	1	0	1	0
	2023	0	0	0	0	0	0
New Mexico	2021	0	0	1	0	1	0
	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0
New York	2021	0	0	7	0	7	0
	2022	0	0	8	0	8	0
	2023	0	0	2	0	2	0
North Carolina	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
	2023	0	0	5	0	5	0
North Dakota	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0
N Mariana Islands	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0
Ohio	2021	0	0	4	0	4	0
	2022	0	0	3	0	3	0
	2023	0	0	2	0	2	0
Oklahoma	2021	0	0	3	0	3	0
	2022	0	0	2	0	2	0
	2023	0	0	2	0	2	0
Oregon	2021	0	0	0	0	0	0
	2022	0	0	2	0	2	0
	2023	0	0	0	0	0	0
Pennsylvania	2021	0	0	1	0	1	0
	2022	0	0	1	0	1	0
	2023	0	0	0	0	0	0
Puerto Rico	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0
Rhode Island	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
	2023	0	0	2	0	2	0
South Carolina	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 ¹	Column 5 Outlets Reacquired from Franchisee	Column 6 Outlets Closed ²	Column 7 Outlets Sold to Franchisee	Column 8 Outlets at End of the Year
	2023	0	0	0	0	0	0
South Dakota	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0
Tennessee	2021	0	0	0	0	0	0
	2022	0	0	1	0	1	0
	2023	0	0	0	0	0	0
Texas	2021	0	0	7	0	7	0
	2022	0	0	1	0	1	0
	2023	0	0	2	0	2	0
Utah	2021	0	0	1	0	1	0
	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0
Vermont	2021	0	0	0	0	0	0
	2022	0	0	1	0	1	0
	2023	0	0	0	0	0	0
Virginia	2021	0	0	1	0	1	0
	2022	0	0	0	0	0	0
	2023	0	0	1	0	1	0
Virgin Islands US	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0
Washington	2021	0	0	3	0	3	0
	2022	0	0	2	0	2	0
	2023	0	0	1	0	1	0
West Virginia	2021	0	0	1	0	1	0
	2022	0	0	2	0	2	0
	2023	0	0	0	0	0	0
Wisconsin	2021	0	0	0	0	0	0
	2022	0	0	1	0	1	0
	2023	0	0	0	0	0	0
Wyoming	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0
TOTAL	2021	0	0	67	0	67	0
	2022	0	0	82	0	82	0
	2023	0	0	79	0	79	0

¹Any 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.

²Numbers 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.

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Table No. 5
Projected Openings as of December 31, 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	3	7	0
Alaska	0	0	0
Arizona	2	3	0
Arkansas	1	5	0
California	13	20	0
Colorado	0	4	0
Connecticut	0	1	0
Delaware	0	0	0
District of Colombia	0	0	0
Florida	3	8	0
Georgia	7	10	0
Guam	0	0	0
Hawaii	0	0	0
Idaho	0	0	0
Illinois	6	6	0
Indiana	1	2	0
Iowa	0	0	0
Kansas	2	3	0
Kentucky	1	3	0
Louisiana	4	5	0
Maine	0	0	0
Maryland	3	2	0
Massachusetts	0	0	0
Michigan	1	3	0
Minnesota	2	3	0
Mississippi	0	3	0
Missouri	0	2	0
Montana	0	0	0
Nebraska	0	0	0
Nevada	2	6	0
New Hampshire	0	0	0
New Jersey	1	2	0
New Mexico	0	4	0
New York	5	8	0
North Carolina	3	8	0
North Dakota	0	0	0
N Mariana Islands	0	0	0
Ohio	2	2	0
Oklahoma	5	3	0
Oregon	0	1	0

Pennsylvania	1	2	0
Puerto Rico	0	0	0
Rhode Island	0	0	0
South Carolina	0	1	0
South Dakota	0	0	0
Tennessee	13	14	0
Texas	16	38	0
Utah	0	1	0
Vermont	0	0	0
Virginia	2	1	0
Virgin Islands US	0	0	0
Washington	1	1	0
West Virginia	1	1	0
Wisconsin	0	1	0
Wyoming	0	0	0
State Not Yet Determined	0	0	0
TOTAL	101	184	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, 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 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; Website: 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 our unaudited balance sheet as of March 31, 2024 and statement of income and expenses for the period ended March 31, 2024.

Item 22
CONTRACTS

The following contracts are attached to this Disclosure Document:

Franchise Agreement.....	Exhibit A
Franchise Agreement Rider.....	Exhibit A-1
Owner’s Statement	Exhibit A-2
Subway® POS End User License Agreement	Exhibit A-3
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
Franchisee Acceptance of Renegotiation.....	Exhibit D-6
Lease and Sublease Termination Agreement.....	Exhibit D-7
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
Subway Global Privacy Statement.....	Exhibit M
General Release	Exhibit O
State Addenda (including state-specific Franchise Agreement Riders).....	Exhibit P

Item 23
RECEIPTS

Attached as the last page to this Disclosure Document is a detachable Receipt for you to sign and give to us acknowledging you received this Disclosure Document. You should keep the other copy of the Receipt.

Summary report: Litera Compare for Word 11.6.0.100 Document comparison done on 5/6/2024 1:23:59 PM	
Style name: Default Style	
Intelligent Table Comparison: Active	
Original DMS: iw://docs.quarles.com/ACTIVE/66116920/13	
Modified DMS: iw://docs.quarles.com/ACTIVE/66116920/14	
Changes:	
<u>Add</u>	94
Delete	31
Move From	0
<u>Move To</u>	0
<u>Table Insert</u>	0
Table Delete	0
<u>Table moves to</u>	0
Table moves from	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format changes	0
Total Changes:	125