

FRANCHISE DISCLOSURE DOCUMENT



Tropical Smoothie Café, LLC
(a Georgia limited liability company)
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The franchise is for the establishment and operation of a Tropical Smoothie Café® restaurant offering customers a variety of premium, handcrafted smoothies made with select fruit and vegetables blended fresh in the cafe using proprietary recipes, as well as specialty sandwiches, flatbreads, wraps, salads, and bowls (a “**Franchised Business**”).

The total investment necessary to begin operation of a single-unit Tropical Smoothie Café franchise is \$300,000 to \$720,500. This includes \$45,000 that must be paid to franchisor or its affiliate, consisting of a franchise fee of \$35,000 and a grand opening marketing contribution of \$10,000. If a franchisee chooses to sign a Multi-Unit Development Addendum (“**MUDA**”), a \$25,000 franchise fee for the second and each additional unit must be paid to franchisor or an affiliate.

This disclosure document summarizes certain provisions of your Franchise Agreement and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive this disclosure document at least 14 calendar days before you sign a binding agreement with, or make any payment to, the franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no governmental agency has verified the information contained in this document.**

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Cheryl Fletcher or Jennifer Folger at 1117 Perimeter Center West, Suite W200, Atlanta, Georgia 30338 and (770) 821-1900.

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

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

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

Date of Issuance: April 12, 2024, [as amended June 11, 2024](#)

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

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

1. A prohibition on the right of a franchisee to join an association of franchisees.
2. 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.
3. A provision that permits a franchisor to terminate a franchise before 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 30 days, to cure such failure.
4. 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.
5. 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.
6. 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.
7. 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:
 - (a) The failure of the proposed transferee to meet the franchisor's then-current reasonable qualifications or standards.
 - (b) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor.

**TROPICAL SMOOTHIE CAFE, LLC
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ITEM 1. THE FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES

To simplify the language in this Disclosure Document, “**Tropical Smoothie Cafe**” or “**we**” or “**us**” or “**our**” means Tropical Smoothie Café, LLC, the franchisor. “**You**” or “**your**” means the person who is awarded the franchise rights. If you are a corporation, partnership, limited liability company or other legal entity, certain provisions of the Franchise Agreement and related agreements will apply to your shareholders, partners, members, and owners, as applicable. Those provisions will be noted where applicable.

The Franchisor

We are a Georgia limited liability company, organized on June 25, 2012. Our principal place of business is 1117 Perimeter Center West, Suite W200, Atlanta, Georgia 30338, and our telephone number is (770) 821-1900. We do business under our corporate name and under the trade names TROPICAL SMOOTHIE® and TROPICAL SMOOTHIE CAFÉ®. If we have agents in your state for service of process, they are disclosed in Exhibit A to this disclosure document. We have offered Tropical Smoothie Cafe franchises since September 2012. We have never offered franchises in any other line of business. We do not engage in any business other than the offer and sale of Tropical Smoothie Cafe franchises.

~~We are an~~Our indirect ~~subsidiary of TSC Intermediate, Inc. (“TSCI”), a Delaware corporation, which shares~~parent holding company is Peach TopCo LP, which is managed by its general partner, Peach TopCo GP LLC, and our direct parent company is Tropical Smoothie Café Holdings, LLC. Both of these parent companies share our principal business address. ~~Levine Leichtman Capital Partners, LLC (“LLCP”), a Beverly Hills, California-based independent investment firm with its principal place of business at 345 N. Maple Drive, Suite 300, Beverly Hills, California 90210, controls us through intermediate holding companies. The creation of these holding companies~~On June 10, 2024, we were acquired by investment funds managed by affiliates of Blackstone, Inc. (“Blackstone”), which acquisition did not result in a transfer of any Tropical Smoothie Cafe franchise agreements, trademarks, or other intellectual property related to the operation of the Tropical Smoothie Cafe restaurants or system. We remain the franchisor of the Tropical Smoothie Cafe system and provide all required support and services to Tropical Smoothie Cafe franchisees under their franchise agreements.

~~Through common ownership with~~Our affiliates include investment funds ~~controlled by LLCP~~managed by affiliates of Blackstone. Affiliates of Blackstone also manage investment funds that are affiliated with (and, as a result, we are affiliated with) the franchise programs listed below. None of these affiliates have offered franchises in any line of business other than as listed below, and none of them have conducted a ~~business similar to the~~Tropical Smoothie Cafe restaurant ~~that you will operate.~~

1. Servpro Franchisor, LLC and its predecessors (“Servpro”) have offered franchises for SERVPRO® Businesses in the United States since June 1977. SERVPRO Businesses primarily provide professional residential and commercial cleaning services; fire, smoke, water, wind, and other damage cleaning, restoration, mitigation, and reconstruction services; construction services; mold remediation and bioremediation services; and cleaning and disinfection services. As of December 31, 2023, there were 2,202 franchised SERVPRO Businesses in the United States. Servpro Franchisor, LLC’s principal business address is 801 Industrial Boulevard, Gallatin, Tennessee 37066.

2. Servpro International, LLC, an affiliate of Servpro (“Servpro International”), has since June 2010 franchised and/or owned affiliates that franchise SERVPRO® Businesses in countries outside the U.S. Its principal business address is 801 Industrial Boulevard, Gallatin, Tennessee 37066. Servpro Industries (Canada) ULC, a subsidiary of Servpro International, is the franchisor of the SERVPRO Business system in Canada beginning in May 2015. Its principal place of business is 680 Waterloo Street, London,

Ontario, Canada N6A 3V8. As of December 31, 2023, there were 27 SERVPRO® Businesses operating in Canada.

3. Brew Culture Franchise, LLC (“Brew Culture”) has offered franchises for 7 BREW® Stores since March 2021. 7 BREW® Stores are high-capacity drive-thru, quick-serve coffee stores that offer and sell coffee, coffee-based, and other beverages. As of December 31, 2023, there were 162 franchised and 18 company-owned 7 BREW® Stores operating in the United States. Brew Culture’s principal business address is 2 North College Avenue, Fayetteville, Arkansas 72701.

~~1. LD Parent, Inc. is the direct or indirect parent company to the following franchisors, all of which have a principal business address of 142 State Route 34, Holmdel, New Jersey 07733:~~

~~(a) Lawn Doctor, Inc. (“LDI”) franchises the right to operate businesses that establish, care for and maintain lawns and other vegetation and provide pest control services under the principal trademark and service mark LAWN DOCTOR® (“Lawn Doctor Businesses”). LDI has offered Lawn Doctor franchises since 1967. As of December 31, 2023, there were 627 Lawn Doctor Businesses in the United States.~~

~~(b) Mosquito Hunters LLC (“MH”) franchises the right to operate businesses that provide mosquito and pest control services through regular spraying applications and follow up maintenance and do so under the trademark MOSQUITO HUNTERS®. MH has offered franchises since 2013. As of December 31, 2023, there were 128 franchised units operating in the United States.~~

~~(c) Ecomaid LLC (“EM”) franchises the right to operate businesses that provide environmentally friendly home cleaning services under the principal trademark ECOMAIDS®. EM has offered franchises since 2019. As of December 31, 2023, there were 57 franchised units operating in the United States.~~

~~(d) Elite Franchising Corp (“Elite”) franchises the right to operate businesses that provide window cleaning, gutter cleaning and power washing services to residential and commercial customers under the principal trademark “Elite Window Cleaning”. Elite began franchising in 2018. As of December 31, 2023, there were 8 franchised units operating in Canada.~~

~~2. Kilwins Chocolates Franchise, Inc. (“Kilwins”) franchises the right for individuals to operate a “Kilwins Full Line Chocolates, Confectionery & Ice Cream Store” or a “Kilwins Ice Cream & Chocolates Shop” that specializes in the sale of Kilwins approved hand-crafted chocolates, Kilwins brand original recipe ice cream, fudge, and other confections. Kilwins has been operating stores since 1993 and franchising stores since its incorporation in March of 1981. As of December 31, 2023, there were 164 Kilwins stores in operation in the United States. Kilwins’ principal place of business is located at 1050 Bay View Road, Petoskey, Michigan 49770.~~

Except as described above, we have no affiliates that offer franchises in any line of business or provide products or services to Tropical Smoothie Café franchisees.

Chain at Brinker International in Dallas, Texas. From February 2017 to August 2019, she served as our Senior Vice President of Supply Chain.

SENIOR VICE PRESIDENT OF FINANCE AND ANALYTICS: Chris Sasser

Chris Sasser has been our Senior Vice President of Finance and Analytics since December 2021. From July 2020 to December 2021, he served as our Vice President of Finance and Analytics. From April 2019 to July 2020, he served as our Senior Director of Finance. From November 2018 to April 2019, he was Brand Director at Atticus Franchise Group in Atlanta, Georgia. From April 2018 to November 2019, he was Director of Strategy at Atticus Franchise Group.

VICE PRESIDENT OF OPERATIONS SUPPORT AND TRAINING: Karen

Grissom

Karen Grissom has been our Vice President, Operations Support and Training since November 2019. From August 2017 to November 2019, she served as our Senior Director of Training.

VICE PRESIDENT OF PEOPLE SERVICES: Loretta Sexton

Loretta Sexton has been our Vice President of People Services since July 2020. From April 2019 to July 2020, she served as our Senior Director of People Services. From October 2016 to April 2019, she served as our Director of People Services.

VICE PRESIDENT OF DIGITAL MARKETING: Melissa Cummings

Melissa Cummings has been our Vice President of Digital Marketing since April 2022 and is based in Wixom, Michigan. From November 2019 to April 2022, she was Director of Loyalty at Domino's Pizza, Inc. in Ann Arbor, Michigan. From January 2019 to November 2019, she was Manager of eCommerce A/B Testing at Domino's Pizza, Inc. in Ann Arbor, Michigan. From May 2018 to December 2019, she was Delivery Program Leader: Delivery Driver and Customer Tech Innovation at Domino's Pizza, Inc in Ann Arbor, Michigan.

VICE PRESIDENT OF FIELD MARKETING: Emily Spence

Emily Spence has been our Vice President of Field Marketing since July 2022 and is based in Pittsburg, Pennsylvania. From February 2009 to June 2022, she was Senior Director of Field Marketing at Inspire Brands in Atlanta, Georgia.

VICE PRESIDENT OF BRAND MARKETING: Emily Ciccone

Emily Ciccone has been our Vice President of Brand Marketing since April 2023. From February 2022 to April 2023, she was Vice President, Advertising and Integrated Marketing Communications at Inspire Brands in Atlanta, Georgia. From April 2019 to February 2022, she was Senior Director, Advertising at Inspire Brands. From October 2015 to April ~~2029~~2019, she was Director, Advertising at Inspire Brands.

VICE PRESIDENT OF MEDIA AND PARTNERSHIPS: Maya Steeves

Maya Steeves has been our Vice President of Media and Partnerships since February 2024 and is based in Wyckoff, New Jersey. From February 2022 to January 2024, she served as our Senior Director of Media and Partnerships. From February 2021 to January 2022, she served as our Senior Director of Local Media and Partnerships. From March 2018 to January 2021, she served as our Field Marketing Director.

Computer System or POS System to perform such obligations on your behalf. You may not obtain administrative super-user rights to the POS System.

We are always reviewing and evaluating the technology, point-of-sale and related systems used at Tropical Smoothie Cafe Restaurants in an effort to ensure the technology meets the demands of the brand. If and when we implement the new systems, you may be required to purchase and/or lease new, additional, or different hardware, software and peripheral devices, and/or pay new, additional, or different costs and fees than those disclosed herein, including subscription, technical support and payment processing fees. In addition, you may be required to upgrade internet access and/or make other changes. The total investment and ongoing costs and fees associated with these new systems may be more than the those associated with the currently required systems as described in this disclosure document. We may modify existing requirements and/or impose new, additional, or different requirements to ensure, among other things, the proper integration, functionality, and security of these new systems. We reserve the right, at any time and in our sole discretion, to require you to install and maintain at your expense and use these new systems in the operation of your Franchised Business.

Typical Length of Time Before You Open Your Franchised Business

The typical length of time between the signing of the Franchise Agreement and the opening of the Franchised Business is 6 to 12 months. Factors affecting this range include site acquisition, lease negotiation and construction timetable. You are responsible and the Franchised Business must be open for business within 12 months from the date of execution of the Franchise Agreement. If you sign a ~~Multi-Unit Development Addendum~~ [MUDA](#), the rate at which you must open your Franchised Businesses will be determined based on relevant factors and in our sole discretion, including but not limited to, your experience and the type of market and market conditions of the trade area where the Franchised Businesses will be located.

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 that we control.

You will operate the Franchised Business at a specific location that we approve. You may operate the Franchised Business only at the approved premises and may not relocate without our prior approval.

We will grant you a protected area consisting of a geographical area within a one-half mile radius around the site of your Tropical Smoothie Cafe Restaurant (the “**Protected Area**”), provided your Franchised Business is not at a Reserved Facility (as defined below). As long as you are in substantial compliance with the Franchise Agreement, we will not operate or grant to others the right to operate a Tropical Smoothie Cafe Restaurant from a location within your Protected Area.

The only territorial right granted to you is the Protected Area and it is not dependent on your achievement of a certain sales volume, market penetration, or other contingency. You may face competition from other franchisees outside your Protected Area, and from Tropical Smoothie Cafe Restaurants that we operate outside your Protected Area. If we or our affiliates have competitive brands, you may face competition from these other brands inside or outside your Protected Area. We reserve the right to own and operate, and license others to own and operate, Tropical Smoothie Cafe Restaurants at a Reserved Facility within your Protected Area. The term “**Reserved Facility**” refers to an enclosed shopping center, university, captive audience facility (such as a park charging admission, stadium, and amusement park), a special purpose facility (such as an airport, transportation center, and hospital), or a limited access facility (such as a military complex, buyer’s club business, educational facility, and business/industrial complex). We have the right to own and operate, or license others to own and operate, a business that does not operate under the Tropical Smoothie Cafe brand name inside or outside your Protected Area. We have the right to

evaluating relocation of a Tropical Smoothie Cafe Restaurants and the leasing of the additional site as we do for Tropical Smoothie Cafe Restaurants and sites generally.

Item 1 describes our current affiliated franchise systems, their principal business addresses, the goods and services they sell, whether their businesses are franchised and/or company-owned, and their trademarks. These affiliated brands maintain offices and training facilities that are physically separate from our franchise network’s offices and training facilities. While these affiliated brands are generally not direct competitors of our franchise network given the products or services they sell, certain categories of beverage products are currently sold by our system and by one of our affiliated franchise systems (under each system’s respective trademarks and proprietary recipes or formulas), as described in Item 1. All businesses that our affiliates and their franchisees operate may solicit and accept orders from customers near your business. We have no obligation to resolve any perceived conflicts that might arise between our system and our affiliated franchise systems regarding territory, customers, or support.

ITEM 13. TRADEMARKS

Pursuant to the terms of the Franchise Agreement, we grant you the right and license to operate a Tropical Smoothie Cafe Restaurant pursuant to the System and using the Marks and related names and marks that may be developed in the future and used as part of the System. We are the sole and exclusive owner of the Marks. The following are our principal marks, which are registered on the Principal Register of the United States Patent and Trademark Office (the “USPTO”):

TRADEMARK	REGISTRATION NUMBER	REGISTRATION DATE
TROPICAL SMOOTHIE	2,103,370	October 7, 1997 (renewed January 20, 2017)
TROPICAL SMOOTHIE CAFÉ (and Design)	2,763,722	September 16, 2003 (renewed April 24, 2023)
TROPICAL SMOOTHIE CAFÉ	2,892,598	October 12, 2004 (renewed October 24, 2014)
TROPICAL SMOOTHIE CAFÉ (and Design)	2,918,995	January 18, 2005 (renewed January 30, 2015)
TROPICAL SMOOTHIE CAFE (and Design)	4,756,680	June 16, 2015 (renewed September 21, 2021)
TROPICAL SMOOTHIE CAFÉ (and Design)	4,253,918	December 4, 2012 (renewal filed November 28, 2022)
TROPICAL SMOOTHIE CAFE (and Design)	4,999,430	July 12, 2016 (renewed November 15, 2022)

charged by the delivery service providers, the total transaction amounts and the delivery distances. You may not offer your own delivery service without our prior approval. You are also required to provide curbside services (unless the location of your Franchised Business prevents you from doing so) and utilize our designated third-party location technology solution to facilitate curbside services. You will pay a fee, in advance, for this curbside services solution. Currently, this fee is paid quarterly. The amount to the fee and the frequency of payment are subject to change based on third-party vendor requirements. We recommend that you offer catering, but we do not require it.

Unless you obtain our prior written approval, you are prohibited from: (a) offering or selling products or services not authorized by us; (b) using the premises of the Franchised Business for any purpose not related to the Franchised Business; and (c) soliciting other franchisees either directly or indirectly for any other business or investment activity. You must prepare all menu items using the procedures for preparation contained in our Manuals or other written instructions, and the smoothies, specialty sandwiches, flatbreads, wraps, salads, and bowls must be sold immediately after their preparation. We have the right to add or delete items, products, merchandise, or services and you must do the same on notice from us. There are no limits in our right to do so.

There are no limitations imposed by us on the persons to whom you may provide products and services.

ITEM 17. RENEWAL, TERMINATION, TRANSFER & DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

This table lists certain important provisions of the franchise agreement and related agreements. You should read these provisions in the agreements attached to this disclosure document.

Provision	Section In Franchise Agreement	Summary
a. Length of the franchise term	Section 2.A.*	15 years.
b. Renewal or extension of the term	Section 2.B.	If you are in good standing and satisfy certain conditions, you may renew for one additional 10-year term.

Provision	Section In Franchise Agreement	Summary
c. Requirements for franchisee to renew or extend	Section 2.B.	<p>Your renewal right permits you to remain as a franchisee after the initial term of your Franchise Agreement expires. However, to remain a franchisee, you must meet all required conditions to renewal, including signing our then-current form of Franchise Agreement, which may be materially different than the form attached to this disclosure document.</p> <p>Other conditions are: Give us advance written notice; if required by us, remodel the business to our then-current brand image for new Tropical Smoothie Cafe Restaurants; not be in default; be in compliance with all System requirements; satisfy all monetary obligations to us and suppliers; sign general release. There are no renewal fees.</p>
d. Termination by franchisee	None	Not Applicable (subject to applicable state law).
e. Termination by franchisor without cause	None	Not Applicable
f. Termination by franchisor with cause	Sections 14.A., 14.B., 14.C., and 14.D.**	We can terminate only if you default.

Provision	Section In Franchise Agreement	Summary
g. “Cause” defined – curable defaults	Sections 14.A. and 14.B.	<p>You have 10 days to cure the following: failure to pay amounts owed to us or our affiliate when due; non-compliance with our product specifications or quality control standards; use of unapproved supplier, real estate broker, architect or general contractor; failure to offer required menu item or offer unapproved menu item; failure to maintain or observe health and sanitation procedures; non-compliance with System Standards and specifications in Manuals; failure to pay any vendors or suppliers, or your landlord; default by you (or your affiliate or owners) under any agreement with us (or our affiliate); refusal to permit inspection or audit of the Franchise Business; failure to complete training; or failure to provide certificates of insurance.</p> <p>You have 30 days to cure any other breach of the Franchise Agreement, except for non-curable defaults.</p>
h. “Cause” defined – non-curable defaults	Section 14.C. and 14.D.**	<p>Non-curable defaults include: material misrepresentation or omission; by entering this Franchise Agreement you violated any non-competition agreement by which you are bound; failure to acquire your Site or open the Franchised Business for business by the specified deadlines; of the Franchised Business ceases operation for 3 consecutive days without our prior approval; loss of the right to possession of the Site; unauthorized relocation of the Franchised Business; engaging in any violent or threatening act towards an employee, customer or any other person; any threat, danger or injury to health or safety of any person results from any act or failure to act by you (or any of your owners), or from the construction, maintenance or operation of the Franchised Business; conviction by a trial court of, or plead no contest or guilty to, a crime or offense that is likely to have an adverse effect on the system or the Marks, or a felony; a material violation of the Franchise Agreement, which by its nature</p>

Provision	Section In Franchise Agreement	Summary
		delete from the Computer System and POS System all proprietary information, including but not limited to menus, recipes, inventory and pricing; and comply with confidentiality requirements and post-term restrictive covenants. If we terminate the Franchise Agreement for cause prior to expiration, you must pay us liquidated damages to compensate us for your failure to continue operating the business for the remainder of the term.
j. Assignment of contract by franchisor	Section 13.A.	No restriction on our right to assign as long as the transferee or assignee assumes our obligations under the Franchise Agreement.
k. “Transfer” by franchisee – defined	Section 13.B.3.	Includes transfer of an interest in the assets of the Business Entity that owns the Franchised Business, the Franchised Business, or the Franchise Agreement.
l. Franchisor approval of transfer by franchisee	Sections 13.B. and 13.C.	We have the right to approve all transfers (except that you may transfer the Franchised Business to an entity you own and control), we may withhold our consent if we desire.
m. Conditions for franchisor approval of transfer	Section 13.B. <u>***</u>	We may impose conditions on our consent, including, that you (a) pay the transfer fee; (b) pay all amounts due us or our affiliates; (c) not otherwise be in default; (d) pay all suppliers and vendors; (e) sign all required documents including a then-current form of the franchise agreement and a transfer agreement containing a general release; and (f) ensure the Franchised Business complies with all of our requirements. If required by us you, you or the transferee must remodel the Franchised Business to our then-current image for new Tropical Smoothie Cafe Restaurants. The proposed transferee must meet our criteria, assume all of your obligations, and attend training.
n. Franchisor’s right of first refusal to acquire franchisee’s business	Section 13.D.	We can match any offer for sale of your business or any ownership interest in you.

Provision	Section In Franchise Agreement	Summary
		5-mile radius of the premises of the Franchised Business or the location of any Tropical Smoothie Cafe Restaurant in existence or under development at the time of such violation (subject to applicable state law).
s. Modification of the Agreement	Sections 3.A.7.(iv) and 22.K.	You must comply with the Manuals as amended. Franchise Agreement may not be modified unless mutually agreed to in writing.
t. Integration/merger clause	Section 22.K	Only the terms of the Franchise Agreement and other related written agreements are binding (subject to applicable state law). No other representations or promises will be enforceable. Nothing in the Franchise Agreement or any related agreement is intended to disclaim our representations made in this disclosure document.
u. Dispute resolution by arbitration or mediation	Sections 18.A. and 18.B.	Except for certain claims, all disputes must be mediated at our headquarters. Before you take any legal or other action against us, whether for damages, injunctive, equitable or other relief (including rescission), upon any alleged act or omission of ours, you must first give us 90 days prior written notice and an opportunity to cure such alleged act or omission or otherwise resolve such matter (subject to applicable state law).
v. Choice of forum	Section 18.D.	Litigation in the state and federal courts with jurisdiction over the City of Atlanta, Georgia (subject to applicable state law).
w. Choice of law	Section 18.C.	Georgia law applies (subject to applicable state law).

[*If you sign a MUDA, then the date on which the initial term of each Franchise Agreement ends \(Section 2 to the MUDA\) and the date set for the site acquisition deadline and the opening deadline for each franchise \(Section 1 to the MUDA\), will be amended as set forth in your MUDA to account for the number of franchises and the development schedule.](#)

[**If you sign a MUDA, then in addition to any termination rights or remedies we have under your Franchise Agreement, we may terminate your Franchise Agreement for cause if you miss the site acquisition deadline or opening deadline for the applicable franchise, as outlined in the MUDA, and also terminate any Franchise Agreements for future franchises to be developed under the MUDA \(Section 4 to the MUDA\).](#)

***If you sign a MUDA, in addition to the requirements for approval of a transfer in your Franchise Agreement: (a) we may further require as a condition to transfer, that the rights granted under the MUDA have no further force and (b) no franchise that is scheduled for development in your MUDA, but has not yet opened, will be eligible for transfer (Section 6 to the MUDA).

Please refer to the disclosure addenda and contractual amendments appended to this disclosure document for additional terms that may be required under applicable state law. These additional disclosures, if any, appear in an addendum or rider in Exhibit F. Please note, though, that if you would not otherwise be covered under those state laws by their own terms, then you will not be covered merely because we have given you an addendum that describes the provisions of those state laws.

ITEM 18. PUBLIC FIGURES

We currently do not use any public figures to promote our franchise.

ITEM 19. FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and 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.

FINANCIAL PERFORMANCE REPRESENTATIONS:

INDIVIDUAL UNIT TROPICAL SMOOTHIE CAFE FRANCHISES

The following tables provide historical sales information for Tropical Smoothie Cafe franchised restaurants ("**Restaurants**") that were open at least one full year as of: (a) the calendar year 2023 for 1,151 Restaurants; (b) the calendar year 2022 for 950 Restaurants; and (c) the calendar year 2021 for 768 Restaurants. The tables do not include any financial performance information for any other types of franchises, such as non-traditional locations (i.e. college campus or other captive locations) or seasonal locations, and do not include any franchises of any type that had not been open for at least one year on December 31, 2023, December 25, 2022, and December 26, 2021, respectively. The information presented is not a forecast of future potential performance. For the purposes of the tables below, Net Revenue means all revenue related to the sale of products and performance of services in at the Restaurant, whether for cash or credit, and regardless of collection in the case of credit, and income of every kind or nature related to the Restaurant, less any discounts. Net Revenue does not include (i) bona fide refunds to customers, (ii) revenues from sales taxes or other add-on taxes collected from customers by you and actually transmitted to the appropriate taxing authority, (iii) sales of used equipment not in the ordinary course of business, or (iv) sales of gift cards or similar products (but the redemption of any such card or product will be included in Net Revenue).

The tables provide the average and median Net Revenues for the following categories of Restaurants in 2023, 2022, and 2021 on a category and cumulative basis: (a) our top 10% revenue producing Restaurants (meaning the average Net Revenue for the number of Restaurants that were in the top 10% of Net Revenues for that year); (b) our top 25% revenue producing Restaurants (which includes the Restaurants that are in the top 10%); (c) our top 50% revenue producing Restaurants (which includes the Restaurants that are in the top 10% and the top 25%); (d) our top 75% revenue producing Restaurants (which includes the Restaurants that are in the top 10%, the top 25% and the top 50%); (e) our bottom 10% revenue

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EXHIBIT A – FRANCHISE INFORMATION

EXHIBIT B – STATEMENT OF OWNERSHIP INTERESTS

FRANCHISE AGREEMENT

This Franchise Agreement (the “Franchise Agreement”) is made as of __,20__ (the “Effective Date”) between Tropical Smoothie Café, LLC, a Georgia limited liability company, with its principal business address at 1117 Perimeter Center West, Suite W200, Atlanta, Georgia 30338 (“we” or “us” or “our”) and _____, a _____ (“you” or “your”).

Background Statement

1. We have developed a unique and distinctive system (the “System”) for the establishment and operation of Tropical Smoothie Cafe® restaurant (each restaurant operating under the System is referred to herein as a “Tropical Smoothie Cafe® Restaurant”) that offer premium, handcrafted smoothies made with select fruit and vegetables blended fresh in the restaurant using proprietary recipes, as well as specialty sandwiches, flatbreads, wraps, salads, bowls, and other menu items and food and beverage products and services we specify from time to time (the “Products”). The System includes our distinctive trade dress, décor, and color scheme; distinctive “System Standards”, which are our then-current System standards, specifications, and procedures for quality control; training and ongoing operational assistance; and advertising and promotional programs; all of which we may add to, delete from, or modify, from time to time, and those modifications may require you to invest additional capital in your Franchised Business (as defined below) and/or incur higher operating expenses.
2. The System is identified by means of certain trade names, service marks, trademarks, logos, emblems, and indicia of origin owned by us, including TROPICAL SMOOTHIE® and TROPICAL SMOOTHIE CAFÉ® (collectively, the “Marks”). We may add to, delete from, or modify the Marks from time to time.
3. You desire for us to grant you a franchise to operate a Tropical Smoothie Cafe Restaurant, using the Marks, under the System, and for us to provide you with certain training and other assistance in connection with such franchise, all as set forth in and subject to this Franchise Agreement.
4. You understand and acknowledge the importance of our high standards of quality, appearance, and service, and the necessity of operating your “Franchised Business” (as defined in Section 1.A below) in compliance with our System Standards and specifications.

In consideration of the foregoing and the mutual promises and commitments set forth in this Franchise Agreement, the parties agree as follows:

1. GRANT OF FRANCHISE

A. Grant. We grant to you the right to develop and operate one Tropical Smoothie Cafe Restaurant (the “Franchised Business”), on the terms and conditions set forth in this Franchise Agreement, using the Marks and System (collectively, the “Franchise”), solely at the site specified on Exhibit A (or, if no site is specified on Exhibit A on the Effective Date, then the site will be determined in accordance with Section 5.A) (the “Site”). You must develop, open, and operate the Franchised Business at the Site for the entire term of this Franchise Agreement.

B. Protected Area. During the “Initial Term” (as defined in Section 2.A below), as long as you are in compliance with this Franchise Agreement, we will not operate, nor license another franchisee the right to operate, a Tropical Smoothie Cafe Restaurant located within ½ mile (as measured by us) from



ELECTRONIC FUNDS TRANSFER (EFT) AUTHORIZATION

TSC EFT 04142023

Franchisee Information:

Franchisee Name _____ Store No. _____

Franchisee Mailing Address (street) _____ Franchisee Phone No. _____

Franchise Mailing Address (city, state, zip) _____

Contact Name, Address and Phone number (if different than above) _____

Franchisee Fax No. _____ Franchisee E-mail Address _____

Bank Account Information:

Bank Name _____ Bank Account No. _____

Bank Mailing Address (street) _____ Bank Routing No. _____
[: _____] _____
(9 characters)

Bank Mailing Address (city, state, zip) _____ Bank Phone No. _____

Payee Information: Tropical Smoothie Cafe, LLC

Authorization: The Franchisee hereby authorizes the Bank to honor and charge the Bank Account for electronic funds transfers or drafts drawn on the Bank Account and payable to the Payees. The amount of such charge shall be set forth in a notice from the Payees presented to the Bank weekly. The Franchisee agrees to execute such additional documents as may be reasonably requested by the Payees or the Bank to evidence the interest of this EFT Authorization. This authority shall remain in full force and effect until the Payees have received written notification from the Franchisee in such time and manner as to afford the Payees and the Bank to act on such notice. The Franchisee understands that the termination of this authorization does not relieve the Franchisee of its obligations to make payments to the Payees.

Signature: _____ Date: _____

Federal Tax ID Number: _____

INDEMNIFICATION OF BANK

In consideration of the Bank's compliance with the foregoing request and authorization, the Payees agree with respect to any action by the Bank in compliance with the foregoing request and authorization to indemnify the Bank and hold the Bank harmless for, from and against any loss the Bank may suffer as a consequence of the Bank's actions from or in connection with the execution and issuance of any electronic fund transfer or draft, whether or not genuine, purporting to be executed by the Payees and received by the Bank in the regular course of business for the purpose of payment, except to the extent such loss caused by the negligence or willful misconduct of the Bank.

ADDENDUM
TO FRANCHISE DISCLOSURE DOCUMENT FOR
TROPICAL SMOOTHIE CAFÉ, LLC
STATE OF CALIFORNIA
TSC CA ADDENDUM 04142023

The following paragraphs are added to the disclosure document:

[The registration of this franchise offering by the California Department of Financial Protection and Innovation does not constitute approval, recommendation, or endorsement by the commissioner.](#)

OUR WEBSITE (www.tropicalsmoothiecafe.com) HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION at www.dfpi.ca.gov.

THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT **[AT LEAST 14 DAYS PRIOR TO EXECUTION OF AGREEMENT.](#)**

The following paragraphs are added to the “Special Risks to Consider About *This Franchise*” page:

1. **Liquidated Damages.** Upon early termination of the franchise, you must pay us liquidated damages in an amount equal to the average monthly royalty fees during the 12 months prior to termination multiplied by 18 or the number of months remaining in the franchise agreement, whichever is less.
2. **Turn Over Rate.** During the last 3 years, a high percentage of our franchised outlets in California (33 – 60%) were terminated or ceased operations for other reasons. This franchise could be a higher risk investment than a franchise in a system with a lower turnover rate.

Item 3 is amended by adding the following:

Neither the franchisor, any person or franchise broker in Item 2 of this disclosure document is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling such persons from membership in that association or exchange.

The following paragraphs are added at the end of Item 17 of the disclosure document pursuant to regulations promulgated under the California Franchise Investment Law:

California Law Regarding Termination and Nonrenewal. California Business and Professions Code Sections 20000 through 20043 provide rights to franchisees concerning termination, transfer, or nonrenewal of a franchise. If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control.

Termination Upon Bankruptcy. The Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 et. seq.).

Post-Termination Noncompetition Covenants. The Franchise Agreement contains a covenant not to compete which extends beyond the termination of the respective agreement. These provisions may not be enforceable under California law.

Applicable Law. The Franchise Agreement requires application of the laws of the State of Georgia with certain exceptions. These provisions may not be enforceable under California law.

Mediation. The franchise agreement requires mediation. The mediation will occur at or near our headquarters with the costs being borne by the prevailing party. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedures Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

Franchise Agreement Provisions Void as Contrary to Public Policy. Any provision of a franchise agreement, franchise disclosure document, acknowledgement, questionnaire, or other writing, including any exhibit thereto, disclaiming or denying any of the following shall be deemed contrary to public policy and shall be void and unenforceable:

- (a) Representations made by the franchisor or its personnel or agents to a prospective franchisee.
- (b) Reliance by a franchisee on any representations made by the franchisor or its personnel or agents.
- (c) Reliance by a franchisee on the franchise disclosure document, including any exhibit thereto.
- (d) Violations of any provision of this division.

Section 31125 of the California Corporations Code requires us to give you a disclosure document, in a form containing the information that the commissioner may by rule or order require, before a solicitation of a proposed material modification of an existing franchise.

You must sign a general release if you renew or transfer your franchise. California Corporations Code §31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code §§310000 through 31516). Business and Professions Code §20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code §§20000 through 20043).

The Antitrust Law Section of the Office of the California Attorney General views maximum price agreements as per se violations of the Cartwright Act.

No statement, questionnaire, or acknowledgement 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 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.

**CALIFORNIA RIDER TO
TROPICAL SMOOTHIE CAFÉ, LLC
FRANCHISE AGREEMENT**
TSC CA RIDER 04142023

THIS RIDER (the “Rider”) is effective as of _____, 20__ (the “Agreement Date”), and amends the Franchise Agreement dated _____, 20__ (the “Agreement”), between TROPICAL SMOOTHIE CAFÉ, LLC (“we,” “us,” “our” or the “Franchisor”) and _____ (“you,” “your” or the “Franchisee”).

1. THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE OFFERING CIRCULAR AT LEAST 14 DAYS PRIOR TO THE EXECUTION OF AGREEMENT.
2. ~~1-~~ **Precedence and Defined Terms.** This Rider is an integral part of, and is incorporated into, the Agreement. Nevertheless, this Rider supersedes any inconsistent or conflicting provisions of the Agreement. Terms not otherwise defined in this Rider have the meanings as defined in the Agreement.
3. ~~2-~~ **Effective Date.** This Rider is effective on the Agreement Date regardless of the actual date of signature.
4. Franchise Agreement Provisions Void as Contrary to Public Policy. Any provision of a franchise agreement, franchise disclosure document, acknowledgement, questionnaire, or other writing, including any exhibit thereto, disclaiming or denying any of the following shall be deemed contrary to public policy and shall be void and unenforceable:
 - (a) Representations made by the franchisor or its personnel or agents to a prospective franchisee.
 - (b) Reliance by a franchisee on any representations made by the franchisor or its personnel or agents.
 - (c) Reliance by a franchisee on the franchise disclosure document, including any exhibit thereto.
 - (d) Violations of any provision of this division.
5. Section 310.114.1 of the California Code of Regulations is applicable to franchisees in the State of California with respect to the Franchise Agreement.
6. ~~3-~~ No statement, questionnaire, or acknowledgement 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 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.

Intending to be bound, the parties sign and deliver this Rider to each other as shown below:

Us:

You:

TROPICAL SMOOTHIE CAFÉ, LLC

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _ Date: _

ADDENDUM
TO FRANCHISE DISCLOSURE DOCUMENT FOR
TROPICAL SMOOTHIE CAFÉ, LLC
STATE OF HAWAII
TSC HI ADDENDUM 04142023

THIS ADDENDUM (the “Addendum”) amends the Franchise Disclosure Document of TROPICAL SMOOTHIE CAFÉ, LLC for its Tropical Smoothie Cafe® franchise.

THESE FRANCHISES WILL BE/HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF REGULATORY AGENCIES OR A FINDING BY THE DIRECTOR OF REGULATORY AGENCIES THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, OR SUBFRANCHISOR, AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE, OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THE OFFERING CIRCULAR, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE. THIS OFFERING CIRCULAR CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

The following is added to Items 5 and 21 of the Franchise Disclosure Document:

The State of Hawaii has imposed a deferral condition on us; therefore, no fees are payable by you to us until all of our pre-opening obligations are completed and your business has opened.

The following is added to Item 17 of the Franchise Disclosure Document:

No statement, questionnaire, or acknowledgement 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 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.

**HAWAII RIDER TO
TROPICAL SMOOTHIE CAFÉ, LLC
FRANCHISE AGREEMENT**
TSC HI RIDER 04142023

THIS RIDER (the “Rider”) is effective as of _____, 20__ (the “Agreement Date”), and amends the Franchise Agreement dated _____, 20__ (the “Agreement”), between TROPICAL SMOOTHIE CAFÉ, LLC (“we,” “us,” “our” or the “Franchisor”) and _____ (“you,” “your” or the “Franchisee”).

- 7. ~~4.~~ **Precedence and Defined Terms.** This Rider is an integral part of, and is incorporated into, the Agreement. Nevertheless, this Rider supersedes any inconsistent or conflicting provisions of the Agreement. Terms not otherwise defined in this Rider have the meanings as defined in the Agreement.

- 8. ~~5.~~ **Initial Franchise Fee.** The payment of the initial franchise fee is deferred until all of our pre-opening obligations to you are completed and your business has opened.

- 9. ~~6.~~ **Effective Date.** This Rider is effective on the Agreement Date regardless of the actual date of signature.

- 10. ~~7.~~ No statement, questionnaire, or acknowledgement 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 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.

Intending to be bound, the parties sign and deliver this Rider to each other as shown below:

Us:

You:

TROPICAL SMOOTHIE CAFÉ, LLC

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

**RIDER TO
TROPICAL SMOOTHIE CAFÉ, LLC
FRANCHISE AGREEMENT
FOR USE IN ILLINOIS**
TSC IL RIDER 04142023

THIS RIDER (the “Rider”) is effective as of _____, 20__ (the “Agreement Date”), and amends the Franchise Agreement dated _____, 20__ (the “Agreement”), between TROPICAL SMOOTHIE CAFÉ, LLC (“we,” “us,” “our” or the “Franchisor”) and _____ (“you,” “your” or the “Franchisee”).

1. **Precedence and Defined Terms.** This Rider is an integral part of, and is incorporated into, the Agreement. Nevertheless, this Rider supersedes any inconsistent or conflicting provisions of the Agreement. Terms not otherwise defined in this Rider have the meanings as defined in the Agreement.
2. **Termination.** Your rights upon Termination and Non-Renewal of an agreement are set forth in section 19 and 20 of the Illinois Franchise Disclosure Act.
3. **Release of Prior Claims.** Section 20 of the Agreement is deleted in its entirety.
4. **Limitation of Claims.** The following is added to Section 18.F. of the Agreement:

No action can be maintained to enforce any liability created by the Illinois Franchise Disclosure Law (the “**Illinois Act**”) unless brought before the earlier of (i) the expiration of 3 years from the act or transaction constituting the violation upon which such action is based; (ii) the expiration of 1 year after you become aware of facts or circumstances reasonably indicating that you may have a claim for relief in respect to conduct governed by the Illinois Act; or (iii) 90 days after delivery to you of a written notice disclosing the violation.

5. **Governing Law and Jurisdiction.** Illinois law governs the Franchise Agreement. In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.
6. **Waiver of Jury Trial.** Section 18.E. of the Agreement is deleted in its entirety.
7. **Enforcement.** Add Section L to Section 18 of the Agreement to read as follows:

In conformance with section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act **or any other law of Illinois** is void.

No statement, questionnaire, or acknowledgement 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 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

ADDENDUM
TO FRANCHISE DISCLOSURE DOCUMENT FOR
TROPICAL SMOOTHIE CAFÉ, LLC
STATE OF MARYLAND
TSC MD ADDENDUM 04142023

THIS ADDENDUM (the “Addendum”) amends the Franchise Disclosure Document of TROPICAL SMOOTHIE CAFÉ, LLC for its Tropical Smoothie Cafe® franchise.

The following is added to Item 5 of the Franchise Disclosure Document:

The State of Maryland requires us to hold payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor in escrow until the franchisor has completed its pre-opening obligations under the franchise agreement. The Franchisor has established an Escrow Account with Eagle Bancorp, Inc. See a copy of the escrow agreement attached to this Addendum as Exhibit “A.” The contact information for this Escrow Account is: Thomas D. Murphy, President, Retail Banking, Eagle Bancorp, Inc., 7815 Woodmont Avenue, Bethesda, Maryland 20814 and his telephone number is 240.497.2042.

Section 3 under “Pre-Opening Obligations” of Item 11 of the Franchise Disclosure Document is amended by adding the following language:

If we do not accept any site proposed by you within six (6) months of the date of your Franchise Agreement, we may terminate the Franchise Agreement and not refund the initial franchise fee.

Sections (c) and (m) of Item 17 are amended by adding the following language:

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

Our Standard form of Release is attached to this Addendum as Exhibit “B.”

Item 17 is amended by adding the following language after the table:

You may sue in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

The provision in the franchise agreement which provides for termination upon bankruptcy of the franchisee may not be enforceable under Federal Bankruptcy Law (11 U.S.C. Section 1010 et seq. No statement, questionnaire, or acknowledgement 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 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.

**EXHIBIT A TO
MARYLAND ADDENDUM
EAGLE BANCORP ESCROW AGREEMENT
WITH TROPICAL SMOOTHIE FRANCHISE CAFÉ, LLC**

**EXHIBIT B TO
MARYLAND ADDENDUM
FORM OF RELEASE**

The following is the current general release language that we expect to include in any agreement that a franchisee, developer, and/or transferor may sign as part of a renewal or an approved transfer. We may, in our sole discretion, periodically modify the release language.

FORM OF GENERAL RELEASE

THIS RELEASE is entered into as of _____, 20____, (the “Effective Date”) between TROPICAL SMOOTHIE CAFÉ, LLC, a Georgia limited liability company (“TSC”) and _____ (“Franchisee”).

1. As of the Effective Date hereof, the Franchisee, individually and on behalf Franchisee’s heirs, legal representatives, successors, assigns, all guarantors of Franchisee’s obligations under the Franchise Agreement, and all other persons or entities acting on Franchisee’s behalf or claiming under Franchisee (the “**Releasing Parties**”), forever releases and discharges TSC and its predecessors, successors, parent, subsidiaries, affiliates, and their respective owners, members, officers, directors, shareholders, partners, agents, employees, representatives, and attorneys, and the predecessors, successors, heirs, and assigns of any and all of them (the “**Released Parties**”) from any and all claims, demands, actions, liabilities, causes of action, losses, damages, expenses, costs, suits, debts, agreements, promises, demands, liabilities, contractual rights, and/or obligations, of whatever nature or kind, contingent or fixed, in law or in equity, whether presently known or unknown, vested or contingent, suspected or unsuspected, or dependent in any way on any fact or event occurring on or prior to the date of this Release, including without limitation, anything arising out of that certain Franchise Agreement dated _____ (the “**Franchise Agreement**”), the franchise relationship between the Franchisee and the Franchisor, and any other relationships between the Franchisee and the TSC; any guaranties, and/or the Tropical Smoothie Cafe operated by the Franchisee pursuant to the Franchise Agreement.

2. Franchisee, on behalf of Franchisee and the other Releasing Parties, hereby covenants, warrants, represents, and agrees that neither Franchisee nor any of the Releasing Parties has assigned or transferred, either directly or indirectly or by operation of law, any of the obligations, debts, claims, demands, rights, actions, causes of action, loss, losses, damage, damages, expenses, costs, liability, or liabilities described in this Agreement to any of the other Releasing Parties or to any third party. If there is any obligation, debt, claim, demand, right, action, cause of action, loss, damage, expense, cost, or liability based on or arising out of or in connection with any such transfer or assignment or purported assignment, the Releasing Parties respectively, agree to indemnify and hold the Released Parties harmless against any such obligation, debt, claim, demand, right, action, cause of action, loss, damage, expense, cost, or liability, including reasonable attorneys’ fees and costs incurred in connection therewith.

3. The parties each acknowledge and warrant that their execution of this Agreement is free and voluntary.

4. Georgia law shall govern the validity and interpretation of this Agreement, as well as the performance due thereunder. This Agreement is binding upon and inures to the benefit of the respective assigns, successors, heirs, and legal representatives of the parties.

**MARYLAND RIDER TO
TROPICAL SMOOTHIE CAFÉ, LLC
FRANCHISE AGREEMENT**
TSC MD RIDER 04142023

THIS RIDER (the “Rider”) is effective as of _____, 20__ (the “Agreement Date”), and amends the Franchise Agreement dated _____, 20__ (the “Agreement”), between TROPICAL SMOOTHIE CAFÉ, LLC (“we,” “us,” “our” or the “Franchisor”) and _____ (“you,” “your” or the “Franchisee”).

1. **Precedence and Defined Terms.** This Rider is an integral part of, and is incorporated into, the Agreement. Nevertheless, this Rider supersedes any inconsistent or conflicting provisions of the Agreement. Terms not otherwise defined in this Rider have the meanings as defined in the Agreement.

2. **Initial Franchise Fee.** The State of Maryland requires us to hold payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor in escrow until the franchisor has completed its pre-opening obligations under the franchise agreement. The Franchisor has established an Escrow Account with Eagle Bancorp, Inc. for this purpose.

3. **General Release.** Pursuant to COMAR 02.02.08.16L, the general release otherwise required by the Agreement as a condition of renewal, sale and/or assignment/transfer does not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

4. **Release of Prior Claims.** The following sentence is added at the end of Section 20:

Provided, however, that nothing in this Section applies to any liability under the Maryland Franchise Registration and Disclosure Law.

5. **Limitation of Claims.** Any limitations of claims provisions will not act to reduce the 3-year statute of limitations afforded you for bringing a claim arising under Maryland Franchise Registration and Disclosure Law. All claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise to you.

6. **Jurisdiction and Venue.** You may bring a lawsuit against us in Maryland for any claims arising under the Maryland Franchise Registration and Disclosure Law.

7. **No Waiver.** Nothing in this Agreement is intended to nor will it act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law, including, but not limited to, any acknowledgments or representations made by you which disclaim the occurrence and/or acknowledge the non-occurrence of acts that would constitute a violation of the Maryland Franchise Registration and Disclosure Law.

No statement, questionnaire, or acknowledgement 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 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.

ADDENDUM
TO FRANCHISE DISCLOSURE DOCUMENT FOR
TROPICAL SMOOTHIE CAFÉ, LLC
STATE OF MINNESOTA
TSC MN ADDENDUM 04142023

Additional Disclosures:

1. MINNESOTA LAW PROVIDES YOU WITH CERTAIN TERMINATION AND NON-RENEWAL RIGHTS. MINN. STAT. §80C.14 SUBD. 3, 4 AND 5 REQUIRE, EXCEPT IN CERTAIN CASE, THAT YOU BE GIVEN 90 DAYS' NOTICE OF TERMINATION (WITH 60 DAYS TO CURE) AND 180 DAYS' NOTICE FOR NONRENEWAL OF THE FRANCHISE AGREEMENT.
2. MINN. STAT. §80C.21 AND MINN. RULE 2860.4400J PROHIBIT US FROM REQUIRING LITIGATION TO BE CONDUCTED OUTSIDE MINNESOTA. IN ADDITION, NOTHING IN THE DISCLOSURE DOCUMENT OR AGREEMENT CAN ABROGATE OR REDUCE ANY OF YOUR RIGHTS AS PROVIDED FOR IN MINNESOTA STATUTES, CHAPTER 80C, OR YOUR RIGHTS TO ANY PROCEDURE, FORUM, OR REMEDIES PROVIDED FOR BY THE LAWS OF THE JURISDICTION.
3. Item 13 is amended to state that we will protect your right to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify you from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name.
4. Item 17 is amended by adding the following:

You and your owners must execute general releases, in form and substance satisfactory to us, of any and all claims against us, and our affiliates, officers, directors, employees, agents, successors and assigns, except for matters coming under the Minnesota Franchise law.
5. Item 17, summary column for (f) is amended to add the following:

With respect to franchises governed by Minnesota law, we will comply with Minn. Stat. Sec. 80C.14, subs. 3, 4 and 5 which require, except in certain specified cases, that you be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for nonrenewal of the Franchise Agreement and that consent to transfer of the franchise will not be unreasonably withheld.
6. Item 17, summary column for (m) is amended to add the following:

Any release signed as a condition of transfer will not apply to any claims you may have under the Minnesota Franchise Act.
7. Item 17, summary columns for (v) and (w) are amended to add the following:

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

**MINNESOTA RIDER TO THE
TROPICAL SMOOTHIE CAFÉ, LLC
FRANCHISE AGREEMENT**
TSC MN RIDER 04142023

THIS RIDER (the “Rider”) is effective as of _____, 20__ (the “Agreement Date”), and amends the Franchise Agreement dated _____, 20__ (the “Agreement”), between TROPICAL SMOOTHIE CAFÉ, LLC (“we,” “us,” “our” or the “Franchisor”) and _____ (“you,” “your” or the “Franchisee”).

1. **Background.** You and we are parties to that certain Franchise Agreement dated _____, 20__ (the “**Franchise Agreement**”) that has been signed concurrently with the signature of this Rider. This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because the Tropical Smoothie Cafe Restaurant to be operated by you pursuant to the Franchise Agreement will be located in the State of Minnesota and/or because you are a resident of the State of Minnesota.

2. **Renewal Term.** Paragraph 2.B.6. is amended to read as follows:

You and each owner of your Franchised Business executes a general release (on our then-standard form) of any and all claims against us, our affiliates, and our respective owners, officers, directors, agents and employees, except for matters coming under the Minnesota Franchise law.

3. **Trademarks.** We will protect your right to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify you from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name.

4. **Default and Termination.** The following is added at the beginning of Section 14:

Minnesota Law provides you with certain termination and non-renewal rights. Minn. Stat. §80C.14 Subd. 3, 4 and 5 require, except in certain case, that you be given 90 days’ notice of termination (with 60 days to cure) and 180 days’ notice for nonrenewal of the Franchise Agreement.

5. **Governing Law.** The following sentence is added at the end of Section 18.C.

MINN. STAT. §80C.21 AND MINN. RULE 2860.4400J PROHIBIT US FROM REQUIRING LITIGATION TO BE CONDUCTED OUTSIDE MINNESOTA. IN ADDITION, NOTHING IN THE DISCLOSURE DOCUMENT OR AGREEMENT CAN ABROGATE OR REDUCE ANY OF YOUR RIGHTS AS PROVIDED FOR IN MINNESOTA STATUTES, CHAPTER 80C, OR YOUR RIGHTS TO ANY PROCEDURE, FORUM, OR REMEDIES PROVIDED FOR BY THE LAWS OF THE JURISDICTION.

6. **Injunctive Relief.** Nothing in the Franchise Agreement is construed to mean that you are consenting to our obtaining injunctive relief. We may, however, seek injunctive relief. The court will determine if a bond is required.

7. **Limitation of Claims.** Section 18.F. is deleted in its entirety.

ADDENDUM
TO FRANCHISE DISCLOSURE DOCUMENT FOR
TROPICAL SMOOTHIE CAFÉ, LLC
STATE OF NEW YORK
TSC NY ADDENDUM 04142023

1. The following information is added to the cover page of the Franchise Disclosure Document:

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SERVICES OR INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THIS FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND THE APPROPRIATE STATE OR PROVINCIAL AUTHORITY. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

2. Item 3 is amended by added the following at the beginning of the Item.

Except as provided above, with regard to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

A. No such party has an administrative, criminal or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable civil or misdemeanor allegations.

B. No such party has pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.

C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10-year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud, or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association

**NORTH DAKOTA RIDER TO
TROPICAL SMOOTHIE CAFÉ, LLC
FRANCHISE AGREEMENT**
TSC ND RIDER 04122024

THIS RIDER (the “Rider”) is effective as of _____, 20____ (the “Agreement Date”), and amends the Franchise Agreement dated _____, 20____ (the “Agreement”), between **TROPICAL SMOOTHIE CAFÉ, LLC** (“we,” “us,” “our” or the “Franchisor”) and _____ (“you,” “your” or the “Franchisee”).

1. **Precedence and Defined Terms.** This Rider is an integral part of, and is incorporated into, the Agreement. Nevertheless, this Rider supersedes any inconsistent or conflicting provisions of the Agreement. Terms not otherwise defined in this Rider have the meanings as defined in the Agreement.
2. **Terms and Conditions for Successor Franchise.** You are not required to sign a general release as to any matters coming under the North Dakota Franchise Investment Law (the “ND Law”).
3. **Competitive Restrictions.** Covenants not to compete, such as those mentioned in this section, are generally unenforceable in the State of North Dakota.
4. **Jurisdiction.** All matters coming under the ND Law may be brought in the courts of North Dakota.
5. **Waiver of Punitive Damages.** Section 18.F. of the Franchise Agreement is deleted in its entirety.
6. **Waiver of Jury Trial.** Section 18.E. of the Franchise Agreement is deleted in its entirety.
7. **Limitation of Claims.** The statute of limitations under ND Law applies to all matters coming under ND Law.
8. **Governing Law.** This Agreement will be governed by North Dakota law.
9. **Questionnaires and Acknowledgments.** No statement, questionnaire, or acknowledgement 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 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.

ADDENDUM
TO FRANCHISE DISCLOSURE DOCUMENT FOR
TROPICAL SMOOTHIE CAFÉ, LLC
STATE OF RHODE ISLAND
TSC RI ADDENDUM 04142023

The following paragraphs are added to the “Special Risks to Consider About *This Franchise*” page:

3. **Liquidated Damages.** Upon early termination of the franchise, you must pay us liquidated damages in an amount equal to the average monthly royalty fees during the 12 months prior to termination multiplied by 18 or the number of months remaining in the franchise agreement, whichever is less.

Item 17, summary columns for (v) and (w) are amended to add the following:

Any provision in the Franchise Agreement restricting jurisdiction or venue to a forum outside Rhode Island or requiring the application of the laws of a state other than Rhode Island is void as to a claim otherwise enforceable under the Rhode Island Franchise Investment Act.

Item 17 is amended to add the following at the end:

No statement, questionnaire, or acknowledgement 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 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.

ADDENDUM
TO FRANCHISE DISCLOSURE DOCUMENT FOR
TROPICAL SMOOTHIE CAFÉ, LLC
STATE OF SOUTH DAKOTA
TSC SD ADDENDUM 04142023

1. The following paragraphs are added to the “Special Risks to Consider About *This Franchise*” page:

Liquidated Damages. Upon early termination of the franchise, you must pay us liquidated damages in an amount equal to the average monthly royalty fees during the 12 **months** prior to termination multiplied by 18 or the number of months remaining in the franchise agreement, whichever is less.

2. The summary statement of provision (q) of Item 17, is deleted in its entirety and the following substituted in its place:

The Franchise Agreement provides that you cannot compete anywhere for 2 years after termination or expiration. However, covenants not to compete upon termination or expiration of a Franchise Agreement are generally unenforceable in the State of South Dakota, except in certain instances as provided by law.

3. Any provision that provides that the parties waive their right to claim punitive, exemplary, incidental, indirect, special or consequential damages may not be enforceable under South Dakota Law. If any of the provisions in this disclosure document or the Franchise Agreement are inconsistent with this paragraph, the terms of this paragraph will prevail with regard to any franchise sold in South Dakota.

4. No statement, questionnaire, or acknowledgement 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 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.

**SOUTH DAKOTA RIDER TO
TROPICAL SMOOTHIE CAFÉ, LLC
FRANCHISE AGREEMENT**
TSC SD Rider 04142023

THIS RIDER (the “Rider”) is effective as of _____, 20__ (the “Agreement Date”), and amends the Franchise Agreement dated _____, 20__ (the “Agreement”), between TROPICAL SMOOTHIE CAFÉ, LLC (“we,” “us,” “our” or the “Franchisor”) and _____ (“you,” “your” or the “Franchisee”).

1. **Precedence and Defined Terms.** This Rider is an integral part of, and is incorporated into, the Agreement. Nevertheless, this Rider supersedes any inconsistent or conflicting provisions of the Agreement. Terms not otherwise defined in this Rider have the meanings as defined in the Agreement.

2. **Termination.** The following is added to Section 14:

You will have 30 days written notice with an opportunity to cure prior to termination for the following: breach of the Franchise Agreement, failure to meet performance and quality standards and failure to make royalty payments.

3. **Covenants Not to Complete.** Covenants not to compete on termination or expiration of a Franchise Agreement are generally unenforceable in the state of South Dakota, except in certain instances as provided by law. This statement is given for informational purposes only.

4. **Jurisdiction and Venue.** Any provision which designates jurisdiction or venue or requires you to agree to jurisdiction or venue in a forum outside South Dakota is void with respect to any cause of action which is otherwise enforceable in South Dakota.

5. No statement, questionnaire, or acknowledgement 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 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.

Us:

You:

TROPICAL SMOOTHIE CAFÉ, LLC

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

ADDENDUM
TO FRANCHISE DISCLOSURE DOCUMENT FOR
TROPICAL SMOOTHIE CAFÉ, LLC
STATE OF VIRGINIA
TSC VA ADDENDUM 04142023

In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act (the “Act”), the Franchise Disclosure Document for TROPICAL SMOOTHIE CAFÉ, LLC for use in the Commonwealth of Virginia is amended as follows:

Pursuant to Section 13.1-564 of the Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any ground for default or termination stated in the franchise agreement does not constitute “reasonable cause,” as that term may be defined in the Act or the Laws of Virginia, that provision may not be enforceable.

The following paragraphs are added to the “Special Risks to Consider About *This Franchise*” page:

3. **Liquidated Damages.** Upon early termination of the franchise, you must pay us liquidated damages in an amount equal to the average monthly royalty fees during the 12 months prior to termination multiplied by 18 or the number of months remaining in the franchise agreement, whichever is less.

The following is added to Item 17 of the FDD:

No statement, questionnaire, or acknowledgement 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 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.

**VIRGINIA RIDER TO
TROPICAL SMOOTHIE CAFÉ, LLC
FRANCHISE AGREEMENT**
TSC VA RIDER 04142023

THIS RIDER (the “Rider”) is effective as of _____, 20__ (the “Agreement Date”), and amends the Franchise Agreement dated _____, 20__ (the “Agreement”), between TROPICAL SMOOTHIE CAFÉ, LLC (“we,” “us,” “our” or the “Franchisor”) and _____ (“you,” “your” or the “Franchisee”).

1. **Precedence and Defined Terms.** This Rider is an integral part of, and is incorporated into, the Agreement. Nevertheless, this Rider supersedes any inconsistent or conflicting provisions of the Agreement. Terms not otherwise defined in this Rider have the meanings as defined in the Agreement.

2. No statement, questionnaire, or acknowledgement 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 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.

Intending to be bound, you and we sign and deliver this Rider in 2 counterparts effective on the Agreement Date, regardless of the actual date of signature.

Us:

You:

TROPICAL SMOOTHIE CAFÉ, LLC

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

restricting franchisees from hiring employees from competing franchisees and from us (the “No-Poaching Provision”). The No-Poaching Provision in our franchise agreements was a legacy provision that we never enforced. In 2019, we voluntarily removed the No-Poaching Provision from our form franchise agreement. In 2021, there were 2 franchised Tropical Smoothie Café restaurants in Washington. As part of the AOD, we agreed: (i) to not, currently or in the future, include No-Poaching Provisions in any of our franchise agreements; (ii) to not enforce No-Poaching Provisions in any existing franchise agreements; (iii) to not intervene or defend the legality of a No-Poaching Provision in litigation; (iv) to notify all of our franchisees of the entry into the AOD and provide them with a copy of the AOD upon request; (v) to notify the Washington Attorney General’s Office if we learn of any effort by a franchisee in Washington to enforce a No-Poaching Provision; and (vi) to continue to amend existing franchise agreements on a nationwide basis to remove any No-Poaching Provisions.

~~The State of Washington has imposed a deferral condition on us; therefore, no fees are payable by you to us until all of our pre-opening obligations are completed and your business has opened.~~

In lieu of an impound of franchise fees, the Franchisor will not require or accept the payment of any initial franchise fees until the franchisee has (a) received all pre-opening and initial training obligations that it is entitled to under the franchise agreement or offering circular, and (b) is open for business. Because franchisor has material pre-opening obligations with respect to each franchised business Franchisee opens under the Multi-Unit Development Addendum, payment of the franchise fee will be released proportionally with respect to each franchise outlet opened and until franchisor has met all its pre-opening obligations under the Agreement and Franchisee is open for business with respect to each such location.

No statement, questionnaire, or acknowledgement 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 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.

franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

10. **Multi-Unit Development.** The State of Washington has imposed a financial condition under which the initial franchise fees due will be deferred until the franchisor has fulfilled its initial pre-opening obligations under the Franchise Agreement and the franchise is open for business. Because the Franchisor has material pre-opening obligations with respect to each franchised business the Franchisee opens under the Multi-Unit Development Agreement, the Division will require that the franchise fees be released proportionally with respect to each franchised business.

11. **Section 20 of the Franchise Agreement.** The Release of Prior Claims in Section 20 of the Franchise Agreement does not apply with respect to claims arising under the Washington Franchise Investment Protection Act, RCW 19.100, and the rules adopted thereunder.

12. **Section 23.E of the Franchise Agreement.** Section 23.E of the Franchise Agreement does not apply in Washington.

13. **Section 23.I.3-5 of the Franchise Agreement.** Sections 23.I.3-5 of the Franchise Agreement do not apply in Washington.

14. ~~11.~~ No statement, questionnaire, or acknowledgement 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 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.

Intending to be bound, you and we sign and deliver this Rider in 2 counterparts effective on the Agreement Date, regardless of the actual date of signature.

Us:

You:

TROPICAL SMOOTHIE CAFÉ, LLC

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

**TROPICAL SMOOTHIE CAFÉ, LLC
STATE REGISTRATIONS**

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the states, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered, or exempt from registration, as of the Effective Date stated below:

STATE	EFFECTIVE DATE
California	Pending
Hawaii	Pending
Illinois	Pending
Indiana	April 12, 2024 Pending
Maryland	Pending
Michigan	April 15, 2024
Minnesota	Pending
New York	May 3, 2024 Pending
North Dakota	Pending
Rhode Island	May 11, 2024 Pending
South Dakota	April 12, 2024
Virginia	April 24, 2024 Pending
Washington	Pending
Wisconsin	April 12, 2024 Pending

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

RECEIPT

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If TROPICAL SMOOTHIE CAFÉ, LLC offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale. New York and Rhode Island require that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of any binding franchise or other agreement, or payment of any consideration that relates to the franchise relationship. Michigan requires that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement, or payment of any consideration, whichever occurs first.

If TROPICAL SMOOTHIE CAFÉ, LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and any applicable state agency (as listed in Exhibit A to this disclosure document).

The franchisor is Tropical Smoothie Café, LLC, located at 1117 Perimeter Center West, Suite W200, Atlanta, Georgia 30338. Its telephone number is (770) 821-1900.

We authorize the respective state agencies identified on Exhibit A to receive service of process for us if we are registered in the particular state.

Issuance Date: April 12, 2024, [as amended June 11, 2024](#)

The name, principal business address, and telephone number of the franchise sellers offering the franchise are:

Name	Principal Business Address	Telephone Number
Charles Watson, Jennifer Folger, Austin Sills, Eric Osborne, Richard Key, Robert Fischer, Chris O'Connor, Dave Roche, Cheryl Fletcher, and Brian Blosser	1117 Perimeter Center West, Suite W200, Atlanta, GA 30338	(770) 821-1900

I received a disclosure document dated April 12, [2024, as amended June 11, 2024](#). (See the state effective date summary page for state effective dates.) The disclosure document included the following Exhibits:

A State Agencies and Administrators/Agents for Service of Process	G Addendum to Lease Agreement/Conditional Assignment of Lease
B Form of Franchise Agreement	H Operating Manual Table of Contents
C Form of Multi-Unit Development Addendum to Franchise Agreement	I Roster of Current and Former Franchises
D Pre-Authorized Bank Form	J Financial Statements
E Owners' Guaranty	K State Effective Page
F State Specific Addenda and Riders	

Signature: _____

Print Name: _____

Date: _____

RECEIPT

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If TROPICAL SMOOTHIE CAFÉ, LLC offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale. New York and Rhode Island require that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of any binding franchise or other agreement, or payment of any consideration that relates to the franchise relationship. Michigan requires that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement, or payment of any consideration, whichever occurs first.

If TROPICAL SMOOTHIE CAFÉ, LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and any applicable state agency (as listed in Exhibit A to this disclosure document).

The franchisor is Tropical Smoothie Café, LLC, located at 1117 Perimeter Center West, Suite W200, Atlanta, Georgia 30338. Its telephone number is (770) 821-1900.

We authorize the respective state agencies identified on Exhibit A to receive service of process for us if we are registered in the particular state.

Issuance Date: April 12, 2024, [as amended June 11, 2024](#)

The name, principal business address, and telephone number of the franchise sellers offering the franchise are:

Name	Principal Business Address	Telephone Number
Charles Watson, Jennifer Folger, Austin Sills, Eric Osborne, Richard Key, Robert Fischer, Chris O'Connor, Dave Roche, Cheryl Fletcher, and Brian Blosser	1117 Perimeter Center West, Suite W200, Atlanta, GA 30338	(770) 821-1900

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D Pre-Authorized Bank Form	J Financial Statements
E Owners' Guaranty	K State Effective Page
F State Specific Addenda and Riders	

RETURN THIS RECEIPT TO US AT:
TROPICAL SMOOTHIE CAFÉ, LLC
1117 Perimeter Center West, Suite W200
Atlanta, Georgia 30338
Tel: 770-821-1900 / Fax: 770-821-1895

Signature: _____
Print Name: _____
Date: _____