FRANCHISE DISCLOSURE DOCUMENT

RITA'S FRANCHISE COMPANY, LLC
a Delaware Limited Liability Company
1210 NORTHBROOK DRIVE, SUITE 310
TREVOSE, PA 19053
1-800-677-7482
www.ritasice.com

The franchise will operate a Rita's shop featuring a menu of Italian ice, frozen custard and other approved menu items sold under the trade name "RITA'S ICE-CUSTARD-HAPPINESS."

The total investment necessary to begin operation of (i) a standard Rita's shop without a drive-thru is between $315,233 and $712,542 and (ii) a standard Rita's shop with a drive-thru is between $456,858 and $915,536. These figures include between $55,000 to $64,500 that must be paid to the franchisor or its affiliate. The total investment necessary to begin operation of an express Rita's shop is between $199,005 and $558,504. These figures include between $53,000 to $60,000 that must be paid to the franchisor or its affiliate. If you enter into an agreement for a standard Rita's shop, we may offer you the opportunity to enter into an addendum to operate a Rita's satellite shop and/or a Rita's mobile unit. The total investment necessary to begin operation of a Rita's satellite shop is between $131,550 and $318,500. These figures include between $29,000 to $34,000 that must be paid to the franchisor or its affiliate. The total investment necessary to begin operation of a Rita's mobile unit is between $16,500 and $180,000. These figures include between $10,000 to $13,000 that must be paid to the franchisor or its affiliate.

We also offer development rights for standard Rita's shops and express Rita's shops. The development fee for the first shop developed is $35,000 for a standard Rita's shop or $35,000 for an express Rita's shop, and the development fee is reduced for each additional Rita's shop developed under the development agreement. The development fee must be paid in full to the franchisor when the development agreement is signed.

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 Rita's Franchise Company, LLC, Franchise Department, at 1210 Northbrook Drive, Suite 310, Trevose, PA 19053 and (800) 677-7482.

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

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

There may also be laws on franchising in your state. Ask your state agencies about them.
Issuance Date: January 30, 2026.

HOW TO USE THIS FRANCHISE DISCLOSURE DOCUMENT

Here are some questions you may be asking about buying a franchise and tips on how to find more information:

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibit H.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit I includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only Rita's shop in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be a Rita's franchisee?	Item 20 or Exhibit H lists current and former franchisees. You can contact them to ask about their experiences
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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

Special Risks to Consider About This Franchise

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

1. **Out-of-State Dispute Resolution**. The franchise agreement and development agreement require you to resolve disputes with the franchisor by arbitration only in the city nearest to the franchisor's principal place of business (currently Philadelphia). Out-of-state arbitration may force you to accept a less favorable settlement for disputes. It may also cost more to arbitrate with the franchisor in Pennsylvania than in your own state.

2. **Spousal Liability**. Your Spouse must sign a document that makes your spouse liable for all financial obligations under the franchise agreement even though your spouse has no ownership interest in the franchise. This guarantee will place both your and your spouse's marital and personal assets, perhaps including your house, at risk if your franchise fails.

3. **Supplier Control**. You must purchase all or nearly all of the inventory or supplies that are necessary to operate your business from the franchisor, its affiliates, or suppliers that the franchisor designates, at prices the franchisor or they set. These prices may be higher than prices you could obtain elsewhere for the same or similar goods. This may reduce the anticipated profit of your franchise business.

Michigan Disclosure

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

(a) A prohibition on the right of a franchisee to join an association of franchises.

(b) A requirement that a franchisee assent to a release, assignment, novation, waiver or estoppel which deprives a franchisee of rights and protections provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.

(c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than thirty (30) days, to cure such failure.

(d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) the term of the franchise is less than five (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 six (6) months' advance notice of franchisor's intent not to renew the franchise.

(e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.

(f) A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.

(g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:

(i) The failure of the proposed transferee to meet the franchisor's then-current reasonable qualifications or standards.
(ii) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor.
(iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.
(iv) The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.

(h) A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (c).

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

If the franchisor's most recent financial statements are unaudited and show a net worth of less than $100,000, the franchisor shall, at the request of the franchisee, arrange for the escrow of initial investment and other funds paid by the franchisee until the obligations to provide real estate, improvements, equipment, inventory, training or other items included in the franchise offering are fulfilled. At the option of the franchisor, a surety bond may be provided in place of escrow.

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

* * * *

THE NAME AND ADDRESS OF THE FRANCHISOR'S AGENT IN THIS STATE AUTHORIZED TO RECEIVE SERVICE OF PROCESS IS: MICHIGAN DEPARTMENT OF COMMERCE, CORPORATIONS AND SECURITIES BUREAU, 6546 MERCANTILE WAY, P.O. BOX 30222, LANSING, MICHIGAN 48910.

* * * *

Any questions regarding this notice should be directed to:
State of Michigan Consumer Protection Division
Attn: Franchise
670 G. Mennen Williams Building
525 W. Ottawa Street
Lansing, Michigan 48909
(517) 373-7117

Despite subparagraph (f) above, we intend to enforce fully the provisions of the arbitration section contained in our Franchise Agreement and Development Agreement. We believe that subparagraph (f) is unconstitutional and cannot preclude us from enforcing the arbitration provisions. You acknowledge that we will seek to enforce that section as written.

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ITEM 1: THE FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES

Franchisor

The franchisor is Rita's Franchise Company, LLC ("**we**," "**us**," or "**our**"). This Disclosure Document will refer to the person or entity that buys the franchise from us as "**you**" or "**your**," and the term includes your partners if you are a partnership, your members if you are a limited liability company or your shareholders if you are a corporation.

We are a Delaware limited liability company that was formed in October 2016. We do business under our company name and maintain our principal business address at 1210 Northbrook Drive, Suite 310, Trevose, Pennsylvania 19053. Our agents for service of process are disclosed in Exhibit K to this Disclosure Document. We were originally formed under the name RWIFC Acquisition, LLC and, in January 2017, we changed our name to our current name. We have offered franchises for Rita's shops since January 2017. We own five Rita's shops located at special venues owned by Sea World Parks & Entertainment, Inc. ("**SWPE**") and SWPE operates and manages those five Rita's shops. We own two Rita's shops located in Savannah, Georgia that we operated directly. We have never engaged in any other business activity nor offered franchises in any other lines of business.

On December 30, 2016, under the terms of an asset purchase agreement, we purchased from Rita's Holdings, LLC and its subsidiaries (each, a "**Predecessor Entity**" and collectively, the "**Predecessor Entities**") substantially all of their assets, including all franchise agreements, development agreements, area developer agreements, trademarks, service marks and other intellectual property, that comprise the Rita's franchise system (the "**System**") and the Rita's brand (the "**Asset Transaction**"). As a result of the Asset Transaction, we became the franchisor of the System and we now offer and sell franchises in the United States and internationally.

Parent and Affiliates

We are a wholly-owned subsidiary of RWIFC Holdings, LLC ("**Parent**"), a Delaware limited liability company formed on October 24, 2016. Parent's principal business address is 1210 Northbrook Drive, Suite 310, Trevose, Pennsylvania 19053. Parent is wholly-owned by Rita's TopCo LLC ("**Rita's TopCo**"), a Delaware limited liability company formed on October 31, 2024. Rita's TopCo is owned by various investors assembled by the private equity group Maple Park Capital located at 3419 Westminster Avenue, Suite 290, Dallas, Texas 75205. On November 15, 2024, Rita's TopCo acquired all the stock in Parent that was owned by various individual investor groups established by the private equity group, Argosy Private Equity Group. Rita's TopCo and Parent are not affiliated with any businesses that currently offer franchises or offer to sell goods or services to our franchisees. Parent guarantees our performance under our franchise agreements and developer agreements offered under this Disclosure Agreement under the terms of the guarantee of performance attached as Exhibit I to this Disclosure Document.

RWI Franchise Corp. ("**RWI**"), a Delaware corporation, is a wholly-owned subsidiary of Parent. RWI owns a .5% ownership interest in us, and we are a wholly-owned subsidiary of Parent through their direct and indirect interest in us. RWI's principal business address is 1210 Northbrook Drive, Suite 310, Trevose, Pennsylvania 19053.

Rita's Stores, LLC ("**Rita's Stores**"), a Delaware limited liability company, is a wholly-owned subsidiary of Parent. Rita's Stores was formed for the purpose of operating our Rita's mobile truck and any other Rita's shops that we may develop or acquire in the future. Rita's Store's principal business address is 1210 Northbrook Drive, Suite 310, Trevose, Pennsylvania 19053.

Rita's Licensing, LLC ("**Rita's Licensing**"), a Delaware limited liability company, is a wholly-owned subsidiary of Parent. Rita's Licensing was formed for the purpose of licensing the Proprietary Marks (defined below) to third-parties for branded products. Rita's Store's principal business address is 1210 Northbrook Drive, Suite 310, Trevose, Pennsylvania 19053.

Since the Acquisition, our affiliate, RGCC, LLC ("**RGCC**"), a Pennsylvania limited liability company, has handled the administration of the Rita's gift card program. RGCC is a wholly-owned subsidiary of Parent. RGCC maintains its principal business address at 1210 Northbrook Drive, Suite 310, Trevose, Pennsylvania 19053. Prior to December 2016, the Rita's gift card program was handled by the Predecessor Entity, Rita's Gift Card Company, LLC, a Pennsylvania limited liability company. RGCC has never operated a business of the type being offered in this Disclosure Document or offered franchises in this or any other line of business.

None of our affiliates has offered franchises for the business described in this Disclosure Document. Except as described in this Item 1 of this Disclosure Document, we have no other parents, predecessors or affiliates that must be included in this Item 1 of this Disclosure Document.

Our Predecessors

The Predecessor Entities included Rita's Water Ice Franchise Company, LLC ("**Immediate Predecessor**") which was the franchisor for the System directly prior to the Acquisition. Immediate Predecessor was originally formed in April 2005 as a Delaware limited liability company under the name Ice Acquisition, LLC. On May 3, 2005, Rita's Water Ice Franchise Corp. and its affiliates were merged into Immediate Predecessor, and Immediate Predecessor then changed its name to Rita's Water Ice Franchise Company, LLC. From January 2009 to December 2016, Immediate Predecessor also operated under the name Rita's Franchise Company. On November 30, 2011, Immediate Predecessor was acquired by the Predecessor Entity, Rita's Holdings, LLC, a Delaware limited liability company. After our Acquisition of the System in December 2016, the Predecessor Entities changed their names as follows: (i) Immediate Predecessor changed its name to Project Rayban Franchise Company, LLC, (ii) Rita's International Franchise Company, LLC changed its name to Project Rayban International Franchise Company, LLC, (iii) Rita's Water Ice Real Estate Company, LLC changed its name to Project Rayban Real Estate Company, LLC, and (iv) Rita's Gift Card Company, LLC changed its name to Project Rayban Gift Card Company, LLC.

Our predecessors offered franchises of the type being offered in this Disclosure Document from May 1989 through December 2016, and they never engaged in any other business activity nor offered franchises in any other lines of business. Our predecessors never operated a business of the type being franchised in this Disclosure Document, but Immediate Predecessor's affiliate, Rita's Properties, Inc. (f/k/a Rita's Water Ice, Inc.), operated a Rita's Water Ice business from 1984 until August 2003. In August 2003, that business was transferred to Rita's Operations, Inc., which operated the business until 2007. From 2007 through 2012, Rita's Water Ice Real Estate Company, LLC ("**RWIREC**"), another affiliate of Immediate Predecessor, operated businesses of the type being offered in this Disclosure Document. Rita's Properties, Inc., Rita's Operations, Inc. and RWIREC have not offered franchises in this or any other line of business.

The Franchise

Rita's shops operate under the System and sell our proprietary products including Italian ice, frozen custard, frozen desserts and drinks, toppings, frozen novelties, and other food and beverages items, as well as proprietary gift products and a limited selection of complementary and compatible products, including non-proprietary gift products, approved by Company (collectively, "**Menu Items**"). Menu Items consist of (i) items made with our proprietary products and our proprietary products that are ready to be resold to

customers (collectively, "**Rita's Products**"); and (ii) a limited selection of items made with our approved complementary and compatible products and our approved complementary and compatible products ready to be resold to customers (collectively, "**Non-Proprietary Products**"). Menu Items, Rita's Products and Non-Proprietary Items are collectively referred to as the "**Products**."

The distinguishing characteristics of the System include distinctive exterior and interior design, decor, color schemes, fixtures and furnishings; standards and specifications for products, equipment, materials and supplies; uniform standards, specifications and procedures for operations; procedures for inventory and management control; training and assistance; proprietary equipment; and marketing and promotional programs. All elements and characteristics of the System may be changed, improved and further developed by us. Rita's shops operate according to our (i) Confidential Operating Manuals (the "**Manuals**"), (ii) mandatory and suggested specifications, standards, operating procedures, and rules ("**System Operating Standards**"), and (iii) business formats, methods, signs, designs and layouts for the System. The System is identified by means of certain trade names, service marks, trademarks, logos, emblems and indicia of origin as we designate now and in the future, including the mark "RITA'S ICE-CUSTARD-HAPPINESS" and other marks (the "**Proprietary Marks**"). Rita's shops may engage in the sale of bulk Menu Items that are picked up by the customer or delivered to customers' homes, specialty parties, weddings, office events and other locations for consumption ("**Catering Activities**"). Catering Activities must be conducted in accordance with the Manuals, Franchise Agreement and written authorization by us.

Description of Franchise Offering

Shops

We offer franchises to individuals and entities to operate Rita's shops under the System. The term "**Shop**" will refer to both standard Rita's shops ("**Standard Shops**") and express Rita's shops ("**Express Shops**"). You will operate the Shop under the terms of a franchise agreement, the current form of which is attached as Exhibit A to this Disclosure Document (the "**Franchise Agreement**"). The Franchise Agreement will grant you a territory (the "**Territory**"). Standard Shops must offer the full assortment of Menu Items we designate for Standard Shops, and Express Shops must offer the full assortment of Menu Items we designate for Express Shops. Express Shops operate at unique locations (such as highway rest stops, parks, universities, sports arenas, convention centers, airports, transportation terminals, theme parks, military bases and other similar types of locations) and we require less Menu Items for Express Shops than we require for Standard Shops. However, each Express Shop must be self-contained and have a production area. Shops are either (i) year around shops that operate all year ("**Year Around**") or (ii) seasonal shops that operate during a period designated by us in the Manuals ("**Seasonal**"). We may change the required operating period for Seasonal shops. The Franchise Agreement will designate whether the Shop is Year Around or Seasonal based on what you and we agree upon prior to signing the Franchise Agreement. In making that determination, the operations period for Rita's Shops where you will operate will be considered by us.

Satellites

If you own a Shop and meet certain criteria, we may offer you the opportunity to establish and operate a satellite shop ("**Satellite**") supported by the Shop. The Satellite is supported by the Shop's production capability and will sell approved Menu Items for Satellites ("**Satellite Menu Items**"). If we grant you the right to operate a Satellite, you must sign the Satellite Addendum (the "**Satellite Addendum**") to the Franchise Agreement and pay us a fee. The current form of the Satellite Addendum is attached as Exhibit B to this Disclosure Document. We do not offer the opportunity to operate a Satellite to any party that does not operate a Shop and is not in full compliance with their Franchise Agreement.

Mobile Units

If you own a Shop and meet certain criteria, we may offer you the opportunity to operate a mobile unit ("**Mobile Unit**") supported by the Shop. A Mobile Unit is an approved special, freestanding mobile unit (including kiosks, trailers, and trucks), which is decorated to meet our specifications. The Mobile Unit is supported by the Shop's production capability and will sell approved Menu Items for mobile units ("**Mobile Menu Items**"). If we grant you the right to operate a Mobile Unit, you must sign the Mobile Addendum (the "**Mobile Addendum**") to the Franchise Agreement and pay us a fee. The current form of the Mobile Addendum is attached as Exhibit C to this Disclosure Document. The Mobile Addendum will grant you the right to operate a Mobile Unit. We do not offer the opportunity to operate a Mobile Unit to any party that does not operate a Standard Shop or is not in full compliance with their Franchise Agreement.

Under the Mobile Addendum, your Mobile Unit may engage in approved off-premises special events, activities or sales, including specialty parties, festivals and business events ("**Mobile Events**") in the Territory for the Shop. A Mobile Event is any event where there are multiple customers that pay individually for Mobile Menu Items sold at the event site. You may not use a Mobile Unit at any event site (including Mobile Events and Catering Activities) unless you have submitted to us a request for approval ("**Mobile Event Request**") and we have approved the Mobile Event Request.

Development Agreements

We also offer a development agreement (the "**Development Agreement**") to qualified, multiple unit operators, who will commit to developing a minimum of three Shops. The current form of the Development Agreement is attached as Exhibit D to this Disclosure Document. If you sign a Development Agreement, we will grant you the right to establish an agreed-upon number of Shops within a specified area (the "**Development Search Area**"). Each Shop will operate under the terms of a separate Franchise Agreement. You must obtain site authorization for each Shop site and establish each Shop under a development schedule that will be attached as an exhibit to the Development Agreement (the "**Development Schedule**"). The Franchise Agreement for the first Shop to be developed under the Development Schedule will be in the form attached as an exhibit to the Development Agreement. The Franchise Agreement for each Shop you later develop will be in the form of the Franchise Agreement we are offering to new franchisees under the System at the time you exercise your development rights for each particular Shop.

Area Representative Businesses

Immediate Predecessor previously offered area developer agreements to operators ("**Area Developers**") who committed to providing recruiting services to find franchises for Shops in a designated area ("**Area Representative Businesses**"). Area Developers operate each Area Representative Business under the terms of an area developer agreement. Area Developers are not authorized to make sales or negotiate the terms of any Franchise Agreement and/or Development Agreement. Since the Acquisition, we have not offered franchises for Area Representative Businesses and we have no current intent to offer franchises for Area Representative Businesses. Currently, we have one authorized Area Representative Businesses in a section of Florida. If you are located in Florida, an Area Developer may be involved in recruiting you, and/or other franchises in that area or assisting in supporting the Shop and/or Satellite.

Market and Competition

The general market for retail businesses featuring frozen confections is well-developed and competitive based on factors such as location, price, service and product quality. The market for your

products and services is the general public. The retail sale of Italian ice and frozen confections may experience sales levels that are sensitive to local weather conditions and temperature. Shops located in enclosed malls may be less affected by these conditions, but may still experience seasonal trends. We urge you to consult your own independent business advisors to evaluate these and other factors before deciding to invest in a Shop, Satellite and/or Mobile Unit.

The number of shops and restaurants offering frozen confection products has increased recently and is expected to continue to increase rapidly. The Shop, Satellite and/or Mobile Unit will be competing against other national and local businesses featuring Italian ice, frozen custard and other frozen confections, such as ice cream and frozen yogurt, as well as supermarkets, convenience stores and fast-food restaurants which offer similar items and services to the general public. The Shop, Satellite and/or Mobile Unit may also compete against other Rita's shops and other points of distribution. The food service business is highly competitive in price, service, business location, and food quality, and is often affected by changes in consumer tastes, economic conditions, population and traffic patterns.

We do not currently use other channels of distribution (such as direct sales to grocery stores, convenience stores or other methods of distribution) for the Products sold in Rita's shops; however, we and our affiliates reserve the right to do so in the Franchise Agreement.

Industry-Specific Laws and Regulations

Your franchised business will be subject to various federal, state, and local laws and regulations affecting the Shop, Satellite and/or Mobile Unit. You must comply with all local, state and federal laws that apply to businesses generally (including the Fair Labor Standards Act, workers' compensation, Occupational Safety and Health Administration regulations, Equal Employment Opportunity Commission regulations, Americans with Disabilities Act, laws prohibiting discrimination and sexual harassment, environmental laws, and laws and regulations on citizenship or immigration status). You must also comply with state and local laws governing various matters, such as sanitation, health, zoning, smoking, minimum wage, overtime, and other working conditions and laws relating to state and local taxes. Some states require that employees' citizenship/immigration status be verified through the Department of Homeland Security's E-Verify program. Increases in minimum wage requirements can increase your labor costs and affect your bottom line. You must also ensure that your point-of-sale system and any other equipment responsible for processing credit and debit card transactions are in compliance with the most current Payment Card Industry standards.

In addition, you must comply with all local, state and federal laws applicable to food service establishments, in particular, regulations applicable to establishments that process and sell frozen treats, custards and dairy products. These include, licensing, health, sanitation, safety, fire, insecticides, packaging and use, storage and disposal of waste (including laws requiring recycling and regulating the use of certain types of containers and other materials potentially harmful to the environment). Various federal and state agencies, including the U.S. Food and Drug Administration, the U.S. Department of Agriculture, and state and local health and sanitation agencies have regulations related to the preparation of food and the condition of restaurant facilities. The operation of the Shop and/or Satellite may require a license for preparing and serving food on-premises. The operation of a Mobile Unit may require a license for preparing and serving food off-premises. Various state and local laws may require the testing of products sold at the Shop, Satellite and/or Mobile Unit on a periodic basis, either on the premises or at an outside laboratory. You will be required to comply with "Truth in Menu" laws (concerning menu item names, product labeling and nutritional claims).

We do not assume any responsibility for advising you on these regulatory or legal matters. You should investigate the application of these laws further and consult with your attorney about laws and regulations that may affect the Shop, Satellite and/or Mobile Unit.

ITEM 2: BUSINESS EXPERIENCE

Chief Executive Officer and President: Linda L. Chadwick

Linda Chadwick was appointed our Chief Executive Officer and President in August 2017 and she has served in the same role for Rita's Stores since its formation in March 2019 and Rita's Licensing since its formation in February 2023. Since November 2024, Ms. Chadwich has served as a Director for Rita's TopCo and Chief Executive Officer for Parent and RGCC. Ms. Chadwick serves in her present capacities in Trevose, Pennsylvania.

Vice President of Finance: William (Bill) J. Callahan

Bill Callahan was appointed our Vice President of Finance in November 2021. From November 2020 to November 2021, Mr. Callahan served as Financial Controller at Saint John Vianney Center in Downingtown, Pennsylvania. From March 2019 to November 2020, Mr. Callahan served as Vice President of Finance at QuadGen Wireless Solutions Inc. in King of Prussia, Pennsylvania. Since 2016, Mr. Callahan has been a member of the Accounting Department at St. Joseph's University in Philadelphia, Pennsylvania as an Adjunct Professor. Mr. Callahan serves in his present capacities in Trevose, Pennsylvania.

Senior Vice President of Operations: Kathleen (Kathy) Deal

Kathy Deal was appointed our Senior Vice President of Operations in November 2023. From November 2020 to November 2023, Ms. Deal served as our Vice President of Supply Chain and Operation Services. From November 2020 to December 2023, Ms. Deal served as our Senior Director of Training and Operations. Ms. Deal serves in her present capacities in Trevose, Pennsylvania.

Chief Development Officer: Lawrence W. Brown, Jr.

Lawrence Brown was appointed our Chief Development Officer in January 2025. From July 2023 to January 2025, Mr. Brown served as Senior Vice President, Head of Franchising & Development for Agile Pursuits Franchising, Inc. (the franchisor of Tide Cleaners) in Cincinnati, Ohio. From May 2023 to July 2023, Mr. Brown served as a Consultant for us in Trevose, Pennsylvania. From June 2021 to April 2023, Mr. Brown served as Chief Development Officer for 190 Retail Holdings LLC in Miami, Florida. From January 2019 to May 2021, Mr. Brown served as Vice President and Head of Business Development, Americas for Burger King Corporation in Miami, Florida. Mr. Brown serves in his present capacities in Miami, Florida.

Chief Legal Officer: Craig S. Prusher

Craig Prusher was appointed our Chief Legal Officer in April 2025. From August 2012 to January 2025, Mr. Prusher served as Chief Legal Officer and Secretary for Cajun Operating Company (the franchisor of the Church's Texas Chicken and Texas Chicken brands) in Atlanta, Georgia. Mr. Prusher serves in his present capacities in Miami, Florida

Vice President of Marketing Strategy & Insight: Carmela Hughley

Carmela Hughley was appointed our Senior Vice President of Marketing Strategy & Insights in January 2025. From October 2023 to December 2024, Ms. Hughley served as an independent contractor for Rita's Franchise Company, LLC in Trevose, Pennsylvania. From May 2019 to September 2024, Ms. Hughley served as Vice President of Field Operations for Madison Reed, San Francisco, California. Ms. Hughley serves in her present capacities in Denver, Colorado.

Member of the Board Rita's TopCo and RWI: Alexander (Alex) Blankfein

Alexander Blankfein has been a Member of the Board and President of Rita's TopCo and RWI since November 2024. Mr. Blankfein is a Co-Founder and Co-Managing Partner of Maple Park Capital Aggregator LLC, Maple Park Capital Aggregator Holdings LLC and MPCP Management Holdings LLC based in New York, New York since November 2024. Mr. Blankfein was a Managing Director of RedBird Capital Partners based in New York, New York from November 2019 to November 2024. Mr. Blankfein also serves on the board of directors of the following companies: Jet Linx since November 2020; Aero Centers since August 2022; and Go Rentals since July 2023.

Member of the Board Rita's TopCo and RWI: Andrew Lauck

Andrew Lauck has been a Member of the Board and Secretary of Rita's TopCo and RWI since November 2024. Mr. Lauck is a Co-Founder and Co-Managing Partner of Maple Park Capital Aggregator LLC, Maple Park Capital Aggregator Holdings LLC and MPCP Management Holdings LLC based in Dallas, Texas since November 2024. Mr. Lauck was a Partner of Redbird Capital Partners based in Dallas, Texas from July 2014 to November 2024. Mr. Lauck has also served on the board of directors of the following companies: Jet Linx since November 2020; Aero Centers since August 2022; Go Rentals since July 2023; EquipmentShare (board observer) since April 2021; Blade Air Mobility, Inc. (NASDAQ:BLDE) since March 2023; Ampler Restaurant Group since April 2018; and Main Event Entertainment from June 2020 to June 2022.

Member of the Board Rita's TopCo and RWI: Steve Wiborg

Steve Wiborg has been a Member of the Board of Rita's TopCo and RWI since November 2024. Since March 2016, Mr. Wiborg has been an Operating Partner at Agman Capital based in Chicago, Illinois. Since January 2016, Mr. Wiborg also has been CEO and Executive Chairman of the Board of Directors of Ampler Restaurant Group in Dallas, Texas.

Member of the Board Rita's TopCo: Robert Eversole

Robert Eversole has been a Member of the Board of Rita's TopCo since September of 2025. Mr. Eversole has been a Managing Partner of Stonehenge Partners, Inc., based in Columbus, Ohio since 2007. Mr. Eversole also serves on the Board of Directors for True North Asphalt since 2022 and is the Chairman of the Board of Directors for Advanced Drainage Systems, Inc. (NYSE:WMS) since 2022 after serving on its Board of Directors since 2008.

ITEM 3: LITIGATION

Concluded Actions Involving Immediate Predecessor or Us

Immediate Predecessor Action - ***Sherry Brown, individually and on behalf of all others similarly situated v. Rita's Water Ice Franchise Company, LLC***, Case No. 2:15-cv-03509-TJS (E.D.PA). On June 22, 2015, Plaintiff, the user of a phone number that Immediate Predecessor believes had been previously used by a Rita's Water Ice consumer and was reassigned to her by a phone carrier, filed a Complaint on behalf of herself and two putative classes. The Complaint alleges knowing and/or willful violations of the Telephone Consumer Protection Act, 47 U.S.C. § 227 (the "TCPA"). Plaintiff alleged that certain text messages sent in the past as part of the Rita's Cool Alerts program violated the TCPA. The Plaintiff sought to represent two alleged classes. The first is all persons who allegedly did not provide Immediate Predecessor with clear and conspicuous prior express written consent to send automated telemarketing text messages. The second is all persons who, after allegedly notifying Immediate Predecessor that they no longer wanted to receive text messages, received one or more Cool Alerts text messages. Plaintiff sought injunctive relief; statutory damages of $500 for each and every call-in violation of the TCPA; treble damages up to $1,500 for each and every call in violation of the TCPA, attorneys' fees and costs. A motion to dismiss was filed on August 24, 2015 on behalf of Immediate Predecessor, which was denied after the plaintiff amended the Complaint on October 7, 2015. Following mediation, the parties reached an agreement in principle for a class action settlement that would resolve all TCPA claims related to the Cool Alerts program. On March 14, 2016, the parties entered into a formal settlement agreement where Immediate Predecessor agreed to pay $3,000,000 under the settlement for the establishment of a settlement fund to pay for class notice costs, class member claims, named plaintiff incentive awards and attorneys' fees. The Court approved the class-wide settlement on March 22, 2016. Immediate Predecessor has paid all amounts required by the court approved settlement and the case was dismissed on March 16, 2017.

Immediate Predecessor and Us Actions - ***Scarpulla, et al. v. Rita's Franchise Company, LLC, Rita's Water Ice Franchise Company, LLC, et. al.*** Case No. FCS052954 (Superior Court of California, County of Solano) (the "Scarpulla California Action"). In July 2019, plaintiffs, Scarpulla, et al. (the "Scarpulla Plaintiffs"), filed a Complaint against us, Immediate Predecessor, and numerous other defendants (including our President & CEO, Linda Chadwick ("Chadwick") and our Chairman of the Board, Kirk B. Griswold ("Griswold")). The Scarpulla Plaintiffs are five franchisees that executed franchise agreements with Immediate Predecessor and one of such Scarpulla Plaintiffs executed an additional franchise agreement directly with us in connection with such plaintiff's purchase of an existing franchise from another franchisee (the "Transferred Unit"). The allegations against us are also asserted against Chadwick and Griswold in their positions with us. As discussed in Item 1, we purchased the assets of the System from the Predecessor Entities (which includes Immediate Predecessor) on December 30, 2016. The Scarpulla Plaintiffs allege that we are liable for conduct by Immediate Predecessor during Immediate Predecessor's ownership of the System (i.e. prior to our purchase of the assets of the System and prior to our existence as a corporate entity). Those allegations include that we solicited material modifications in violation of the California Franchise Investment Law (the "CFIL"), made inaccurate disclosures and impermissible misrepresentations that amounted to constructive fraud, and engaged in unfair acts in violation of the California Business & Professions Code. In addition, the Scarpulla Plaintiffs allege we solicited material modifications and failed to make mandatory disclosures in violation of the CFIL during the term of our ownership of the System. The Scarpulla Plaintiff that purchased the Transferred Unit alleges that we did not provide disclosure in connection with such plaintiff signing the franchise agreement for the Transferred Unit. We deny any liability for Immediate Predecessor or otherwise and maintain that disclosure was provided in connection with the Transferred Unit. In November 2019, we (i) filed a Petition to Compel Arbitration, Stay Action Pending Determination of Petition and Dismiss Action Upon Compelling Arbitration (the "Petition") in this matter, and (ii) filed the following separate arbitration demands with each Scarpulla Plaintiff to commence arbitration related to their allegations and for their breach of certain provisions of their franchise agreements: ***Rita's Franchise Company, LLC v. Randy Chi, Christopher Kim, Eric Sha, et al.***, Case No. 01-19-0003-3750 (American Arbitration Association); ***Rita's Franchise Company, LLC v. JNB ICE, Inc., Elizabeth E. Scarpulla, et al.***, Case No. 01-19-0003-3754 (American Arbitration Association); ***Rita's Franchise Company, LLC v. Central Valley Ice, Inc., et al.***, Case No. 01-

19-0003-3753 (American Arbitration Association); ***Rita's Franchise Company, LLC v. Jose Ramon Bernabe, et al.***, Case No. 01-19-0004-0142 (American Arbitration Association); and ***Rita's Franchise Company, LLC v. Michael Kane, et al.***, Case No. 01-19-0004-0143 (American Arbitration Association) (collectively, the "Arbitrations"). On March 30, 2020, the Petition was granted in an Order Granting Petition to Compel Arbitration as it relates to compelling arbitration and staying the action. We and the Scarpulla Plaintiffs then agreed to stay the Arbitrations to allow the Scarpulla Plaintiffs and Immediate Predecessor to negotiate the settlement agreement with Immediate Predecessor described below. Under that settlement agreement, the Scarpulla Plaintiffs released those claims against us which alleged that we were liable for conduct by Immediate Predecessor during Immediate Predecessor's ownership of the System. Following a mediation with the Scarpulla Plaintiffs on June 12, 2024, we entered into a confidential stipulation for settlement with the Scarpulla Plaintiffs where (i) we agreed to dismiss the Arbitrations, (ii) the Scarpulla Plaintiffs agreed to dismiss the California Action, (iii) we and Scarpulla Plaintiffs agreed to exchange mutual releases (covering and for the benefit of our officers and directors) and (iv) we agreed to pay $450,000 to the Scarpulla Plaintiffs. Immediate Predecessor contributed $100,000 to our payment to the Scarpulla Plaintiffs in exchange for mutual releases between Immediate Predecessor and us for claims relating to the Scarpulla Plaintiffs, the Scarpulla California Action, and the Arbitrations.

In response to the Scarpulla Plaintiffs action against Immediate Predecessor in the Scarpulla California Action, Immediate Predecessor filed on July 20, 2021 the following separate arbitration demands against each Scarpulla Plaintiff to commence arbitration related to their allegations against Immediate Predecessor in the Scarpulla California Action: ***Project Rayban Franchise Company, LLC (f/k/a Rita's Water Ice Franchise Company, LLC), et al. v. Elizabeth E. Scarpulla, et al.***, Case No. 01-21-0004-9874 (American Arbitration Association); ***Project Rayban Franchise Company, LLC et al. v. Eric Sha, et al.***, Case No. 01-0004-9872 (American Arbitration Association); ***Project Rayban Franchise Company, LLC, et al. v. Jose Bernabe, et al.***, Case No. 01-21-0004-9880 (American Arbitration Association); ***Project Rayban Franchise Company, LLC, et al. v. Michael Kane, et al.***, Case No. 01-21-0004-9881 (American Arbitration Association); ***Project Rayban Franchise Company, LLC, et al. v. Greg DeGrandis, et al.***, Case No. 01-21-0004-9877 (American Arbitration Association). On August 3, 2021, the Scarpulla Plaintiffs filed the following arbitration demand against Immediate Predecessor and others: ***Elizabeth Scarpulla, et al. v. Project Rayban Franchise Company, LLC, et al. v. Matt Rasmussen v. James Rudolph***, Case No. 01-20-0010-1018 (American Arbitration Association) (collectively, the "Immediate Predecessor Arbitrations"). On November 1, 2023, (a) the Scarpulla Plaintiffs and (b) Immediate Predecessor and others entered into a confidential settlement agreement to resolve all claims against Immediate Predecessor and others in the Scarpulla California Action and Immediate Predecessor Arbitrations. Under the settlement agreement, Immediate Predecessor agreed to pay the Scarpulla Plaintiffs $650,000 (the "Settlement Payment"). The settlement agreement provided that if the Scarpulla Plaintiffs made commercially reasonable efforts to settle the remaining claims against us within ninety days following their receipt of the Settlement Payment, then Immediate Predecessor would pay the Scarpulla Plaintiffs an additional $100,000 (the "Additional Payment"). The Additional Payment increases to $200,000 if, during the same ninety-day period, the Scarpulla Plaintiffs succeed in settling their claims against us and obtaining a release of any claims we may have against Immediate Predecessor. Immediate Predecessor paid the Additional Payment of $100,000 which was not increased to $200,000. The parties to the settlement agreement also exchanged mutual releases (which included the Scarpulla Plaintiffs releasing any claims against us for conduct by Immediate Predecessor during Immediate Predecessor's ownership of the System) and required the dismissal of all claims against Immediate Predecessor and others in the Scarpulla California Action and the Immediate Predecessor Arbitrations.

Actions Initiated by Us in the Last Fiscal Year

None

Other than the actions listed above, no litigation is required to be disclosed in this Item.

ITEM 4: BANKRUPTCY

No bankruptcy is required to be disclosed in this Item.

ITEM 5: INITIAL FEES

Initial Franchise Fees

Shops

When you sign a Franchise Agreement for a Shop, you must pay us the non-refundable initial franchise fee which is $35,000 for a Standard Shop or an Express Shop.

Satellites

If you enter into a Satellite Addendum with us, you must also pay us a $15,000 non-refundable satellite shop initial franchise fee for the right to operate a Satellite.

Mobile Units

If you enter into a Mobile Addendum with us, you must pay us a $5,000 non-refundable mobile unit initial franchise fee for the right to operate a Mobile Unit. This $5,000 fee is for a ten year period to coincide with the term of the underlying franchise agreement. If the term of the underlying franchise agreement is less than ten years, then the Mobile Addendum will be the same number of years as such underlying franchise agreement and the $5,000 fee will be prorated accordingly.

* * *

Except for discounts we offered through certain International Franchise Association (IFA) programs last year, the initial franchise fees described above are uniform as to all franchisees purchasing a Shop, Mobile Unit or Satellite. However, we reserve the right to reduce the initial franchise fees and to negotiate alternative fee arrangements with institutional franchisees, franchisees in unique locations or franchisees purchasing multiple locations. We may reduce, defer or waive the initial franchise fee for Shops or Satellites that require an entry fee to obtain a site or when a unique or compelling situation warrants. During our last fiscal year, we did not reduce our initial franchise fees for any new franchisees. However, our initial franchise fee for existing franchisees ranged from $15,000 to $35,000 during our last fiscal year (this range includes initial franchise fees paid under Development Agreements).

We are a member of the IFA and participate in the IFA's VetFran program. We offer franchise candidates qualifying under this program and our requirements a 20% reduction in the initial franchise fee for their first Shop. The qualifying franchise candidate(s) must own 51% or more of (i) the assets of the Shop, (ii) the rights under the Franchise Agreement and (iii) any entity that will be the franchisee. In the event that the qualifying franchisee candidate(s) transfer their interest within a 5-year period, the amount of the reduction must be repaid. We reserve the right to cancel or modify this program at any time.

Development Fees and Franchise Fees for Shops under a Development Agreement

If you sign a Development Agreement for Standard Shops or for Express Shops, the amount of the initial franchise fee for the Shops that you develop under the Development Agreement will be $35,000 for the first Shop, $20,000 for the second Shop, $15,000 for the third and each additional Shop.

Upon signing the Development Agreement, you must pay us a development fee ("**Development Fee**") equal to the initial franchisee fee for the first Shop and the initial franchise fee for each additional Shop to be developed under the Development Agreement. The Development Fee is earned and non-refundable regardless of whether you enter into Franchise Agreements for those Shops. During our last fiscal year, we did not reduce the development fees we collected. You will pay the initial franchise fee for the Shops you develop under the Development Agreement as part of the Development Fee (the amount of which will be determined according to the schedule of fees described above, as it applies to you). The Development Fee and all initial franchise fees paid under a Development Agreement are earned and non-refundable when paid, in consideration of administrative and other expenses we incur in entering into the Development Agreement. If you meet your obligations under the Development Agreement and are not otherwise in default under any other agreement with us, as you sign Franchise Agreements for the development and operation of each Shop to be developed under the Development Agreement, we will credit the portion of the Development Fee that you paid as the initial franchise fee for such Shop.

Before entering into the Development Agreement, we will review and consult with you concerning the proposed geographic areas that will comprise the Development Search Area. We will then determine and specify the required number of Shops that you must develop under the Development Agreement. Also, the Development Schedule will contain the required number of Shops and the time frames in which the Shops must be developed. We will specify the Development Schedule before you sign the Development Agreement. The factors that influence the minimum number of required Shops include projected market demand, the size of the Development Search Area, economic and demographic factors in that area, your financial and other capabilities and the duration of the Development Agreement.

We may provide development incentives from time to time in our sole discretion.

Pre-Opening Purchases

Before the Shop, Satellite and/or Mobile Unit opens, you must purchase from us and/or our distributors the Products and other items. We estimate that your total costs of pre-opening purchases from us and/or our distributors will range from $8,000 to $17,500 for a Standard Shop and $8,000 to $15,000 for an Express Shop. Factors which impact the costs of your pre-opening costs for Products and other items include the size of the Shop and the amount of Menu Items offered at the Shop. Your pre-opening purchases for a Satellite and/or Mobile Unit will depend on how much you intend to increase the inventory at the Shop that will support the Satellite or Mobile Unit and Menu Items offered by the Satellite or Mobile Unit. We estimate the total costs of pre-opening purchases from us and/or our distributors will range from $4,000 to $9,000 for a Satellite and $0 to $3,000 for a Mobile Unit.

Minimum New Shop Marketing Program Expenditure

The Franchise Agreement requires you to spend on a new shop marketing program (the "**New Shop Marketing Program**") a minimum of (i) $12,000 for a Standard Shop and (ii) $10,000 for an Express Shop or Satellite (the "**Minimum New Shop Marketing Program Expenditure**"). You must deposit the Minimum New Shop Marketing Program Expenditure with us 120 days prior to the expected opening of

your Shop or Satellite and we will distribute such funds as necessary to conduct the New Shop Marketing Program.

* * *

Except as otherwise described above, all fees paid to us or our affiliates are payable in lump sum and nonrefundable.

ITEM 6: OTHER FEES

OTHER FEES

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
Royalty	6.5% of estimated sales on Rita's-Mix Items and/or 6.5% of Gross Sales on Menu Items that are Non-Mix Items or Non-Mix Items charged as an additional fee	The Yield Based Royalty (defined below) must be paid upon purchase of Rita's-Mix Items and the Non-Yield Based Royalty (defined below) must be paid weekly (on the date we specify)	See Note 1
Advertising Contribution	3.0% of estimated sales on Rita's-Mix Items and 3.0% of Gross Sales on Menu Items that are Non-Mix Items or Non-Mix Items charged as an additional fee	Same as royalty	See Note 2
Minimum Local Advertising Expenditure	Currently 2.0% of Gross Sales (but 3.0% ceiling)	Weekly	See Note 3
Advertising Cooperative Program	Not to exceed the Minimum Local Advertising Expenditure	As Cooperative directs	See Note 4
Technology Contribution Fee	Currently $150. Fee will not increase by more than 50% above the current amount	Monthly (on the date we specify)	See Note 5
Training for New or Replacement Manager(s)	Our then-current fee for Initial Training (currently $500) which will not exceed $2,000	Prior to attending training	See Note 6
Site Selection	$100 - $1,000	If incurred, before opening	See Note 7

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
Overdraft Fee	Then-current fee (currently, $50 for each insufficient payment) which will not increase by more than 50% above the current amount	When incurred	See Note 8
Relocation Fee/Lost Profits During Relocation	$2,500 plus Royalty Fees and Advertising Contributions for the period of time the Shop or Satellite is closed during relocation	Time of relocation	See Note 9
Transfer	50% of then-current initial franchise fee for the same type of Shop and/or Satellite	Time of transfer	If, after you sign the Franchise Agreement, you want to transfer to an entity you form for the convenience of ownership, we will only charge an administrative fee of $500. See Note 9
Insurance	Will vary under circumstances	Upon demand	See Note 11
Renewal	If a Shop, 50% of then-current initial franchise fee for the type of Shop being renewed. If a Satellite, 50% of then-current initial franchise fee for Satellite. If a Mobile Unit, $500.	Before renewal	See Note 12
Indemnification	Will vary under circumstances	Upon demand	See Note 13
Interest and Audit Expenses	Interest on overdue amounts (1.5% per month or maximum rate permitted by law); cost of audit will vary	Upon demand	See Note 14
Costs and Attorneys' Fees	Will vary	Upon demand	See Note 15
Liquidated Damages	The average of the monthly Royalty Fees and Advertising Contributions due for the previous 12 months, multiplied by the number of months remaining in the then-	Upon demand	See Note 16

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
	current term of the Franchise Agreement		
Rita's Annual Business Meeting	Will vary	Prior to attending Rita's Annual Business Meeting	See Note 17
Guest Complaint Resolution Fee	Then-current fee (currently $10 - $100 per incident)	When we receive a complaint from a guest and send a gift-card to the guest	See Note 18
Training Cancellation Fee	Then-current fee (currently $250)	At time of late cancellation	See Note 19
COS Violation Fee	Then-current fee (currently, between $0 and $250, and up to $1,000 per incident after the second incident) which will not increase by more than 50% above the current amount	When incurred	See Note 20
Additional Monitoring Fee	A fee that will not generally exceed $1,000 in any 12-month period.	When incurred	See Note 21

The above table describes other recurring or isolated fees or payments that you must pay to us or our affiliates, or which we or our affiliates impose or collect on behalf of a third party, in whole or in part. Unless otherwise indicated, all fees listed in the table are uniformly imposed by, payable to and collected by us, and are non-refundable; however, as noted above, we reserve the right to waive, reduce or amend any of the fees for institutional franchisees, unique locations or other circumstances we believe warrant a waiver, reduction or amendment.

NOTES:

Note 1 – Royalty: We make available to you for purchase, or designate or approve other distributors or suppliers who will make available to you for purchase, certain Rita's Products required for your preparation of certain Menu Items, including our proprietary Italian ice mix, custard mix and ingredients for such other Menu Items as Company may designate from time to time (collectively, "**Rita's-Mix Items**"). We make available to you for purchase, or designate or approve other distributors or suppliers who shall make available to you for purchase, certain Non-Proprietary Products required for Franchisee's preparation of certain Menu Items that do not include the Rita's-Mix Items ("**Non-Mix Items**"). You must pay a continuing royalty fee which shall be the mathematical product determined by multiplying 6.5% times our estimate of the amount of gross sales that may be derived by you from the retail sale of Menu Items that may be prepared from the Rita's-Mix Items (the "**Yield Based Royalty**"). You must pay a continuing weekly royalty of 6.5% of the Gross Sales (defined below) of all (i) Menu Items that are Non-Mix Items sold in the preceding week and (ii) Non-Mix Items charged as an upcharge, additional charge or service on Menu Items made with Rita's-Mix Items sold in the preceding week ("**Non-Yield Based Royalty**"). See Section 3.9 of the Franchise Agreement for additional information on how we calculate the Yield Based Royalty. You must pay the Yield Based Royalty when you purchase Products and you must pay the Non-

Yield Based Royalty weekly. All payments must be made by electronic funds transfer. "**Gross Sales**" means revenue from the sale of all Menu Items and all other income, whether for cash, credit, services or barter, of every kind and nature related to the Shop, Satellite and Mobile Unit (including Mobile Events and Catering Activities), including proceeds of any business interruption insurance policies, regardless of collection in the case of credit. Gross Sales shall not include (a) any sales taxes or other taxes collected from customers by you and paid directly to the appropriate taxing authority or (b) the value of any gift card sold.

Note 2 – Advertising Contribution: You must pay us an advertising fund contribution ("**Advertising Contribution**") for the branding fund we created for the system (the "**Branding Fund**"). The Advertising Contribution will be calculated and collected in the manner that the Yield Based Royalty and the Non-Yield Based Royalty are calculated and collected.

Note 3 – Minimum Local Advertising Expenditure: In addition to the Advertising Contributions for the Branding Fund, for each week (or portion of each week) during which the Shop is open for business, you must spend an average 2% of Gross Sales of all Menu Items (i.e. without regard to whether aMenu Item is prepared with or without Rita's-Mix Items) per week on local advertising in the manner we prescribe in the Manual or otherwise in writing (the "**Minimum Local Advertising Expenditure**"). We have the right, under the Franchise Agreements, to increase the Minimum Local Advertising Expenditure to a maximum of 3%. We may exempt certain Express Shops from this requirement based on other advertising obligations they have. For purposes of the Minimum Local Advertising Expenditure, the Gross Sales for the Shop includes sales through Satellites and Mobile Units.

Note 4 – Advertising Cooperative: We reserve the right to require you to become a member of an advertising cooperative. We currently have established advertising cooperatives in certain Metropolitan Statistical Areas ("**MSA**"). If an advertising cooperative has been established applicable to the Shop's location at the time you commence operations, you must immediately become a member of such advertising cooperative. We will designate when a new Shop starts to contribute to an advertising cooperative. You will have no voting rights in any advertising cooperative until the Shop and/or Satellite opens and you commence contributing to the advertising cooperative. The amounts you are required to contribute to an advertising cooperative will be credited to your Minimum Local Advertising Expenditure requirements. We may exempt certain Express Shops from this requirement based on other advertising obligations they have. See Item 11 for additional information.

Note 5 – Technology Contribution Fee: You must pay us a monthly technology contribution fee ("**Technology Contribution Fee**") to assist us in maintaining, funding, servicing and developing technology for the System which Technology Contribution Fee may be subject to consumer-price index increases during the term of the Franchise Agreement. The Technology Contribution Fee is in addition to any charges or fees by vendors, suppliers or us for providing specific equipment, software, products and/or services to you in connection with the Computer System or other technology.

Note 6 – Training for New or Replacement Manager(s): Following the training of your initial manager, we may impose a training fee for any new or replacement manager or in the event of a transfer.

Note 7 – Site Selection: Under the Franchise Agreements, we will conduct, if we deem it necessary and appropriate, and at no cost to you, one on-site evaluation of any properly submitted proposed site that meets our criteria. For each additional on-site evaluation (if any) of the same location that was previously submitted and reviewed, we may require you to reimburse us for our reasonable expenses, including the costs of our payroll for site selection personnel, travel, lodging, food and other miscellaneous expenditures. The figures in the chart reflect our estimated expenses in conducting one additional on-site evaluation (if

any). The reimbursement of such expenses incurred by us (if any) is non-refundable and will be imposed by, payable to and collected by us.

Note 8 – Overdraft Fee: If there are insufficient funds in your bank account for an electronic fund transfer to cover payments due to us or our affiliates, or if an electronic fund transfer attempt is not successful, we have the right, under the Franchise Agreement, to charge you our then-current overdraft fee and administrative costs. Currently, this fee is $50 for each insufficient payment.

Note 9 – Relocation Fee and Rita's Lost Profits During Relocation: If you relocate the Shop or Satellite, with our prior written consent, you must pay us a nonrefundable relocation fee of $2,500. In addition, if you close the Shop or Satellite for any period of time during relocation, we reserve the right to require you to pay us the same royalty fees and advertising fund contributions and expenditures required under the Franchise Agreement during the same time period of the prior year. For a description of the conditions under which the Shop or Satellite may be relocated, see Item 12 below.

Note 10 – Transfer Fee: If any transfer subject to the Franchise Agreement occurs as described in Item 17, you must pay us a nonrefundable transfer fee equal to 50% of the then-current initial franchise fee for a Shop of the same type at the time of transfer. However, in the case of an entity formed by you for the convenience of ownership, we will waive the transfer fee if the transfer is done within 6 months of signing the Franchise Agreement and reduce the transfer fee to a $500 administrative fee, if done more than 6 months after signing the Franchise Agreement.

Note 11 – Insurance: Before you open the Shop or Satellite, you must purchase and maintain, at all times during the term of your Franchise Agreement, the insurance coverage that we specify in the Manuals. If you fail to obtain or maintain the required insurance, we have the option to obtain such insurance on your behalf and charge you for the cost of the insurance and our reasonable expenses in connection with obtaining and maintaining it.

Note 12 – Renewal Fee: If you renew your right under the Franchise Agreement/Satellite Addendum, you must pay us a renewal fee equal to 50% of the then-current initial franchise fee being charged for a Shop/Satellite of the same type when you sign the renewal franchise agreement/satellite addendum. The renewal fee of $500 for a Mobile Unit shall be paid every 10 years from the effective date of the Mobile Addendum. In addition, as a condition to renewal, you must make or provide for such renovation and modernization of the Shop, Satellite or Mobile Unit so that it conforms to our then-current standards, practices and image.

Note 13 – Indemnification: Under the Franchise Agreement, you must indemnify and hold us, our affiliates and their respective officers, directors, agents and employees harmless against all claims, losses, costs, expenses, liabilities and damages arising directly or indirectly from, as a result of, or in connection with your business operations, as well as the costs, including attorneys' fees, of defending against them.

Note 14 – Interest and Audit Expense: We (and/or our designated agents) have the right, under the Franchise Agreement, to examine and copy, at our expense, your books, records, accounts and tax returns. We also have the right, at any time, to have an independent audit made of your books. If an inspection should reveal that you have understated any payment due to us, you must immediately pay us the understated amount upon demand, in addition to interest from the date such amount was due until paid, at the rate of 1.5% per month (or the maximum interest rate permitted by law, whichever is less). If an inspection reveals that you have understated any report by 3% or more, you must, in addition to repaying monies owed and interest, reimburse us for all costs and expenses connected with the inspection (including travel, lodging and wages expenses, and reasonable accounting and legal costs).

Note 15 – Costs and Attorneys' Fees: You must reimburse us for our expenses in enforcing or terminating the Franchise Agreement.

Note 16 – Liquidated Damages: Upon termination of the Franchise Agreement due to your breach, you must pay us, in addition to other amounts owed, liquidated damages in an amount equal to the net present value of the product of (i) the number of months of the unexpired portion of your initial term under the Franchise Agreement or Satellite Addendum, multiplied by (ii) the Shop's and/or Satellite's average monthly royalty fees (including Yield Based Royalties and Non-Yield Based Royalties) and Advertising Obligation (defined in Item 11) contributions and expenditures required under the Franchise Agreement or Satellite Addendum during the 24-month period (or any shorter period the Shop and/or Satellite may have operated for) immediately preceding the earlier of the date of termination or abandonment of the Shop and/or Satellite (regardless of whether that period includes operational history of the Shop and/or Satellite for when it was owned by a different ownership group); provided, however, if the Shop and/or Satellite has not been open for at least 24 months, the average monthly amount of royalty fees (including Yield Based Royalties and Non-Yield Based Royalties) and Advertising Obligation contributions and expenditures payable by you to us for the months in which the Shop and/or Satellite has been open shall be used for purposes of the calculation.

Note 17 – Annual Business Meeting: We require that you (or a designated employee) attend the first Annual Business Meeting that occurs after the opening of the Shop. Thereafter, you may not miss more than two consecutive Annual Business Meetings. For each Annual Business Meeting, you must register at least one attendee. You will be responsible for your expenses in attending the Annual Business Meeting. If you decline to attend the Annual Business Meeting, you will be responsible for paying a registration fee for at least one attendee regardless of participation.

Note 18 – Guest Complaint Resolution Fee: If we receive a complaint from one of your guests, we reserve the right to require you to pay our then-current Guest Complaint Resolution Fee as described in the Manuals. Currently, the fee is $10 for the first occurrence; $25 for the second occurrence; $50 for the third occurrence; and $100 for the fourth and each additional occurrence.

Note 19 – Training Cancellation Fee: If you register for and fail to attend a training course without providing notice of the cancellation at least 10 business days before the scheduled training course, you must pay our then-current cancellation fee. We reserve the right to charge you the then-current cancellation fee if you request to reschedule your training to a time other than the scheduled training date.

Note 20 – COS Violation Fee: We have established a set of Critical Operating Standards ("**COS**"), which govern certain aspects of your operations. If you fail to comply with any COS, you must pay us the then-current Critical Operating Standards Violation Fee ("**COS Violation Fee**").

Note 21 – Additional Monitoring Fee: If you default under your franchise agreement and we determine that such default warrants additional monitoring of the Shop, we may charge you a fee(s) for additional monitoring of the Shop by Company or a third-party vendor.

ITEM 7: ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Standard Rita's Shop without Drive-Thru[1]

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is to be Made
Initial Franchise Fee[2]	$35,000	Lump Sum	At signing of Franchise Agreement	Us
Lease Deposit[3]	$0-$12,500	Lump Sum	At Signing of Lease	Landlord
Leasehold Improvements[4]	$125,000-$359,664	As Agreed	Before opening, as incurred	Suppliers
Equipment[6]	$104,744-$168,257	As Agreed	Before opening, as incurred	Us and/or Suppliers
Permits & Licenses[7]	$1,239-$17,578	As Incurred	Before opening, as incurred	Governmental Authorities
Signage[8]	$5,500-$26,123	As Agreed	Before opening, as incurred	Suppliers
Insurance[9]	$200-$3,920	Lump Sum	Before opening, as incurred	Insurance Carrier/Broker
Initial Order[10]	$8,000-$17,500	As Agreed	Before opening, as incurred	Us and/or Suppliers
Minimum New Shop Marketing Expenditure[11]	$12,000	Lump Sum	120 days before opening	Us for payment to Suppliers
Training[12]	$50-$5,000	As Incurred	Before opening, as incurred	Food and lodging providers
Architect and Attorney Fees[13]	$3,500-$25,000	As Incurred	Before opening, as incurred	Architect/Attorney
Additional Funds[14] (3 months)	$20,000 - $30,000	As Incurred	Before and after opening, as incurred	Your Employees, Suppliers and Creditors
TOTAL[15]	**$315,233-$712,542**			

Standard Rita's Shop with Drive-Thru[1, 5]

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is to be Made
Initial Franchise Fee[2]	$35,000	Lump Sum	At signing of Franchise Agreement	Us
Lease Deposit[3]	$0-$12,500	Lump Sum	At Signing of Lease	Landlord
Leasehold Improvements[4]	$212,086-$400,000[16]	As Agreed	Before opening, as incurred	Suppliers
Equipment[6]	$123,500 - $230,000	As Agreed	Before opening, as incurred	Us and/or Suppliers
Permits & Licenses[7]	$3,042-$10,000	As Incurred	Before opening, as incurred	Governmental Authorities
Signage[8]	$19,160-$98,781	As Agreed	Before opening, as incurred	Suppliers
Insurance[9]	$200-$3,920	Lump Sum	Before opening, as incurred	Insurance Carrier/Broker
Initial Order[10]	$8,000-$17,500	As Agreed	Before opening, as incurred	Us and/or Suppliers
Minimum New Shop Marketing Expenditure[11]	$12,000	Lump Sum	120 days before opening	Us for payment to Suppliers
Training[12]	$50-$5,000	As Incurred	Before opening, as incurred	Food and lodging providers
Architect and Attorney Fees[13]	$23,820-$60,835	As Incurred	Before opening, as incurred	Architect/Attorney
Additional Funds[14] (3 months)	$20,000 - $30,000	As Incurred	Before and after opening, as incurred	Your Employees, Suppliers and Creditors
TOTAL[15]	**$456,858-$915,536**			

Express Rita's Shop[1]

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is to be Made
Initial Franchise Fee[2]	$35,000	Lump Sum	At signing of Franchise Agreement	Us
Lease Deposit[3]	$1,000-$8,000	Lump Sum	At Signing of Lease	Landlord
Leasehold Improvements[4]	$68,500-$287,253	As Agreed	Before opening, as incurred	Suppliers
Equipment[6]	$50,000-$143,145	As Agreed	Before opening, as incurred	Us and/or Suppliers
Permits & Licenses[7]	$685-$2,500	As Incurred	Before opening, as incurred	Governmental Authorities
Signage[8]	$5,570-$15,106	As Agreed	Before opening, as incurred	Suppliers

Insurance[9]	$200-$2,500	Lump Sum	Before opening, as incurred	Insurance Carrier/Broker
Initial Order[10]	$8,000-$15,000	As Agreed	Before opening, as incurred	Us and/or Suppliers
Minimum New Shop Marketing Program Expenditure[11]	$10,000	Lump Sum	120 days before opening	Us for payment to Suppliers
Training[12]	$50-$5,000	As Incurred	Before opening, as incurred	Food and lodging providers
Architect and Attorney Fees[13]	$5,000-$15,000	As Incurred	Before opening, as incurred	Architect/Attorney
Additional Funds[14] (3 months)	$15,000 - $20,000	As Incurred	Before and after opening, as incurred	Your Employees, Suppliers and Creditors
TOTAL[15]	**$199,005-$558,504**			

Satellite[1]

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is to be Made
Initial Franchise Fee[2]	$15,000	Lump Sum	At signing of Franchise Agreement	Us
Lease Deposit[3]	$0-$15,000	Lump Sum	At Signing of Lease	Landlord
Leasehold Improvements[4]	$50,000-$125,000	As Agreed	Before opening, as incurred	Suppliers
Equipment[6]	$28,900-$90,500	As Agreed	Before opening, as incurred	Us and/or Suppliers
Permits & Licenses[7]	$450-$5,000	As Incurred	Before opening, as incurred	Governmental Authorities
Signage[8]	$3,000-$12,500	As Agreed	Before opening, as incurred	Suppliers
Insurance[9]	$200-$1,500	Lump Sum	Before opening, as incurred	Insurance Carrier/Broker
Initial Order[10]	$4,000-$9,000	As Agreed	Before opening, as incurred	Us and/or Suppliers
Minimum New Shop Marketing Program Expenditure[11]	$10,000	Lump Sum	120 days before opening	Us for payment to Suppliers
Training[12]	$0	As Incurred	Before opening, as incurred	Food and lodging providers
Architect and Attorney Fees[13]	$5,000-$15,000	As Incurred	Before opening, as incurred	Architect/Attorney
Additional Funds (3 months)[14]	$15,000-$20,000	As Incurred	Before and after opening, as incurred	Your Employees, Suppliers and Creditors
TOTAL[15]	**$131,550-$318,500**			

Mobile Unit[1]

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is to be Made
Initial Franchise Fee[2]	$5,000	Lump Sum	At signing of Franchise Agreement	Us
Lease Deposit[3]	$0	Lump Sum	At Signing of Lease	Landlord
Leasehold Improvements[4]	$0	As Agreed	Before opening, as incurred	Suppliers
Equipment[6]	$10,000-$166,000	As Agreed	Before opening, as incurred	Us and/or Suppliers
Permits & Licenses[7]	$100-$1,500	As Incurred	Before opening, as incurred	Governmental Authorities
Signage[8]	$0	As Agreed	Before opening, as incurred	Suppliers
Insurance[9]	$1,500-$4,500	Lump Sum	Before opening, as incurred	Insurance Carrier/Broker
Initial Order[10]	$0 - $3,000	As Agreed	Before opening, as incurred	Us and/or Suppliers
Training[12]	$0	As Incurred	Before opening, as incurred	Food and lodging providers
Architect and Attorney Fees[13]	$0	As Incurred	Before opening, as incurred	Architect/Attorney
Additional Funds (3 months)[14]	$0	As Incurred	Before and after opening, as incurred	Your Employees, Suppliers and Creditors
TOTAL[15]	**$16,500-$180,000**			

Except as otherwise described in the notes below, the above tables provide an estimate of your initial investment for a Shop and the costs necessary to begin operation of the Shop. The first table describes the initial investment and costs for a Standard Shop without Drive-Thru. The second table describes the initial investment and costs for a Standard Shop with Drive-Thru. The third table describes the initial investment and costs for an Express Shop. The fourth table describes the initial investment and costs for a Satellite. The fifth table describes the initial investment and costs for a Mobile Unit. All costs listed in the tables are estimates only based on Rita's shops developed in late 2024 and in 2025. Actual costs will vary for each franchisee and each location depending on a number of factors. All fees and payments are non-refundable, unless otherwise stated or permitted by the payee.

NOTES*:*

Note 1: As described in the charts above, your costs will vary depending on whether you open a Standard Shop, Express Shop, Satellite or Mobile Unit. You only have the opportunity to operate a Satellite or a Mobile Unit if you operate a Standard Shop.

Note 2: See Item 5 for a description of the initial franchise fee. If you sign a Development Agreement, you will have to pay a Development Fee.

Note 3: While you may own or purchase real estate in which to locate the Shop, we anticipate that you will most likely lease a location for the Shop in a shopping center or elsewhere. The figures in the charts are based on our estimate of the cost of your lease or sublease for the leasehold premises. We cannot estimate your costs if you were to purchase or construct a building for the Shop. Standard Shops typically occupy approximately 600 to 1,000 square feet of commercial space. Standard Shops with Drive-Thru typically occupy 800 to 1,400 square feet of commercial space. Express Shops and Satellites typically occupy approximately 300 to 700 square feet of commercial space. The monthly rent for leased premises varies depending upon the location of the Shop or Satellite and the then-current, local real estate rental market conditions. You should obtain estimates of rental costs by contacting local commercial realtors before you sign the Franchise Agreement or Satellite Addendum. The figures in the charts reflect an estimate for a one-month security deposit and the first month's rent. We estimate that rentals will range between $1,000 and $3,500 monthly for 1,000 square feet of commercial space. In addition, some landlords may require additional security deposits or rental payments upon signing a lease. Many locations, such as malls and shopping centers, require the tenant to pay charges in addition to rent, such as real estate taxes, percentage rental, utilities, maintenance and insurance. Such additional charges would increase your rental costs. You should carefully investigate and evaluate all of the potential costs associated with a particular location.

Note 4: This category includes construction build-out costs, construction costs and the cost of fixtures. The high end of the range is for a Standard Shop located in an in-line retail space or end-cap retail space with no or minor site work. The range covers walk-in and walk-up Shops. This estimate does not cover (a) construction of a modular or stick-built building or (ii) major site work for the building. We are unable to estimate the cost of a modular or stick-built building because we have extremely limited history with franchisees constructing modular or stick-built buildings and these costs vary widely depending on where the building will be constructed. Additionally, we are unable to estimate the costs in connection with a project that will require major site work for the building. Your initial investment for leasehold improvements will vary depending upon whether you operate a Standard Shop, an Express Shop, a Satellite or a Mobile Unit, the size of the Shop/Satellite/Mobile Unit and its geographic location. Express Shop and Satellite locations are generally smaller in size and may have special design and layout requirements. Construction costs in some areas of the country may exceed these estimates. These amounts reflect your cost if you purchase fixtures from or through approved contractors. Your actual cost for improving real estate may exceed the estimates contained in the charts. This range is not reduced for any tenant improvement allowance that you may obtain from your landlord.

Note 5: This estimate is based on a limited number of drive-thru Shops, and those Shops required limited modifications and involved basic drive-thru equipment and menu boards. If you elect to construct a drive-thru location for your Shop, your costs may be higher based on your location, including (i) any substantial building modification for the drive-thru, (ii) any substantial regulations or permits related to drive-thru in the area where your Shop is located, (iii) any high-end equipment and menu boards you elect to install and (iv) other factors.

Note 6: This range reflects the cost of purchasing the standard equipment necessary to operate the Shop or Satellite and incidental office equipment (including a computer). Standard operating equipment includes a minimum of 2 Rita's proprietary Italian ice batch machines, 3 dipping boxes, 2 soft-serve machines, a 2-door upright refrigerator, a 2-door upright freezer, 1 POS system terminal, a work top refrigerator, kitchen display system and the digital menu board system. If you elect to finance or lease these items, you will incur a monthly lease expense in lieu of the expenses for purchase of the items described in the charts. Such expense could vary, depending upon the type of lease or length of financing. Depending on the suppliers chosen, the cost of supplies and equipment may be refundable. The range for a Mobile Unit includes the cost of the Mobile Unit, which would be a trailer or truck.

Note 7: The figures in the charts include the estimated cost of building and zoning permits and business operating licenses. The cost of obtaining these permits and licenses will vary according to local standards and regulations. You should consult your lawyer or your local county and state authorities about the specific legal requirements for business licenses, building and zoning permits and related types of expenses in your local area or municipality.

Note 8: The figures in the charts reflect the estimated cost of the signage required under our standards, specifications and requirements. The cost of signs depends on the size and location of the Shop/Satellite, the particular requirements of the landlord, local and state ordinances and zoning requirements. The estimates given in the charts include exterior and interior artwork and graphics. For a Mobile Unit, graphics, signs and/or wraps are included in the equipment cost.

Note 9: Before you open the Shop/Satellite/Mobile Unit, you must purchase and maintain at your sole expense the insurance coverage that we specify. This will include commercial general liability insurance, property and casualty insurance, statutory worker's compensation insurance, employer's liability insurance, umbrella insurance and product liability insurance. Each policy must be written by a responsible carrier or carriers acceptable to us and must name us, our affiliates and their respective officers, directors, partners, agents and employees as additional insured parties. The cost of the business insurance coverage required by the Franchise Agreement will vary from state to state and will depend on your prior loss experience, if any, the prior loss experience of your insurance carrier in the state or locale in which you operate and/or national or local market conditions. You may or may not have to pay your insurance carrier or agent a full annual premium in advance.

Note 10: Under the terms of the Franchise Agreement, you must stock the Shop with the initial order of products, accessories, inventory and supplies we prescribe. These figures reflect the base cost of the Products, fruits, sugars, uniforms, paper goods and other miscellaneous supplies. For a Satellite or Mobile Unit, your costs will be lower because you will be using Products and supplies from the Shop.

Note 11: See Item 5 of this Disclosure Document for a description of the Minimum New Shop Marketing Program Expenditure requirement.

Note 12: The figure for training in the charts includes moderately priced lodging accommodations, food costs and automobile mileage expenses for two people attending Initial Training (defined in Item 11) for franchisees and managers for 9 days. These estimated costs will vary according to the living accommodations, travel arrangements and dining facilities used. If you reside in the Philadelphia metropolitan area and commute to training, your training costs are likely to be less.

Note 13: You may be required to hire an architect and/or have an attorney represent you at local township zoning hearings for building approvals or permits. The figures in the charts are our estimate of your architect's and attorneys' fees if zoning hearings are required by your locality. Your attorneys' fees may be higher if you are purchasing property rather than leasing property and may be significantly higher if there are environmental issues at the property you are purchasing.

Note 14: We estimate that before opening the Shop or Satellite and for a period of three months after the opening, you will need some additional funds. The estimate in the charts includes rent and utilities for the second and third months of operation, employees' salaries for three months and other miscellaneous expenses. The amount of additional funds that you may need will vary depending upon the location of the Shop, the number of paid employees you hire and their rate of pay, and your own management and operational skill. The fact that the Shop/Satellite may experience seasonal sales activity may create additional working capital requirements. The estimated additional funds amounts assume that (i) you will not draw a salary from the Shop/Satellite during this initial phase, (ii) you will be actively involved in

operating the Shop/Satellite, and (iii) the Shop/Satellite will be operating during the initial three-month period.

Note 15: We relied on the historical experience of our predecessors, our experience and information received from franchisees in formulating these estimates. Your costs may vary based on a number of factors including the geographic area in which you open, local market conditions, the location selected, the time it takes to build sales at the Shop/Satellite/Mobile Unit and your skills at operating a business. If you elect to (i) deviate from our standard design or equipment package or (ii) construct a modular or stick-built building, your costs may be higher. Costs to develop a Shop/Satellite/Mobile Unit may increase each year and your costs may increase if you delay developing or develop over multiple years. You should review these figures carefully with a business advisor before buying a franchise. Except as indicated otherwise, we do not offer direct or indirect financing to franchisees for any items.

Note 16: Late in 2023, we had one franchisee develop a Rita's shop with a drive-thru, and the franchisee spent around $600,000 on leasehold improvements resulting from the franchisee's desire to rebuild most of the existing structure instead of using the existing structure. This was an anomaly from our development process which we have not included in the estimate of this expenditure.

Menus Items may vary among different locations. Express Shops typically offer limited Menu Items. Products not prepared onsite at the Satellite and Mobile Unit are delivered from the Standard Shop. To ensure that an adequate supply of acceptable product is available for sale, products must be transported in a suitable vehicle, in suitable containers on a schedule and in a manner acceptable to us, in compliance with federal, state and local regulations and in compliance with our quality, freshness and other standards. The estimated total does not include the cost of a delivery vehicle, except in the case of a Mobile Unit that is a truck.

ITEM 8: RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Shop Design and Construction

We have the right to designate one or more suppliers of design services and/or architecture services (a "**Required Design Firm**") for Shops and Satellites being developed. During any time that we have designated a Required Design Firm, you must hire the Required Design Firm in connection with developing the Shop or Satellite. We have the right to designate a single approved contractor or furnish you with a list of approved contractors for you to employ in the construction of the Shop or Satellite.

Products

To protect our interest in Menu Items and Rita's Products and to ensure the quality, uniformity and distinctiveness of Menu Items and Rita's Products, you must purchase, solely from us or suppliers designated by us, all of Rita's Products. We are not required and have no obligation to issue specifications for, or entertain requests for approval of, Rita's Products or suppliers for Rita's Products.

In addition to the requirements above, all Products sold or offered for sale at the Shop must meet the System Operating Standards. You must purchase all Products solely from manufacturers, distributors and suppliers who demonstrate, to our continuing reasonable satisfaction, the ability to meet the System Operating Standards, who possess adequate quality controls and capacity to supply your needs promptly and reliably, and who have been approved by us in the Manuals or otherwise in writing. You may not purchase, offer or sell any Products that we have not previously approved as meeting the System Operating Standards. As discussed in Item 1 and Item 5, we supply certain Products sold in Rita's shops and we will derive certain revenue from purchases by franchisees under the System.

Operating Assets

The types, models and brands of fixtures, furniture, furnishings, signs (including menu board systems), graphics, décor and equipment and mixing/dispensing equipment (collectively, "**Operating Assets**") used to operate the Shop, Satellite and Mobile Unit must meet the System Operating Standards. The Operating Assets include computer and communication hardware and software and point-of-sale system hardware and software we require and designate (the "**Computer System**"), which (a) you must purchase (or lease) and (b) must meet the System Operating Standards. The current Computer System is not proprietary to us (but we are the supplier of the tablet for online ordering and back-of-house kitchen display system (KDS)). Currently, the Computer System includes (1) the Clover/Bypass POS system which (i) is the required point-of-sale system for operation in all Shops, Satellites and Mobile Units, and (ii) is only available for purchase or lease from First Data and/or its affiliates; (2) a table for online orders which (i) is required for processing pickup orders and (ii) is only available for purchase from us; (3) tablets from third-party delivery services which (i) is required for processing delivery services and/or pickup orders and (ii) is only available from third-party delivery services; and (4) a touchscreen monitor, KDS TV Box and wall mount TV or monitor which (i) is required for our technology-based production management system and (ii) may only be available for purchase from us. If the Shop has a drive-thru, the Operating Assets will include drive-thru equipment, including headsets, devices (media player, Nexo), mic/speaker box, magnetic loop(s) (i.e. vehicle sensors), timer system, outside screens and other equipment. See Item 11 for details. You must accept all major credit cards for customer purchases. First Data and/or its affiliates are the only credit card processor(s) that can be used with the Clover/Bypass POS system. This requirement may require that you invest in additional equipment and incur fees from the credit card processing vendor(s) that we designate.

If you enter into a Mobile Addendum, you must purchase the Mobile Unit from a supplier we designate.

System Operating Standards and Supplier Approval

You must operate the Shop, Satellite and Mobile Unit according to the System Operating Standards that we periodically prescribe. System Operating Standards may regulate, among other things, Products; Operating Assets; other products and supplies you must use in operating the Shop, Satellite and Mobile Unit; unauthorized and prohibited food products, beverages and services; inventory requirements; and designated and approved suppliers of Operating Assets, Products and other items.

In the case of Products, suppliers may be limited to us, our affiliates and/or other specified exclusive sources as we designate, and you must acquire the Products during the term of the Franchise Agreement only from us, our affiliates and/or the other specified exclusive sources at the prices that we or our affiliates decide to charge. We reserve the right to restrict your sources of Products in order to protect our trade secrets, assure quality, assure a reliable supply of products that meet our standards, achieve better terms of purchase and delivery service, control usage of the Proprietary Marks by third parties, and monitor the manufacturing, packaging, processing and sale of the Products.

In the case of Operating Assets, services and items other than Products, suppliers may at our option be limited to us, our affiliates and/or other specified exclusive sources, in which case you must (at our direction) acquire such Operating Assets, services and other items (including gift cards and loyalty card processing services, "mystery" and "secret" shopper services, and consumer satisfaction survey processes) during the term of the Franchise Agreement only from us, our affiliates and/or the other specified exclusive sources at the prices that we or our affiliate decide to charge. We have the absolute right to limit the suppliers with whom you may deal. We will not approve you or another franchisee to be a supplier of any products or services to Rita's shops.

To maintain the quality of the goods and services that Rita's shops sell and the System's reputation, we may condition your right to buy or lease goods and/or services (besides those described above that you may obtain only from us, our affiliates and/or other specified exclusive sources) on their meeting our minimum standards and specifications and/or being acquired from suppliers that we approve. We will issue and modify standards and specifications based on our and System franchisees' experience in operating Rita's shops. Our standards and specifications may impose minimum requirements for production, performance, reputation, prices, quality, design and appearance. Our Manuals or other communications will identify our standards and specifications. We will notify you and, where appropriate, the suppliers, of our standards and specifications. There might be situations where you can obtain items from any supplier who can satisfy our requirements and, therefore, would be an approved supplier.

If we institute any type of restrictive sourcing program and you want to use any item or service that we have not yet evaluated or you want to buy or lease from a supplier that we have not yet approved or designated, you first must send us sufficient information, specifications and samples so that we can determine whether the item or service complies with the System Operating Standards or the supplier meets approved supplier criteria. We may charge you or the supplier a reasonable fee for the evaluation (see Item 6) and will decide within a reasonable time (approximately 30 days). We periodically will establish procedures for your requests and may limit the number of approved items, services and/or suppliers as we think best.

Supplier approval might depend on product quality, delivery frequency and reliability, service standards, financial capability, customer relations, concentration of purchases with limited suppliers to obtain better prices and service and/or a supplier's willingness to pay us, our affiliate or the System for the right to do business with the System. Supplier approval might be temporary until we evaluate the supplier in more detail. We may inspect a proposed supplier's facilities during and after the approval process to make sure that the supplier meets our standards. If it does not, we may revoke our approval by notifying the supplier and you in writing. We have no obligation to approve any request for a new supplier, product or service.

Except as noted above, there are currently no suppliers in which any of our officers owns an interest.

Marketing and Promotional Materials

All marketing and promotional materials you use must be in the media and of the type and format that we approve. You must conduct the activities in a dignified manner, and they must conform to our standards. You may not use any marketing and promotional materials that we have not approved or have disapproved. Before you use any marketing and promotional materials that we have not prepared or previously approved, you must send us such materials for review.

Insurance

You must obtain, before beginning any operations under the Franchise Agreement and maintain in full force and effect at all times during the term of the Franchise Agreement, at your own expense, an insurance policy or policies protecting you, us and our affiliates. The policies must provide protection against any demand or claim relating to personal injury, death, or property damage, or any loss, liability or expense arising from the operation of the Shop, Satellite and/or Mobile Unit. All policies must be written by a responsible carrier or carriers which we determine to be acceptable, must name us and our affiliates as an additional insured, and must provide at least the types and minimum amounts of coverage specified in the Manuals as modified by us. The cost of your insurance will vary depending on the insurance carriers' charges, the terms of payment and your insurance and credit history.

Shop Location

The Shop and/or Satellite must be at a site that we accept as the Accepted Location (defined in Item 11) and the site must meet our then-current site criteria. If you will occupy the Shop and/or Satellite under a lease, you must, before executing the lease, submit the lease to us for our review to ensure the lease contains the terms that we require, which are described in the lease rider attached to the Franchise Agreement (the "**Lease Rider**").

* * *

The following chart contains our estimate of the percentage of your total purchases and leases which you must obtain from approved suppliers (including us and any of our affiliates) or in accordance with our specifications in establishing a Shop, Satellite and/or Mobile Unit and in the continuing operation of a Shop, Satellite and/or Mobile Unit.

ESTIMATED PROPORTION OF YOUR PURCHASES AND LEASES FROM APPROVED SUPPLIERS (INCLUDING US AND ANY OF OUR AFFILIATES) OR ACCORDING TO OUR STANDARDS AND SPECIFICATIONS TO ALL OF YOUR PURCHASES AND LEASES	
In Establishing the Shop, Satellite and/or Mobile Unit	**In the Continuing Operation of the Shop, Satellite and/or Mobile Unit**
Approximately 90-95%	**Approximately 90-95%**

We and our affiliates have the right to receive payments or other material consideration from authorized suppliers based upon their dealings with you, us and other franchisees and we may use the monies we receive without restriction for any purpose we deem appropriate or necessary. Suppliers may pay us based upon the quantities of products the System purchases from them. These fees will usually be based upon the amount purchased or, in the case of food products, an amount per case or an amount per pound. We may receive fees from a supplier as a condition of our approval of that supplier. We do not provide material benefits to franchisees (for example, renewal of existing or granting additional franchises) based on their use of designated or approved suppliers. We currently have purchasing arrangements for some suppliers that provide certain food and supplies for the System. We do not currently, but we may in the future, have purchasing or distribution cooperatives.

Rita's Products are manufactured for us and we sell Rita's Products and certain Non-Proprietary Products to System franchisees using our distribution agents. We receive rebates or allowances based on (i) our purchases from the suppliers/manufacturers of Products (including Rita's Products), and (ii) services that distribution agents provide to us. We sell and deliver the Products (including Rita's Products) and other items to System franchisees using our distribution agents. Additionally, we receive rebates (ranging from 1.6 – 5.1% of System franchisees' purchases on certain equipment and services) from certain designated or approved suppliers or service providers to System franchisees based on System franchisees' purchases. During our last fiscal year, we received $ $41,028.00 in revenue (or .077% of our total revenues of $53,354,722) based on such System franchisees' purchases.

ITEM 9: FRANCHISEE'S OBLIGATIONS

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

FRANCHISEE'S OBLIGATIONS

Obligation		Section in Agreement	Disclosure Document Item
a.	Site selection and acquisition/lease	§§ 1.2, 5, 7.18 of the Franchise Agreement; and 3 and 5 of the Development Agreement; § 3.4 of the Satellite Addendum	6 and 11
b.	Pre-opening purchases/leases	§§ 7.3, 7.4, 7.6, 7.7, 7.8, 7.9 of the Franchise Agreement	7 and 8
c.	Site development and other pre-opening requirements	§§ 5, 6.1, 7.6, 7.7, 7.8, 7.9 of the Franchise Agreement; § 3 and Exhibit A to the Development Agreement	6, 7 and 11
d.	Initial and ongoing training	§ 6 of the Franchise Agreement; § 3.3 of the Satellite Addendum; § 2.4 of the Mobile Addendum	6, 7 and 11
e.	Opening	§ 5 of the Franchise Agreement; § 3 and Exhibit A to the Development Agreement; § 5 of the Satellite Addendum; § 5 of the Mobile Addendum	11
f.	Fees	§§ 2.2.9, 4, 6.2, 6.3, 7.24, 7.25, 12, 14.3 and Exhibit A to the Franchise Agreement; § 4 of the Development Agreement; § 2 of the Satellite Addendum; § 4 of the Mobile Addendum	5, 6 and 7
g.	Compliance with standards and policies/Operating Manual	§§ 5.8, 7,9, 11 of the Franchise Agreement; § 3.3 of the Satellite Addendum; § 2.4 of the Mobile Addendum	8 and 11
h.	Trademarks and proprietary information	§§ 1.1, 1.3, 1.4, 5.3, 5.7, 7, 8, 9, 10, 12.8, 15.2, 16.3, 16.4, 16.6, 16.12, 17.3, 21.4, 26.2 of the Franchise Agreement; §§ 1.3 and 1.4 of the Development Agreement	13 and 14
i.	Restrictions on products/ services offered	§§ 1.4, 1.5, 1.6, 7, 9 of the Franchise Agreement; § 3 of the Satellite Addendum; §§ 2.1, 2.4, 5.2 of the Mobile Addendum	8 and 16
j.	Warranty and guest service requirements	§§ 5.7, 7.12, 9.7 of the Franchise Agreement	11
k.	Territorial development and sales quotas	§§ 1.2, 1.3, 1.4, 1.5, 1.6 of the Franchise Agreement; §§ 1.2 and 6 of the Development Agreement; §§ 3.1, 3.3, 3.4 of the Satellite Addendum; §§ 2.1, 2.2, 2.3, 2.4 of the Mobile Addendum	12

Obligation		Section in Agreement	Disclosure Document Item
l.	Ongoing product/service purchases	§§ 3.5, 3.9, 3.10, 3.11, 3.12, 7.3, 7.5, 7.7, 7.8, 12 of the Franchise Agreement	8
m.	Maintenance, appearance, and remodeling requirements	§§ 2.2.7, 3.1, 3.2, 5.4, 5.9, 7.3, 7.7, 7.9, 7.10, 7.11, 7.13, 7.15, 8.3, 8.4.6, 9.4, 9.6, 9.7, 9.9, 14.3.8 of the Franchise Agreement	17
n.	Insurance	§ 13 of the Franchise Agreement; § 3.5 of the Satellite Addendum; § 2.5 of the Mobile Addendum	6 and 7
o.	Advertising	§§ 9.7.10 and 12 of the Franchise Agreement; §§ 2.2, 4, 5.2 of the Satellite Addendum; §§ 3, 4.2 of the Mobile Addendum	6, 7 and 11
p.	Indemnification	§§ 2.2.4, 14.9, 20.3, owner guarantee signature page, ADA Certification of the Franchise Agreement; § 12 and Exhibit D to the Development Agreement	6
q.	Owner's participation/ management/staffing	§§ 6, 7.16, 9.1, 9.7.13, 14.10, 17.1, 18, owner guarantee signature page of the Franchise Agreement	11 and 15
r.	Records and reports	§§ 4.5, 11, 12 of the Franchise Agreement; § 5 of the Development Agreement; § 2.2 of the Satellite Addendum; § 4.3 of the Mobile Addendum	6
s.	Inspections and audits	§§ 3.8, 5.6, 5.8, 5.9, 7.7.1, 7.10, 9.7.6, 11.4, 15.3.2 of the Franchise Agreement; § 3.6 of the Satellite Addendum; § 2.7 of the Mobile Addendum	6 and 11
t.	Transfer	§§ 14, 15.2.6 of the Franchise Agreement; § 7 of the Development Agreement; § 6 of the Satellite Addendum; § 6 of the Mobile Addendum	6 and 17
u.	Renewal	§ 2 of the Franchise Agreement; § 4 of the Satellite Addendum; § 3 of the Mobile Addendum	17
v.	Post-termination obligations	§§ 16 and 17.4 of the Franchise Agreement; § 8 of the Development Agreement	17
w.	Non-competition covenants	§ 17 of the Franchise Agreement; § 8 of the Development Agreement	17
x.	Dispute resolution	§ 26 of the Franchise Agreement; §§ 8 and 17 of the Development Agreement	17
y.	Other (Guarantee of franchisee obligations)	§§ 2.2.5, 14.3.5, 18.1 and owner guarantee signature page of the Franchise Agreement; Exhibit D to the Development Agreement	15 and 17

ITEM 10: FINANCING

We do not offer direct or indirect financing. We do not guarantee your note, lease or obligation.

We do not know if you will be able to obtain financing for all or part of your investment and, if so, what the terms of such financing will be. We do not receive direct or indirect payments for placing financing.

ITEM 11: FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING

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

Services and Assistance Before Opening

Franchise Agreement

Before you open the Shop (and, as applicable, the Satellite), we:

(a) will, if the location for the Shop is not known when the Franchise Agreement is signed, review (i) your request for a proposed location for the Shop and (ii) information that you submit in connection with your request. We will accept a site that meets with our standards, requirements and criteria for a Rita's shop ("**Accepted Location**") and designate the Territory for the Shop. (Franchise Agreement, Sections 1.2 and 5.2)

(b) will make available standardized design plans and specification for Rita's shops, including exterior and interior design and layout, fixtures, equipment, furnishings, signs and graphics. (Franchise Agreement, Section 3.1)

(c) will provide initial training for franchisees and managers ("**Initial Training**"), at no charge, for up to two trainees. (Franchise Agreement, Section 3.3)

(d) will provide any on-site pre-opening and opening supervision and assistance we deem appropriate. (Franchise Agreement, Section 3.4)

(e) will loan you the Manuals by electronic access. (Franchise Agreement, Section 3.6)

(f) will confirm that the lease includes the Lease Rider or provisions required by the Franchise Agreement. (Franchise Agreement, Section 5.3)

(g) will, at our option, designate one or more Required Design Firms to supply services to the System. (Franchise Agreement, Section 5.4)

(h) will, at our option, designate an approved contractor or furnish you with a list of approved contractors to employ in the construction of the Shop. (Franchise Agreement, Section 5.5.1)

(i) will receive from you the funds for the Minimum New Shop Marketing Expenditure and distribute those funds as necessary to conduct the New Shop Marketing Program. (Franchise Agreement, 12.4)

(j) will approve the opening of the Shop. (Franchise Agreement, Section 5.8)

Development Agreement

Before you open each Shop, we will provide the following types of assistance and services to you:

(a) Accept or not accept each proposed site for each Shop. (Development Agreement, Section 3.2)

(b) Accept or not accept each proposed lease/sublease for each Shop. (Development Agreement, Section 3.3)

(c) Provide you with limited site selection assistance, as we deem advisable. (Development Agreement, Section 5.1.1)

(d) Provide you with on-site evaluation, as we deem advisable. (Development Agreement, Section 5.1.2)

Services and Assistance During Operation

Franchise Agreement

During the operation of the Shop (and, as applicable, the Satellite), we:

(a) will make available to you any marketing materials produced from contributions to the Branding Fund. (Franchise Agreement, Section 3.5)

(b) will conduct, as we determine is advisable, inspections of your operations of the Shop, Satellite and/or Mobile Unit. (Franchise Agreement, Section 3.8)

(c) will, as we determine is appropriate, provide, from time to time, advice and written materials concerning techniques of managing and operating the Shop, including required and suggested inventory and cost control methods, new developments in equipment, food products packaging and preparation, improvements in Rita's shops layout and design, and new developments in products and marketing techniques. (Franchise Agreement, Section 3.7)

(d) will determine the amount of Yield Based Royalty attributable to each Product. (Franchise Agreement, Section 4.2)

(e) will conduct or arrange for training for replacement managers and any additional courses, seminars and other training programs we may require from time to time. (Franchise Agreement, Section 6.2)

(f) will prescribe and modify the System Operating Standards from time to time. (Franchise Agreement, Sections 7.1 and 9)

(g) will review any authorization request you make to purchase any equipment, supplies services and products from suppliers other than those previously designated or approved by us. (Franchise Agreement, Section 7.7.1)

(h) will make available to you for purchase, or designate or approve other distributors or suppliers who will make available to you for purchase, certain Rita's Products. (Franchise Agreement, Section 3.9)

(i) will specify the information that you must collect and maintain on the Computer System installed at the Shop. (Franchise Agreement, Section 7.8)

(j) will designate suppliers for the Products, Operating Assets, and other items and services. (Franchise Agreement, Section 9)

(k) will maintain and administer the Branding Fund and direct all marketing programs and determine the concepts, materials and media used in these programs and placement and allocations of them. Upon your request, we will give you access to an annual accounting of the receipts and disbursements of the Branding Fund. (Franchise Agreement, Section 12.2)

(l) may designate any geographical area for purposes of establishing a Cooperative and determine how the Cooperative is organized and governed. (Franchise Agreement, Section 12.3.5)

Development Agreement

The Development Agreement does not require us to provide any other assistance or services during the operation of the Shop.

Advertising, Websites and Social Media

Recognizing the value of advertising and the importance of the standardization of advertising programs to the furtherance of the goodwill and public image of the System, we may require you to expend on advertising and promotion, or to participate in and contribute for the purpose of advertising and promotion, each year during the term of the Franchise Agreement (the "**Advertising Obligation**"). We will determine what proportion of the Advertising Obligation you must: (1) contribute to the Branding Fund; (2) spend on local advertising and promotion; and (3) contribute to a Cooperative (if one is established for your region). See Item 6 for a summary of the total amount we can require you to expend to satisfy the Advertising Obligation. As of the date of this Disclosure Document, there are no franchisee advertising councils.

You (directly or through a Cooperative) may not use any marketing or promotional plans or materials until the materials have been submitted for our prior approval. If you do not receive written notice of disapproval from us within 10 business days of the date of receipt by us of the samples or materials, we will be deemed to have approved them for your use (see Item 8 above). (Franchise Agreement, Section 12.7)

Branding Fund

We may maintain and administer the Branding Fund. There is no fiduciary or trust relationship created by our administration of the Branding Fund. We will administer the Branding Fund as follows:

1. We will direct all marketing programs and determine the concepts, materials and media used in the programs and their placement. The Branding Fund is intended to maximize general public recognition, acceptance and use of the System; and we are not obligated, in administering the Branding Fund, to make expenditures for you that are equivalent or proportionate to your contribution, or to ensure that any particular franchisee benefits directly or pro rata from expenditures by the Branding Fund. We

may use the Branding Fund for national, regional and local marketing programs and we are not obligated to spend any amount on advertising in the area where you are located. (Franchise Agreement, Section 12.2)

2. We will use the Branding Fund, all contributions to it and any earnings on it, exclusively for any and all internal and external costs of maintaining, administering, directing, conducting and preparing marketing, advertising, public relations, and/or promotional programs and materials, and any other activities including socially responsible activities, which we believe would enhance the image of the System and/or Rita's brand, which may include the costs of preparing and conducting media marketing campaigns; developing, maintaining and updating the Website, Apps and other customer facing technology; direct mail advertising; grand opening advertising, special events; marketing/pricing surveys and research and other public relations activities; employing advertising and/or public relations employees, people and agencies to assist with them; implementing and operating loyalty programs and gift cards; implementing social networking promotional initiatives through online media channels; providing social media management services and tools; purchasing promotional items; conducting and administering in-shop promotions and customer sampling promotions; and providing promotional and other marketing materials and services to Rita's shops operating under the System. We may employ an advertising agency or other agency to assist in the development, production and dissemination of advertising materials, and/or we may hire personnel to perform these functions. We may charge all costs of the formulation, development and placement of advertising and promotional materials to the Branding Fund. These costs may include the proportionate share of our personnel who devote time and render services for advertising and promotion or the administration of the Branding Fund, including administrative costs, salaries and overhead expenses related to administering and supporting the Branding Fund, its programs and technology for such programs. (Franchise Agreement, Section 12.2)

3. You must contribute to the Branding Fund by separate payment (or as otherwise directed for payment) made payable to us in the manner we may direct periodically. (See Item 6 for the manner of payment). Our company-owned and affiliate-owned Shops will contribute to the Branding Fund on the same bases as System franchisees. We may not provide materials produced by the Branding Fund to you if you have not made your contributions to the Branding Fund, or during a period in which you are not required to make a contribution. We will account separately for all sums paid to the Branding Fund. We will not use them for any of our expenses, except for reasonable costs and overhead, if any, that we incur in activities reasonably related to the direction and implementation of the Branding Fund and marketing programs for franchisees and the System. These costs may include costs of personnel for creating and implementing marketing, advertising, public relations and promotional programs. The Branding Fund and any earnings on it will not otherwise benefit us. (Franchise Agreement, Section 12.2)

4. At your request, we will provide you with access to an annual report of Branding Fund contributions and disbursements. During the period January 1, 2025 through December 31, 2025, the Branding Fund spent an estimated 41% of contributions to the Branding Fund on media, 6% on digital programs and tools, 3% on local shop marketing conducted by System franchisees, 12% on production, 14% on agency costs, 22% on administration and 2% on other costs (including licensing fees, research, product sampling and costs associated with fundraising and donations (e.g., Alex's Lemonade Stand Foundation fundraising)). Although our fiscal year end is September 30, the fiscal year end for the Branding Fund is December 31. Currently, we have the annual report of the Branding Fund contributions and disbursements audited each year, and that audit is usually complete midyear. The information above represents pre-audit numbers that are awaiting confirmation through the audit process.

5. We may disseminate advertising in a variety of media, including print, radio, television, point-of-purchase materials or other media. If we do not use all of the contributions to the Branding Fund in the year in which they accrue, we will use these amounts in a subsequent year. In any fiscal year, we may spend more or less than the aggregate of contributions to the Branding Fund in that year. The

Branding Fund may borrow from third-party lenders or us to cover deficits, and any lenders will receive interest on the borrowed funds. We do not use any money from the Branding Fund for advertising that is principally a solicitation for the sale of franchises. (Franchise Agreement, Section 12.2)

Local Advertising and Promotion

The Franchise Agreement requires you to spend a specified percentage of the Shop's, Satellite's and/or Mobil Unit's Gross Sales to conduct local advertising and promotion, which must be approved by us. You must submit bills, statements, invoices or other documentation satisfactory to us to evidence your advertising or marketing activities. The required local advertising and promotion expenditure is summarized in Item 6. We may require you to participate in mandatory promotions that we may develop from time to time. (Franchise Agreement, Sections 7.12, 9.7.10 and 12.1)

Certain criteria will apply to any local advertising and promotion that you conduct. All of your local advertising and promotion must be dignified, must conform to our standards and requirements and must be conducted in the media, type and format that we have approved. As described above, you may not use any advertising or promotional plans that we have not approved in writing. All copyrights in and to advertising and promotional materials you develop (or that are developed for you) will become our sole property. You must sign the documents (and, if necessary, require your independent contractors to sign the documents) that we deem necessary to implement this requirement. (The requirements in this paragraph, as well as in the previous paragraph, will also apply to any Cooperatives.)

As used in the Franchise Agreement, the term "local advertising and promotion" refers to only the direct costs of purchasing and producing advertising materials (including camera-ready advertising and point-of-sale materials), media (space or time), promotion, your direct out-of-pocket expenses related to costs of advertising and sales promotion in your local market or area, and other activities and expenses we may specify. We may provide to you, in the Manuals or otherwise in writing, information specifying the types of advertising and promotional activities and costs which shall not qualify as "local advertising and promotion," including the value of advertising coupons, discounts given to customers and the costs of products provided for free or at a reduced charge for promotions, charities or donations.

Cooperatives

We may, as described in Item 6 and above, designate any geographical area for purposes of establishing one or more Cooperatives for local and regional advertising and promotion activities. If we elect this option and establish, or authorize others to establish, an advertising and marketing Cooperative, we may require any System franchisees with a Shop and/or Satellite located within the geographic area of the Cooperative to become a member and to contribute to the Cooperative each month an amount specified by us. During any period of time a mandatory Cooperative is in existence for the geographic area in which the Shop and/or Satellite are located, you must contribute to the Cooperative. See Item 6 for a summary of the total amount we can require you to contribute to a Cooperative. (Franchise Agreement, Sections 12.1.2 and 12.3). In 2025, we had six active Cooperatives (Harrisburg/Lancaster/Lebanon/York, PA Cooperative; Philadelphia, PA Cooperative; Pittsburgh, PA Cooperative; Washington, DC Cooperative; Baltimore, MD Cooperative; and Wilkes-Barre/Scranton PA Cooperative). If a mandatory Cooperative for the geographic area in which the Shop and/or Satellite is located is established, you must (i) become a member of the Cooperative on the date on which the Cooperative commences operation and (ii) commence making required contributions to the Cooperative; provided, however, we will designate when new Shops and/or Satellites start to contribute to the Cooperative. In no event will the Shop and/or Satellite be required to be a member of more than one Cooperative; however, if you own more than one Shop and/or Satellite, and the Shops and/or Satellites are in different areas, it is possible that the Shops and/or Satellites will be in different Cooperatives. Each Cooperative will be organized and governed in a form and manner

approved by us in writing and will commence operations on a date specified or approved by us. Each Cooperative will be organized for the exclusive purpose of administering regional advertising programs and developing, subject to our approval, standardized promotional materials for use by the members in local advertising and promotion.

New Shop Marketing Program

As described in Item 7, you must conduct a New Shop Marketing Program within 60 days prior to opening the Shop and/or Satellite to the first 6 months of operations of the Shop and/or Satellite. You must spend the Minimum New Shop Marketing Program Expenditure ($12,000 for a Standard Shop and $10,000 for an Express Shop or Satellite) on activities as outlined in the New Shop Marketing Program, which is in our Manual, to promote and conduct the New Shop Marketing Program. See Item 7 for additional information regarding the costs and permitted expenditures. We will assist you in developing the New Shop Marketing Program. You must execute our then-current form of New Shop Marketing Program Agreement and deposit the Minimum New Shop Marketing Program Expenditure with us 120 days prior to the expected opening of your Shop or Satellite and we will distribute the funds as necessary to conduct the New Shop Marketing Program. Our current form New Shop Marketing Program Agreement is attached as Exhibit E.

Websites

Any Website (as defined below) is deemed "advertising" under the Franchise Agreement and is subject to (among other things) our review (as described above) and prior written approval before it may be used. The term "**Website**" means an interactive electronic document, contained in a network of computers linked by communications software. The term Website includes, but is not limited to, Internet and World Wide Web home pages. In connection with any Website, you agree to the following:

1. We may establish a Website to promote the Proprietary Marks, any or all of the Products, Rita's shops and/or the System. We have the right to control all aspects of the Website, including its design, content, functionality, links to the Websites of third parties, and policies and terms of usage.

2. You may not establish a Website that uses or involves the Proprietary Marks, or any of the Products, Rita's shops or the System.

3. We may designate one or more webpage(s) of any Website that we maintain to describe any of the System franchisees and/or Rita's shops. We may limit and/or discontinue any or all webpages.

4. In addition to any other applicable requirements, you must comply with our policies for Websites (which we may issue periodically in the Manuals or otherwise in writing). (Franchise Agreement, Section 12.8)

In the future, we intend to provide standardized webpages to Rita's shops. The standardized webpages use the look and feel of our Website and provide the means for each System franchisee to customize certain content areas of its webpages, so long as the franchisee complies with our standards and guidelines. It is the responsibility of each franchisee to maintain specific information about its Rita's shop and its operations. We have final approval of all content on all webpages and will have the right to remove any content. Your webpage will be accessible to the public at a specific internet address. We will control URL specifications and maintain the right to change the URL at any time in the future.

Social Media

You must comply with the standards and procedures developed by us for the System, in the manner directed by us in the Manuals or otherwise, as to your use of: blogs, common social networks (such as "Facebook" and "Instagram"), professional networks (such as "Linked-In"), live blogging tools (such as "Twitter"), virtual worlds, file, audio and video sharing sites and other similar social networking media or tools ("**Social Media**") that in any way references or involves (i) the Proprietary Marks, (ii) the Shop, Satellite and/or Mobile Unit or (iii) the System.

Computer System

For the Shop and/or Satellite, you must purchase the Computer System that complies with the System Operating Standards and Manuals. The current initial cost of the Computer System is approximately $4,000 to $7,000 depending on how much equipment (e.g. terminals, tablets, displays) are necessary for the Shop.

The main functions of the Computer System are to (i) collect and manage information about the various sales transactions at the Shop, Satellite and/or Mobile Unit, (ii) process loyalty transactions using the Rita's app, (iii) engage in online ordering and delivery services, and (iv) use our technology-based production management system to operate the Shop. For example, you will use the Computer System for order entry, credit card processing, the loyalty program, cash and credit card reconciliation, reporting for the Shop, processing online and delivery orders and electronic communication with us. You must cooperate with us in helping us access this information. You may also use the Computer System for your time and attendance tracking. You must obtain the appropriate communications devices to permit the Computer System to operate. You must obtain Internet access services in the Shop and/or Satellite that meets the requirements to operate the Computer System through a reputable Internet service provider.

Neither we, our affiliates, nor any third parties are required to provide ongoing maintenance, repairs, upgrades or updates to the Computer System. Our designated suppliers may do so from time, but you will need to contact them to determine what services (e.g., maintenance services) they provide and the cost of those services. We estimate that the annual cost for maintenance and support of your Computer System will be approximately $500 to $3,400 (the high end of the range assumes you are using advanced Computer System with three terminals for the Shop and/or Satellite). Where you fall within this range depends on the approved supplier you use, the optional services you elect and the number of terminals you have for the Shop, Satellite and/or Mobile Unit. You are contractually required at your expense to upgrade and update the Computer System to remain in compliance with the System Operating Standards. As of the date of this Disclosure Document, we are not aware of the range nor the frequency of upgrades or updates. There are no contractual limitations on the frequency and cost of this requirement.

We require the Computer System to be accessible by us via modem or other standard internet connections. We have the right at any time to poll your Computer System or the servers, networks or systems your Computer System connect with to retrieve and compile information concerning the Shop. In other words, we will have independent access to your sales information and data produced or generated by your Computer System and any other computers used in connection with the Shop. There are no contractual limitations on our right to access this information and data. (See Franchise Agreement, Section 7.8)

Confidential System Manuals

We have three separate manuals that make up the Manuals: the Operations Manual, the Products and Procedures Manual and the Product Recipes Manual. The table of contents for each manual is attached as Exhibit G to this Disclosure Document. There are 908 total pages in the Manuals – the Operations

Manual is 243 pages, the Product and Procedures Manual is 312 pages, and the Recipes Manual is 352 pages.

Site Selection & Design and Construction

Franchise Agreement

Generally, the Accepted Location is not known when the Franchise Agreement is signed. If, at the time the Franchise Agreement is signed, a location for the Shop has not been accepted by us, you must look for proposed sites for the Shops in the site selection area ("**Site Selection Area**") specified in Exhibit A to the Franchise Agreement and obtain our acceptance for the Accepted Location for the Shop within 120 days after the effective date of the Franchise Agreement. You must submit to us all information we request in considering the proposed location. While there is no contractual limit on the time it takes us to accept or disapprove your proposed location, once we have all the necessary documentation for review, we typically take 30 days to accept or disapprove the proposed location as an Accepted Location. If you fail to obtain our acceptance and authorization for an Accepted Location in the required timeframe, we may terminate the Franchise Agreement.

Satellite Addendum

Generally, the Satellite Addendum will be signed only after a location has been authorized as the Accepted Satellite Location. If, at the time the Satellite Addendum is signed, a location for the Satellite has not been accepted by us, you must look for proposed sites for the Satellite in the Territory for the Shop the Satellite operates under and obtain our acceptance and authorization for the Accepted Satellite Location for the Shop within 120 days after executing the Satellite Addendum. You must submit to us all information we request in considering the proposed location. While there is no contractual limit on the time it takes us to accept or disapprove your proposed location, once we have all the necessary documentation for review, we typically take 30 days to accept or disapprove the proposed location as an Accepted Satellite Location. If you fail to obtain our acceptance and authorization for an Accepted Satellite Location in the required timeframe, we may terminate the Satellite Addendum.

Mobile Addendum

A Mobile Unit will not have an accepted site. As described in Item 1, a Mobile Unit will operate at Mobile Events that are preapproved by us.

Development Agreement

For each site for a Shop to be developed under the Development Agreement, you must submit to us all information we request in considering the proposed location. While there is no contractual limit on the time it takes us to accept or disapprove your proposed location, once we have all the necessary documentation for review, we typically take 30 days to accept or disapprove the proposed location for the Shop.

Criteria for Accepting and Authorizing of Proposed Accepted Location/Accepted Satellite Location

In accepting and authorizing a location for a Shop/Satellite, we consider factors such as the general neighborhood, traffic patterns, parking, layout, physical characteristics of the site, lease duration and other factors. The location for the Shop/Satellite may be leased or owned by you. Our approval of a location will be based on the information you give us to review. The information you must provide to us to review includes: (i) square footage; (ii) traffic patterns, flow and total count; (iii) density and income level of the surrounding population; (iv) dimensional lease outline drawings; (v) zoning patterns; (vi) surrounding educational and recreational facilities, parks and community centers; (vii) terms of the lease, if any; (viii) a list of competing businesses and their locations, including other Rita's shops; and (ix) other factors having a substantial bearing on the proposed location.

Whether a site is identified before signing the Franchise Agreement/Satellite Addenda, or is identified in connection with the Development Agreement, a site will not be deemed accepted unless it has been expressly authorized in writing by us. Our authorization of a site does not constitute an assurance, representation or warranty of any kind, express or implied, as to the suitability of the site for the Shop/Satellite or for any other purpose. Authorization of the site by us indicates only that the site meets our minimum requirements for a Rita's shop site as set forth in the Manuals.

Start-up Time

We expect that you will open the Shop/Satellite within 6 to 9 months after you sign the Franchise Agreement/Satellite Addendum. The factors that affect this timing are financing, building permits, zoning, local ordinance issues and delayed installation of equipment, fixtures and signs. If you (i) are searching for a site in a highly competitive real estate market, (ii) are searching for a unique site, (iii) are looking for a site with a drive-thru, (iv) are developing a Shop that will need unique permits or approvals, (v) desire to build a Shop from the ground up, or (vi) are not diligent in searching for a site, your time to open may be delayed and could take up to 20 months.

Within 120 days of signing the Franchise Agreement/Satellite Addendum, you must obtain our acceptance and authorization for the site for the Accepted Location/Accepted Satellite Location and obtain possession by lease or purchase of the Accepted Location/Accepted Satellite Location for the Shop/Satellite. You must commence construction or renovation of the Shop/Satellite within 90 days after execution of the approved lease for the Shop/Satellite or purchase of the site for the Shop/Satellite or, if your right to occupy the Accepted Location/Accepted Satellite Location begins after the date of execution of the lease, within 30 days after obtaining possession of the premises. You must complete construction/renovation of the Shop/Satellite and open the Shop/Satellite within 60 days after commencement of construction/renovations. If you signed a Franchise Agreement, you must open the Shop no later than 270 days after signing the Franchise Agreement. If you signed a Satellite Addendum, you must open the Satellite no later than 270 days after signing the Satellite Addendum. If you are not diligently trying to comply with the time frames discussed above, we may terminate the Franchise Agreement/Satellite Addendum.

Training Program

Our Initial Training consists of training at Rita's Online University, Cool University, and a franchised Rita's shop that is certified for training ("**Certified Shop**"). We will also provide on-site opening assistance when you open the Shop.

You (or if you are an entity, an owner acceptable to us) and one other employee we approve, must attend and successfully complete training (to our satisfaction) at our training facility and at a Rita's shop.

You must complete the Initial Training between 45 – 65 days before opening the Shop. For most effectiveness, we recommend that you schedule Initial Training as close to the Shop opening as possible. If the Initial Training is completed more than 6 months prior to the opening of the Shop, we reserve the right to require you to complete the Initial Training again.

The Initial Training typically consists of 4 ½ to 5 consecutive days of training at the Cool University training facility located in Trevose, Pennsylvania, and at least 4 days of in-shop training at a Certified Shop. These time estimates assume a fully-enrolled class. If a class size at Cool University is less than full, then the training period at Cool University may be shorter, at our discretion. However, for the training at the Cool University training facility, you should always schedule and budget for 5 days of in-person training. We will designate at our discretion the Certified Shop at which you must train. Typically, you will train at a Certified Shop located (a) within your state of residence, (b) in a neighboring state or (c) within a reasonable distance from the Cool University training facility. Additionally, if you attend training during a period when seasonal Rita's shops are not operating (October through February), you will need to be trained at a Certified Shop that operates year-round, and such Certified Shop will likely be in the South or West where Rita's shops operate year-round. You should budget for travel to a Certified Shop in the South or West if training will occur when seasonal Rita's shops are not operating. The Initial Training will include training in the preparation of Italian ice, frozen custard and other products sold at Rita shops, methods of operation, techniques of doing business, bookkeeping; establishing and maintaining quality standards; guest service, advertising and promotions; opening methods and techniques; and such other items as we determine. At our option, each of your additional and/or replacement managers must attend, and successfully complete (to our satisfaction), Initial Training. In addition to the training of the two individuals described above, any approved personnel from the Shop responsible for preparing menu items from a Rita's Mix Items must be certified in a manner prescribed by us to prepare Menu Items. (See Item 6)

If you or any of your owners (or, if applicable, your manager) fails to complete the Initial Training to our satisfaction, you must attend Initial Training again and we may terminate the Franchise Agreement if you fail to complete the subsequent Initial Training to our satisfaction. If you fail to complete the second Initial Training to our satisfaction, we will not reimburse any portion of your initial franchise fee or pay for your travel expenses to attend the Initial Training.

You and your manager and other employees must also attend such additional courses, seminars, conventions, and programs as we may reasonably require from time to time. All training will be conducted at times, dates, and places we designate from time to time and will be subject to the availability of our personnel. For the Initial Training and all additional courses, seminars, conventions, and programs described above, we will provide, at no charge to you, a total of 14 days of training, instructors and materials for you or your employees during the term of the Franchise Agreement. You or your employees will be responsible for any and all expenses incurred in connection with any courses, seminars, conventions and programs, including, costs of accommodations, meals, wages and travel, as well as worker's compensation insurance. If you register for and fail to attend a training course without providing notice of the cancellation at least 10 business days before the scheduled training course, you must pay our then-current cancellation fee. We reserve the right to charge the then-current cancellation fee if you reschedule the Initial Training for a time other than the scheduled training date. We have the right to provide any training program through seminars, lectures, classes, Internet-based programs, conference calls or other methods. We have the right to charge you our then-current training fee for any initial training, ongoing training or additional training. See Items 6 and 7 for a further description of fees and expenses related to training.

The Initial Training is currently conducted on an as-needed basis. We currently maintain a training and franchise service team which provides franchisee training. All training is provided under the supervision of our Senior Vice President of Operations, Kathy Deal. Ms. Deal has been with us since December 2017 and our predecessors since 1996. Ms. Deal has over 30 years of Food Service

Experience. The members of Ms. Deal's training staff have an average of 5 years of experience with us or our predecessors and 10 years of food service experience. The training program includes instruction as outlined in the following chart. Each day will consist of a minimum of 8 to 10 hours of instruction. Training Materials for the Training Program consist of the Manuals and a training binder. Attendees are required to complete prerequisite coursework or readings before attending any training. Attendees must also pass an assessment after each training subject outlined in the chart below. All information presented in the classroom is reinforced at the required onsite job training. We may, in our sole discretion, conduct the Initial Training and/or any other training remotely (via Rita's Online University and/or any other method decided by us).

TRAINING PROGRAM

Initial Training Subject	Minutes of Online Training	Minutes of Classroom Training	Hours of Hands-on Training	Total Minutes	Training Location
Treat Team Orientation	12			12	Rita's Online University
Food Safety	14			14	Rita's Online University
Italian Ice	15			15	Rita's Online University
Frozen Custard	15			15	Rita's Online University
Gelati	7			7	Rita's Online University
5 Layer Gelati	3			3	Rita's Online University
Blendini	13			13	Rita's Online University
Misto	8			8	Rita's Online University
Ice Blender	6			6	Rita's Online University
Frozen Coffee and Matcha	5			5	Rita's Online University
Milkshake	8			8	Rita's Online University
Custard Pint	5			5	Rita's Online University
SUPER Service & GUEST Experience	14			14	Rita's Online University
Recipe Preparation	9			9	Rita's Online University
Production Sheets	4			4	Rita's Online University
Production Procedures	11			11	Rita's Online University
Half and Quarter Container Production Procedures	12			12	Rita's Online University
Batch Machine Servicing	16			16	Rita's Online University
Custard Machine Servicing	21			21	Rita's Online University
The Daily Shop Tool Overview	5			5	Rita's Online University
Online Ordering Overview	5			5	Rita's Online University
Marketing at Rita's		60		60	Trevose, PA
Products & Environmental Procedures		60		60	Trevose, PA
Custard Machine Cleaning		30	5.5	360	Trevose, PA
Ice Production		30	6.5	420	Trevose, PA
Storefront Products & Daily Procedures			7	420	Trevose, PA
Daily Shop Tool - Production Sheets		30		30	Trevose, PA

SUPER Service		45		45	Trevose, PA
Supply Chain		45		45	Trevose, PA
Building & Retaining your Treat Team		30		30	Trevose, PA
Inventory Management		60		60	Trevose, PA
Profit and Loss		30		30	Trevose, PA
Digital Marketing		60		60	Trevose, PA
POS Systems & Loyalty Program		45		45	Trevose, PA
Field Operations Overview		30		30	Trevose, PA
Drive-Thru (if applicable)			30	1800	Trevose, PA
Weekly Review		30		30	Trevose, PA
Test		60		60	Trevose, PA
Mock Training			1	60	Trevose, PA
In-Shop Franchise Training			40	2400	Certified Shop location to be designated by us

ITEM 12: TERRITORY

The following describes how the Territory and Development Search Area are determined, and the rights that you and we have under the Franchise Agreement and Development Agreement.

Franchise Agreement

If the Accepted Location is known at the time that you sign the Franchise Agreement, the Franchise Agreement will specify the Accepted Location for the Shop and the Territory. Your Territory will be negotiated by you and us before you sign the Franchise Agreement and described in the Franchise Agreement. The size and scope of the Territory will be contained in the Franchise Agreement and will be determined by us on a case-by-case basis. The Territory will be determined by various factors including demographics, the concentration of other businesses in the vicinity, existing and potential shop competition, projections of growth in the area and the economic environment. The Territory can also be impacted by geographic and/or man-made conditions such as bodies of water, mountains, driving conditions and other factors which may necessitate the Territory being less than the radius mentioned below. If the Standard Shop is located in a large metropolitan area, the Territory is described by a certain shopping area, defined area based on blocks (or a radius) and that area may range from approximately one-tenth of a mile up to a maximum of one mile as we determine on a case-by-case basis. If the Standard Shop is located in a smaller city or rural area, the Territory is described by a radius and the radius may range from one-tenth of a mile up to a maximum of two and a half miles as we determine on a case-by-case basis. The Territory for an Express Shop will generally be the venue or Institutional Facility (defined below) in which the Express Shop is located. If the Accepted Location is not known when you sign the Franchise Agreement, we will designate the Territory once we authorize a location for the Shop, and the Accepted Location and Territory will be documented in the Accepted Location Addendum to the Franchise Agreement. In the event that you fail to execute the Accepted Location Addendum prepared by us and you open the Shop, the Territory shall be limited to the four walls of the building where the Shop is located.

During the term of the Franchise Agreement, we will not own, acquire, establish and/or operate, nor license and/or franchise any other person to establish or operate a Standard Shop, Express Shop or Satellite in the Territory except as may be permitted under the Franchise Agreement and those exceptions are described below. There are no circumstances under which the Territory may be altered prior to

expiration or termination of the Franchise Agreement. Upon termination, abandonment, closure or relocation, the Territory will no longer belong to you. Your territorial protection is not dependent upon achievement of a certain sales volume, market penetration or other factors, other than compliance with the Franchise Agreement. You will have no right of first refusal and, unless you sign the Development Agreement, you will not have any similar rights to acquire additional franchises or establish additional Rita's shops.

You may engage in Catering Activities, provided that the Catering Activities are conducted in accordance with the terms and conditions stated (i) in the Franchise Agreement, (ii) Manuals and (iii) in any required written authorization or writing from us related to Catering Activities. We may restrict Catering Activities to the Territory now or in the future. If we desire the selling of Products at a Captive Mobile Event (defined below) in the Territory, we will send you a "**Request for Notice**" if you have a license to do Mobile Events. If you have a license to do Mobile Events, we send you a Request for Notice and you desire to sell Product at the Captive Mobile Event described in the Request for Notice, you must send us a "**Notice of Intent to Service**" within five business days after receipt by you of such Request for Notice. If you do not send us a Notice of Intent to Service within five business days after the date of receipt by you of the Request for Notice, you will be deemed to have waived any rights to sell Products at such Captive Mobile Event. If you waive the right to sell Products at any Captive Mobile Event or you do not have a license to do Mobile Events, we may sell Products or grant another System franchisee the right to sell Products at such Captive Mobile Event. A "**Captive Mobile Event**" is a festival, fair, special event, outdoor arena, weekend-outdoor markets or similar event that is located less than .5 miles from the Shop (and any Satellite you operate in the Territory).

We require you to offer delivery services ("**Delivery Services**"). Delivery Services may be services you provide directly or services you provide indirectly through third-parties. Delivery Services will require you to have certain equipment, training and staffing. You must provide Delivery Services in compliance with the Manuals and Franchise Agreement. We require you to use designated or approved vendors for Delivery Services. We, our affiliates and other franchisees may provide Delivery Services near the Accepted Location and in the Territory. We may revise and/or make exceptions to our Delivery Services policies as they apply to you and other franchisees. Currently, DoorDash, UberEats and GrubHub are the third-party Delivery Services for the System ("**Third-Party Delivery Services**").

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

Satellite Addendum

The Satellite Addendum does not grant any territory to the Satellite. The Satellite operates within the Territory of the Shop the Satellite operates under. If the Accepted Satellite Location is known at the time that you sign the Satellite Addendum, your Satellite Addendum will specify the Accepted Satellite Location for the Satellite. If the Accepted Satellite Location is not known when you sign the Satellite Addendum, the Accepted Location will be documented in an Accepted Location Addendum once we authorize a location for the Satellite.

Mobile Addendum

The Mobile Addendum does not grant any territory to the Mobile Unit. The Mobile Unit operates within the Territory of the Shop the Mobile Unit operates under. We have no obligation to consider Mobile Events outside the Territory for the Shop that the Mobile Unit operates under.

Development Agreement

If you sign a Development Agreement, the Development Agreement will specify the development search area ("**Development Search Area**"), within which you may locate potential sites for Shops, subject to our approval. The size and scope of the Development Search Area will be contained in the Development Agreement and will be determined on a case-by-case basis. The factors that we consider in determining the size of a Development Search Area include current and projected market demand, demographics and population, traffic patterns, location of other Shops, the financial and other capabilities of the developer, and our development plans. By granting you rights to develop certain Shops in the Development Search Area, we are not promising that other Rita's shops will not be developed within the Development Search Area. There are no circumstances under which the Development Agreement may be altered prior to expiration or termination of the Development Agreement. Your right to develop in the Development Search Area is not dependent upon achievement of a certain sales volume, market penetration or other factors, other than compliance with the Development Agreement and Development Schedule.

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

Relocation

You may not relocate the Shop or Satellite from the Accepted Location or Accepted Satellite Location unless you obtain our prior written approval of your request to relocate, which request must meet certain criteria. The substitute location must be within the Territory of the Shop (or, in the case of a Satellite, it must be within the Territory of the Shop the Satellite operates under). Among other factors, we will assess your financial ability to meet the necessary costs incurred in relocating. We are not required to approve any relocation request. If you qualify to relocate, we will require that you enter into our then-current form of Franchise Agreement (replacing your existing franchise agreement) for the remainder of the term of your franchise. Although you will not pay an initial fee for entering into our then-current form of franchise agreement (as it will cover only the remainder of the term of your existing franchise), we will charge a fee for the re-location of a franchise to include our costs for the evaluation of you, your proposed site, the documentation of your proposed location and the replacement franchise agreement. See Item 6 for more information regarding the relocation fee.

Reserved Rights (under Franchise Agreement, Satellite Addendum, Mobile Addendum and Development Agreement)

Under the Franchise Agreement, Satellite Addendum, Mobile Addendum and Development Agreement, we and our affiliates retain all the rights that we do not specifically grant to you. Among the rights that we and our affiliates retain are the following (the following list is only for purposes of illustration and is not meant to limit our rights):

(1) We may establish and operate and license other parties to establish and operate, Rita's shops and other types of locations (including mobile carts, vans/trucks, trailers, stationary carts and kiosks) under the System and Proprietary Marks in the Territory, the Site Selection Area and the Development Search Area at any existing or future special events centers, parks, stadiums, arenas, business and industrial complexes, museums, art centers, military bases, airports, other public transportation facilities, government offices or institutions, regional malls, health care facilities and other institutional feeding facilities, hotels and motels, toll road or highway rest stops, colleges, universities, food concessions and food service facilities, theaters, warehouse clubs, theme parks, amusement centers, truck stops, casinos, temporary

events and any similar outlets as we and our affiliates determine (collectively, "**Institutional Facilities**"), in our and their discretion;

(2) We may use, and license others to use, the System and the Proprietary Marks for the operation and licensing of other Rita's shops at any location outside of the Territory, the Site Selection Area and the Development Search Area;

(3) We may, within and outside the Territory, the Site Selection Area and the Development Search Area, acquire, be acquired by, merge with or otherwise affiliate with, and thereafter own and operate, and franchise or license others to own and operate, any business of any kind, including any business that offers products or services the same as or similar to those offered under the System or that uses the Proprietary Marks or any other system or marks;

(4) We may, within and outside the Territory, the Site Selection Area and the Development Search Area, (a) give, donate or contribute Products to charitable and community organizations and events for fundraising and other events, (b) use the Products for promotions and product demonstrations in the Territory, the Site Selection Area and the Development Search Area and (c) offer Products for sampling by consumers and organizations for product testing, promotions and demonstrations;

(5) We may, within and outside the Territory, the Site Selection Area and the Development Search Area, own, acquire, establish and/or operate and license others to establish and operate businesses under the Proprietary Marks, but which do not operate under the System and are not operating retail frozen dessert businesses; and

(6) We may, within and outside the Territory, the Site Selection Area and the Development Search Area, sell and distribute (either ourselves or through licensees or designees) products (including the Products) under the Proprietary Marks in such manner and through other channels of distribution (other than Rita's shops) as we, in our discretion, determine, including, but not limited to, retail outlets (such as supermarkets, markets, machines, groceries, mom & pops, gourmet shops, convenience stores, food carts, warehouse clubs, drug stores and book stores), catering services, electronic distributions via computer networks (such as the World Wide Web, other areas of the Internet and/or other on-line networks through delivery services or otherwise), catalogs, direct mail, toll-free numbers and other communications methods now or hereafter devised of any nature. We reserve the right to implement any distribution arrangements relating to these alternate channels of distribution.

Except for authorized Catering Activities and Mobile Events, you may only sell Products at retail to customers who are physically present at your Accepted Location. You may not sell Products through the Internet or using any channel of distribution other than the Shop and/or Satellite.

ITEM 13: TRADEMARKS

Under the Franchise Agreement (and any Satellite Addendum and/or Mobile Addendum), we grant you the non-exclusive right to operate the Shop, Satellite and/or Mobile Unit under the name "RITA'S" and to use the other Proprietary Marks we authorize you to use. Signing a Development Agreement does not authorize you to use the Proprietary Marks. The following chart lists the principal Proprietary Marks that you may use with the Shop, Satellite and/or Mobile Unit, subject to your use conforming with the Franchise Agreement (and any Satellite Addendum and/or Mobile Addendum), the Manuals and other written directives we may issue. We are the owner of the Proprietary Marks and have registered the following Proprietary Marks on the Principal Register of the United States Patent and Trademark Office (the "**USPTO**"). All required affidavits have been filed.

MARK	REGISTRATION NUMBER	DATE OF REGISTRATION
Rita's	2,614,810	September 3, 2002
Rita's Ice Custard Happiness	3,521,372	October 21, 2008
Rita's Ice Custard Happiness	3,521,406	October 21, 2008

We also own and claim common law trademark rights in the trade dress used in Rita's shops. Our common law trademark rights and trade dress are also included as part of the Proprietary Marks.

There are no currently effective determinations of the USPTO, Trademark Trial and Appeal Board, the Trademark Administrator of any state or any court; nor is there any pending infringement, opposition or cancellation proceedings, or material litigation, involving the Proprietary Marks. There are no currently effective agreements that significantly limit our rights to use or license the use of the Proprietary Marks listed above in a manner material to the franchise.

You must promptly notify us of any unauthorized use of the Proprietary Marks, any challenge to the validity of the Proprietary Marks or any challenge to our ownership of, right to use and to license others to use, or your right to use, the Proprietary Marks. We have the right to direct and control any administrative proceeding or litigation involving the Proprietary Marks, including any settlement. We may take action against uses by others that may constitute infringement of the Proprietary Marks. We will defend you against any third-party claim, suit or demand arising out of your use of the Proprietary Marks. If we determine that you have used the Proprietary Marks in accordance with the Franchise Agreement you have signed to operate the Shop, Satellite and/or Mobile Unit, we will bear the cost of defense, including the cost of any judgment or settlement. If we determine that you have not used the Proprietary Marks in accordance with the Franchise Agreement you signed to operate the Shop, Satellite and/or Mobile Unit, you must bear the cost of defense, including the cost of any judgment or settlement. If there is any litigation relating to your use of the Proprietary Marks, you must execute all documents and do all things as may be necessary

to carry out a defense or prosecution, including becoming a nominal party to any legal action. Unless litigation results from your use of the Proprietary Marks in a manner inconsistent with the terms of the Franchise Agreement, we will reimburse you for your out-of-pocket costs.

You must modify or discontinue the use of any of the Proprietary Marks if we instruct you to do so. If this happens, you must bear the tangible costs of compliance (i.e., changing signs) and we do not have to reimburse you for any loss of revenue due to any modified or discontinued Proprietary Marks, or for your expenses of promoting any modified or substitute Proprietary Marks. We may develop or acquire additional Proprietary Marks and make them available for your use.

You must not use the Proprietary Marks or any of the names that we now, or in the future, use for Rita's Products as part of your corporate, partnership or other legal name, or to identify you or the Shop, Satellite and/or Mobile Unit in any other legal or financial activity (including in connection with any bank account or trade account), or as part of any e-mail address, domain name, or other identification of you or the Shop and/or Satellite in any electronic medium, unless agreed to in advance, in writing, by us. You must also submit to us, for prior written approval, any corporate, partnership or other legal name that you propose to use. As necessary to conduct the business of the Shop, Satellite and/or Mobile Unit and obtain business permits for the operation of the Shop, Satellite and/or Mobile Unit, you may indicate that the Shop, Satellite and/or Mobile Unit will be doing business under the trade name "RITA'S" provided that you clearly identify yourself as the owner and operator of the Shop, Satellite and/or Mobile Unit and properly identify the legal name under which you (or your business entity) will be acting.

ITEM 14: PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

Patents and Copyrights

We do not own any right in or to any patents or copyrights that are material to the franchise. However, we claim common law copyright protection for the Manuals and our other forms and materials, including our marketing materials, training materials, menu boards, specifications, architectural drawings, Rita's shop designs, marketing techniques, advertising programs, advertising strategies, supplier lists, expansion plans and other information we create or use. We also claim proprietary rights in the confidential information and trade secrets contained in the Manuals.

We may claim copyright protection in certain techniques we create and may patent certain processes and equipment we develop. Any modifications or improvements that you make to the System will be deemed works for hire which shall be owned exclusively by us. We do not have to compensate you for your modification or improvement.

Confidential Manuals

After you and your manager complete Initial Training to our satisfaction, we will provide you with access (via electronic media as described below) to the Manuals or a copy of the Manuals on loan for the term of your franchise. The Manuals may be provided in multiple electronic files, or other volumes or parts. We may provide you with any portion or all of the Manuals, as well as other instructional materials, through electronic media, including the Internet or our CoolNet. You must treat the Manuals, any other materials created for or approved for use in the operation of the Shop, Satellite and/or Mobile Unit and the information contained in them, as confidential, and must use reasonable efforts to maintain this information (both in electronic and written format) as proprietary and confidential. You must not copy, download, print or otherwise reproduce these materials or otherwise make them available to any unauthorized person.

The Manuals will remain our sole property. You must keep them accessible only in a secure place on the premises of the Shop and/or Satellite.

We may revise the contents of the Manuals, and you must comply with each new or changed standard. You must ensure that the Manuals are kept current at all times. If there is a dispute as to the contents of the Manuals, the terms of the master copies which we maintain will control.

Confidential Information

You must not, during or after the term of the agreements you execute, divulge or use for the benefit of anyone else any confidential information concerning the System and the methods of operation of the Shop, Satellite and/or Mobile Unit. You may divulge confidential information only to those employees who must have access to it in order to operate the Shop, Satellite and/or Mobile Unit. Any and all information, knowledge and other data which we designate as confidential will be deemed confidential.

At our request, you must obtain and provide us with signed covenants to maintain the confidentiality of information from any or all of the following persons: (1) your managers and any other personnel employed by you who have access to confidential information or received or will receive training, including Initial Training, from us; (2) all of your officers, directors and holders of a beneficial interest in your securities and of any corporation, partnership or limited liability company directly or indirectly controlling, controlled by or under common control with you if you are a corporation, partnership or limited liability company; and (3) your members, general partners and any limited partners. These covenants must be in a form we find satisfactory and specifically identify us as a third-party beneficiary of these covenants with the independent right to enforce them.

All new products, items, services and other developments, whether they be of Rita's original design or variations of existing services or techniques, or your original design or variations of existing services or techniques, will be deemed a work made for hire and we will own all rights in them. If they do not qualify as works made for hire, you will assign ownership to us under the Franchise Agreement. You will not receive any payment, adjustment or other compensation in connection with any new products, items, services or developments.

ITEM 15: OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

Franchise Agreement

If a franchisee is an entity or multiple owners, one owner must be appointed to serve as the "**Designated Owner**." The Designated Owner must (i) devote his/her best efforts to the management of the operations of the Shop, (ii) live within a one-hour drive time of the Shop and/or Satellite, and (iii) have responsibility and decision-making authority regarding your business and the operation of the Shop, Satellite and Mobile Unit. You may not enter into a management arrangement/agreement delegating the responsibilities of the Designated Owner who will be our primary contact. You (or, if you are an entity, one of your owners) or your fully-trained manager shall devote full time and best efforts to the management and operation of the Shop, Satellite and/or Mobile Unit. The person who shall devote full time and best efforts to the management and operation of the business must have successfully completed Initial Training and be present at the Shop for such minimum hours of each day that we specify in the Manuals. We strongly recommend, however, that an owner provide on-site management. There must be one individual owner that has a majority controlling ownership interest in the franchise or franchisee entity.

Any managers must attend and successfully complete to our satisfaction the Initial Training, as described in Item 11. You must notify us of any replacement of any manager. We do not have the right to otherwise approve the manager. You are not restricted as to whom you may hire as a manager for the Shop except that your manager must satisfactorily complete Initial Training. Your manager need not have any equity interest in the Shop. In the event that you have an ownership interest in five or more Rita's shops (including any other Rita's shop(s) owned by you or by a System franchisee(s) that is an affiliate(s) of you and/or any of your owners), you and/or your owners must employ at least one full-time district manager ("**district manager**") for the five Rita's shops and additional district managers for every three Rita's shops owned by you and/or your owners. District manager shall meet the same qualifications for managers and the Designated Owner may be a district manager for only one group of three Rita's shops.

You must hire all employees of the franchised business and are solely responsible for the terms of their work, training, compensation, management, promotions, terminations and oversight. System Operating Standards may regulate or provide guidance to you as to the Shop staffing levels, identifying the Shop's management personnel, employee qualifications, their dress and appearance. However, your employees are under your day-to-day control. You must communicate clearly with your employees in your employment agreements, employee manuals, human resources materials, written and electronic correspondence, pay checks and other materials that you (and only you) are their employer, and we, as the franchisor, are not their employer and do not engage in any employer-type activities (including those described above) for which only you are responsible.

You, and your officers, directors and owners may be required to enter into an agreement not to reveal confidential information and not compete with businesses under the System. See Items 14 and 17 for a description of these obligations. Any manager or personnel employed by you who has received or will receive training, including Initial Training, from us, may be required to sign a written agreement to execute covenants, as described in Item 14 of this Disclosure Document, under the subheading "Confidential Information." Additionally, you, all owners of the franchised business and all spouses of you and the owners must sign a personal guaranty, meaning that those individuals are personally, jointly and severally liable for the obligations of the franchisee under the Franchise Agreement.

Development Agreement

You, and your officers, directors and owners may be required to enter into an agreement not to reveal confidential information and not compete with businesses under the System. See Items 14 and 17 for a description of these obligations. Additionally, you, all owners of the franchised business and all spouses of you and the owners must sign a personal guaranty, meaning that those individuals are personally, jointly and severally liable for the obligations of the franchisee under the Development Agreement.

ITEM 16: RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must not use the premises of the Shop or Satellite for any purpose or activity that is not provided for in the Franchise Agreement without first obtaining our written consent. Without a Satellite Addendum or Mobile Addendum, the Franchise Agreement does not include any right to sell products (including food items, novelty items, apparel, etc.) identified by the Proprietary Marks at any location other than the Accepted Location. You may not (i) sell products through any other channels or methods of distribution, including the Internet (or any other existing or future form of electronic commerce) and pre-packaged retail sales, (ii) prepare any product at any place other than the Accepted Location, (iii) deliver any product from any place other than from the Accepted Location or (iv) sell the Products to any person or entity for resale or further distribution. If you desire to (a) sell Products at a Mobile Event pursuant to a Mobile Addendum or (b) engage in Catering Activities, you must comply with the terms described in

Item 12. You must keep the Shop or Satellite open and in normal operation for the minimum and maximum hours and days we specify in the Manuals or otherwise in writing. You must operate the Shop, Satellite and/or Mobile Unit in strict conformity with the System Operating Standards and Manuals. You must not deviate from our specifications and procedures without first obtaining our written consent.

You must offer and sell all Menu Items required by us and perform all services that we periodically require. You may not offer or sell any products or perform any services that we have not authorized. The System Operating Standards may regulate required and/or authorized Products; unauthorized and prohibited food products, beverages and services; maximum, minimum or other prices for Products and services (to the extent allowed by applicable law); purchase, storage, preparation, handling, and packaging procedures and techniques for Products; and inventory requirements for Products and other products and supplies so that the Shop, Satellite and/or Mobile Unit operates at full capacity. We periodically may change required and/or authorized Menu Items for Shops, Satellites and/or Mobile Units. There are no limits on our right to do so. You may only sell Products at retail and may not engage in the wholesale or distribution of any product.

You must comply with the System Operating Standards if we supplement, improve or modify the System, including offering and selling new or different Products that we specify. We may change the types of authorized Products, and there are no limits on our right to make changes. You must participate in, among other things, (i) our Gift Card Program and Loyalty Program, (ii) Delivery Services we require, (iii) online ordering through the Rita's app, (iv) Delivery Services through the Rita's app, and (v) our novelty program.

For a description of your restrictions on some purchases, see Item 8 of this Disclosure Document. Except as described above, neither the Franchise Agreement nor any other practice restricts the goods or services which you may offer, or the customers you may solicit.

ITEM 17: RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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

FRANCHISE AGREEMENT

	Provision	Section in Franchise Agreement, Satellite Addendum and/or Mobile Addendum	Summary
a.	Length of the franchise term	§ 2.1 of Franchise Agreement § 4 of Satellite Addendum; § 3 of Mobile Addendum	Standard and Express Shops: 10 years (if this is your initial agreement). If you are in the process of entering into a renewal franchise agreement for a successor/renewal term, the term will correspond to what your existing agreement says for the renewal term. Satellites/Mobile Units: From the date the Satellite/Mobile Addendum is signed until the end of the term of your Franchise Agreement,
b.	Renewal or extension	§§ 2.2 and 2.3 of Franchise Agreement § 4 of Satellite Addendum § 3 of Mobile Addendum	One additional 10-year term if certain conditions are met.
c.	Requirements for you to renew or extend	§§ 2.2 and 2.3 of Franchise Agreement § 4 of Satellite Addendum; § 3 of Mobile Addendum	Standard and Express Shops: You notify us; you renovate; you are not in default of any agreement with us; you do not owe us any money, our affiliates or principals; you have the right to maintain possession of the Approved Location for the duration of the renewal term; you sign a new franchise agreement, which may contain materially different terms than your initial franchise agreement, such as different fee requirements and territorial rights; you sign a general release; you qualify and complete training; and you pay a renewal fee. Satellites and Mobile Units: You are in compliance with the franchise agreement; you renovate; you are not in default of any agreement with us; you do not owe us any money, our affiliates or principals; you sign a new satellite addendum or new mobile addendum, which may contain materially different terms than your initial addendum; you sign a general release; you qualify and complete training; and you pay a renewal fee
d.	Termination by you	Not Applicable	

	Provision	Section in Franchise Agreement, Satellite Addendum and/or Mobile Addendum	Summary
e.	Termination by us without cause	Not Applicable	
f.	Termination by us with cause	§§ 15.2, 15.3 and15.4 of Franchise Agreement §§ 7 and 5.1 of Satellite Addendum	We have the right to terminate with cause.
g.	"Cause" defined – curable defaults	§§ 15.3 and 15.4 of Franchise Agreement § 7 of Satellite Addendum § 7 of Mobile Addendum	You have 7 days to cure: non-payment of monies; non-cooperation with inspections, non-submission of reports; failure to maintain prescribed specifications, standards or procedures; failure to obtain our required prior approval or consent; failure to maintain insurance; actions inconsistent with or contrary to your lease; product and service quality and sanitation problems; loss of certificates or license; using confusingly similar names or marks; and others. You have 30 days to cure any other failure to follow the terms of the Franchise Agreement.
h.	"Cause" defined – non-curable defaults	§ 15.2 of Franchise Agreement § 7 of Satellite Addendum § 7 of Mobile Addendum	Non-curable defaults include: insolvency, bankruptcy, dissolution, foreclosure or other similar filings or proceedings; final or unsatisfied judgments; failure to locate a site or to open; failure to complete training; abandonment; loss of premises; conviction of crimes or you commit any criminal acts; health or safety dangers; unapproved transfers; approved transfer not timely effected; failure to comply with covenant provisions; disclose confidential information; maintain false books or submit false reports; trademark misuse; refusal to permit inspections; failure to timely cure default; repeated defaults even if cured; 4 or more defaults in any 24-month period; default under other agreement or promissory note with us or our affiliates; or you misrepresent yourself in any way in connection with your franchise application.

	Provision	Section in Franchise Agreement, Satellite Addendum and/or Mobile Addendum	Summary
i.	Your obligations on termination/ Non-renewal	§ 16 of Franchise Agreement	Obligations include: cease operations of the franchised business; de-identification; assignment of right to possess premises; payment of amounts due to us and our affiliates; return Manuals and all other confidential information; sale to us of the inventory, furnishings, equipment, signs, fixtures and other items which we desire to purchase; deliver to us all items bearing the Proprietary Marks; compliance with post termination covenants, including covenant not to compete; and others.
j.	Assignment of contract by us	§ 14.1 of Franchise Agreement	No restriction on our right to transfer or assign.
k.	"Transfer" by you – defined	§ 14.2 of Franchise Agreement § 6 of Satellite Addendum § 6 of Mobile Addendum	Includes transfer of contract or assets, or ownership change (you may not transfer the Satellite Addendum and/or Mobile Addendum without transferring the Franchise Agreement; and you must transfer the Satellite Addendum and/or Mobile Addendum if you transfer the Franchise Agreement).
l.	Our approval of transfer by you	§§ 14.2 and 14.3 of Franchise Agreement	You may not transfer without our prior approval, and we have a right of first refusal to acquire any proposed transfer of interest.
m.	Conditions for our approval of transfer	§ 14.3 of Franchise Agreement	Conditions include: timely written notification to us of proposed transfer; your monetary and other obligations have been satisfied; you are not in default of any provision of any agreement with us or our affiliates; transferor signs general release; transferee enters into a written assignment and guaranty, if applicable; transferee meets our qualifications; transferee signs new franchise agreement; transferor refurbishes the franchised business; you remain liable for all of the obligations to us which arose before the transfer and which extend beyond the term of the Franchise Agreement, and that you sign all instruments which we reasonably requests to evidence such liability; transferee completes training; you pay a transfer fee; we have been offered right to assume controlling interest of transferor; and others.
n.	Our right of first refusal to acquire your business	§ 14.6 of Franchise Agreement	We have a right of first refusal to acquire any proposed transfer of interest.

	Provision	Section in Franchise Agreement, Satellite Addendum and/or Mobile Addendum	Summary
o.	Our option to purchase your business	§§ 16.4 and 16.9 of Franchise Agreement	We can (i) acquire any interest which you have in any lease or sublease for the premises and (ii) purchase certain proprietary equipment at fair market value and other non-proprietary furnishings, equipment, material or inventory at the lesser of your cost or fair market value.
p.	Your death or disability	§ 14.7 of Franchise Agreement	Upon the death or mental incapacity of any person holding any interest in the Franchise Agreement, in you, or in substantially all of the assets of your franchised business, an approved transfer must occur within 3-6 months.
q.	Non-competition covenants during the term of the franchise	§§ 17.2 and 17.3 of Franchise Agreement	You may not: compete with your franchised business or any System franchisee; employ or seek to employ any person who is employed by us or any System franchisee or developer; or engage in, act as consultant for, perform, services for or have any interest in any business which has 10% or more of its actual or intended Gross Sales in any month from Italian Ice, custard, ice cream, sorbet, frozen yogurt and/or other frozen dessert items.
r.	Non-competition covenants after the franchise is terminated or expires	§§ 17.2 and 17.4 of Franchise Agreement	For 2 years after termination or expiration and non-renewal, you may not: engage in, act as consultant for, perform, services for or have any interest in any retail business which: (1) has 10% or more of its actual or intended Gross Sales in any month from Italian Ice, custard, ice cream, sorbet, frozen yogurt and/or other frozen dessert items; and which (2) is located within 5 miles radius of your territory or 3 miles radius of any Rita's shop.
s.	Modification of the Franchise Agreement	§ 24.1 of Franchise Agreement	All amendments, changes or variances from the Franchise Agreement must be in writing. We may change the Manuals and System Operating Standards.
t.	Integration/ merger clause	§§ 24.1 and 24.2 of Franchise Agreement	The Franchise Agreement and all referenced and attached documents constitute the entire, full and complete agreement between the parties. Nothing in the Franchise Agreement is intended to disclaim the representations made in this Disclosure Document. Any representations or promises outside of the Disclosure Document and the Franchise Agreement may not be enforceable.
u.	Jurisdiction and Venue	§ 26 of Franchise Agreement	Subject to arbitration requirement and state law, disputes between the parties shall be brought in any court of general jurisdiction in Philadelphia County, Pennsylvania or the United States District Court for the Eastern District of Pennsylvania.

	Provision	Section in Franchise Agreement, Satellite Addendum and/or Mobile Addendum	Summary
v.	Dispute resolution by arbitration or mediation	§§ 26.2 and 26.3 of Franchise Agreement	Disputes and claims relating to the Franchise Agreement will be settled by mediation and then arbitration at the American Arbitration Association Dispute Resolution Center in the city closest to our corporate headquarters, currently Philadelphia, Pennsylvania (subject to state law).
w.	Choice of law	§ 26.1 of Franchise Agreement	Pennsylvania law applies, subject to state law.

DEVELOPMENT AGREEMENT

	Provision	Section in Development Agreement	Summary
a.	Length if the development term	Exhibit A	Last date in Development Schedule
b.	Renewal or extension	Not Applicable	
c.	Requirements for you to renew or extend	Not Applicable	
d.	Termination by you	Not Applicable	
e.	Termination by us without cause	Not Applicable	
f.	Termination by us with cause	§ 6	We can terminate if you default.
g.	"Cause" defined - curable defaults	§ 6.3	All other defaults not specified in §§ 6.1 and 6.2 of Development Agreement.
h.	"Cause" defined - non-curable defaults	§§ 6.1 and 6.2	Bankruptcy; failure to meet requirements of Development Schedule; failure to comply with any individual Franchise Agreement for a Shop operated by you or a person or entity affiliated with you.
i.	Your obligations on termination/ nonrenewal	§ 6.4	Cease establishing or operating Shops under the System for which Franchise Agreements have not been signed at the time of termination and compliance with covenants.
j.	Assignment of contract by us	§ 7	There are no limits on our right to assign the Development Agreement.
k.	"Transfer" by you -defined	§ 7	Includes a transfer of an interest in the Development Agreement, developer entity or any material asset of your business.

	Provision	Section in Development Agreement	Summary
l.	Our approval of transfer by you	§ 7	We have the right to approve transfers.
m.	Conditions for our approval of transfer	§ 7	Any of the conditions for transfer described in the Franchise Agreement attached to the Development Agreement that we deem applicable; and the transfer must be made in conjunction with a simultaneous transfer of all comparable interests of transferor in any Franchise Agreement signed under the Development Agreement.
n.	Our right of first refusal to acquire your business	Not Applicable	
o.	Our option to purchase your business	Not Applicable	
p.	Your death or disability	§ 7.2	Upon the death or mental incapacity of any person holding any interest in the Franchise Agreement, in you, or in substantially all of the assets of your franchised business, an approved transfer must occur within 6 months.
q.	Non-competition covenants during the term of the franchise	§ 8	You may not: compete with your franchised business or any System franchisee; employ or seek to employ any person who is employed by us; or engage in, act as consultant for, perform, services for or have any interest in any business which has 10% or more of its actual or intended Gross Sales in any month from Italian Ice, custard, ice cream, sorbet, frozen yogurt and/or other frozen dessert items.
r.	Non-competition covenants after the franchise is terminated or expires	§ 8	Includes 2-year prohibition identical to those described in section "q" above, within or within a 5-mile radius of the Development Search Area or any Rita's shop then-operating under the System.
s.	Modification of the agreement	§ 15	Must be in writing executed by both parties.
t.	Integration/merger clause	§§ 15.1, 15.2	Only the terms of the Development Agreement are binding. Any representations or promises outside of the Disclosure Document and the Development Agreement may not be enforceable.
u.	Jurisdiction and Venue	§ 17	Subject to arbitration requirement and state law, disputes between the parties shall be brought in any court of general jurisdiction in Philadelphia County, Pennsylvania or the United States District Court for the Eastern District of Pennsylvania.

	Provision	Section in Development Agreement	Summary
v.	Dispute resolution by arbitration or mediation	§ 17	Disputes and claims relating to the Franchise Agreement will be settled by mediation and then arbitration at the American Arbitration Association Dispute Resolution Center in the city closest to our corporate headquarters, currently Philadelphia, Pennsylvania (subject to state law).
w.	Choice of law	§ 17	Pennsylvania law applies, subject to state law.

ITEM 18: PUBLIC FIGURES

We do not use any public figure to promote the 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 if the information is included in the disclosure document. Financial performance information that differs from that included in Item 19 may be given only if (1) a franchisor provides the actual records of an existing outlet you are considering buying; or (2) a franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances.

This Item 19 presents information about the financial performance of certain Shops that operated at a minimum during the period starting March 1, 2025 and ending September 30, 2025 (the "**2025 Season**").

Please read the following tables in conjunction with the notes that follow.

Table 1

Reported Gross Sales for 2025 Calendar Year for 2025 Sample

Tier	Top Tier	Middle Tier	Bottom Tier
Number of Shops in Tier	177	176	177
Highest Gross Sales for Tier	$1,415,321	$404,688	$295,321
Lowest Gross Sales for Tier	$404,917	$295,417	$30,400
Average Gross Sales for Tier	$558,103	$345,566	$220,095

Number of Shops in Tier that obtained or exceed Average Gross Sales for such Tier	60 (33.9% of Top Tier and 11.3% of the 2025 Sample)	80 (45.5% of Middle Tier and 15.1% of the 2025 Sample)	103 (58.2% of Bottom Tier and 19.4% of the 2025 Sample)
Median Gross Sales for Tier	$515,160	$340,963	$228,195

Notes to Table 1:

1. Except as noted below, Table 1 reflects reported Gross Sales data for Shops Systemwide that were continuously operating during at least the 2025 Season and reported Gross Sales for the 2025 Season. Our Franchise Agreements require all Shops operating under the System to operate for the entire Season. Shops that are Seasonal are only required to operate for the Season, and Shops that are Year Around must operate the entire year. Shops that are Seasonal are permitted, at their option, (i) to open before the Season starts and (ii) to close after the Season ends. The reported Gross Sales data in Table 1 includes Gross Sales for both Seasonal and Year Around Shops. There were 80 Year Around Shops and 450 Seasonal Shops in the 2025 Sample (defined below) that operated during the 2025 calendar year. Some Shops that are Seasonal (i) are located in resort towns/cities and operated for less than the 2025 Season, and (ii) operated for longer than the 2025 Season (in some cases, the entire 2025 calendar year). The data reflects the Gross Sales for the entire period that each Shop operated in 2025.

2. Gross Sales for purposes of this Item 19 has the same meaning as "Gross Sales" defined in Item 6. Gross Sales for each Shop includes any sales through Mobile Units and/or Satellites operating under such Shop's Franchise Agreement. Many System franchisees actively pursue Third-Party Delivery Services, Catering Activities and Mobile Events at a location other than the Shop. The reported Gross Sales data in Table 1 includes Third-Party Delivery Services, Catering Activities and Mobile Events for Shops that engage in those opportunities. Franchisees who do not pursue these opportunities may be negatively affected and have less Gross Sales.

3. The figures reflected in Table 1 (i) reflect 530 Shops that reported Gross Sales during the 2025 Season (the "**2025 Sample**"), and (ii) do not include 45 Shops (excluded from the Sample) that operated for the 2025 Season but closed at some point in 2025 or were terminated at some point in 2025 (because such Shops were generally in winddown mode and/or operating with a reduced staff and a product offering limited to their remaining inventory). Of the 2025 Sample, (a) 9 Shops in the 2025 Sample reported sales through a Satellite, (b) 64 Shops in the 2025 Sample reported sales through one or more Mobile Units, and (c) 33 Shops in the 2025 Sample had a drive thru.

4. Table 1 divides the 2025 Sample into three categories (Top Tier, Middle Tier and Bottom Tier), based on their Gross Sales as compared with the sales for the 530 total Shops considered in arriving at these figures. Each average represents the average Gross Sales for Shops within each Tier. High sales and low sales represent the Shops within each tier that attained the highest and lowest Gross Sales.

Table 2

Mix of Menu Items Sold Systemwide in 2025

Menu Item	Percentage of Systemwide Sales
GELATI	25.8%
ITALIAN ICE	24.4%
CUSTARD	19.6%
BLENDINI/CONCRETE	6.7%
MILKSHAKES	3.2%
GELATI BLENDERS (f/k/a MISTOS)	2.6%
ICE BLENDERS (f/k/a FROZEN BEVERAGES)	1.7%
FROZEN COFFEE	0.8%
FROZEN LEMONADE	0.4%
MISCELLANEOUS	14.8%
TOTAL	100%

Notes to Table 2:

1. Table 2 reflects the mix of Menu Items sold Systemwide during the 2025 calendar year.

2. The figures in the above table reflect the sales of each Menu Item as a percentage of total Systemwide sales during the 2025 calendar year.

3. Note that all products sold through Third-Party Delivery Services are included under the "Miscellaneous" category.

Table 3

Reported Gross Sales for 2025 Calendar Year
Drive-Thru Shops vs. Non Drive-Thru Shops

2025 Drive Thru vs. Non-Drive Thru Shops	Drive Thru	Non-Drive Thru
Shop Count	33	495
Average	$508,897	$366,957
Median	$460,224	$337,133
Low	$265,050	$66,904
High	$949,095	$1,415,321
Number of shops that achieved average	13	201
Percent of shops that achieved average	39.4%	40.6%

Notes to Table 3:

1. Table 3 reflects sales figures for the 33 Shops in the System that have a drive-thru vs. the 495 Shops in the System that do not have a drive-thru

2. Table 3 includes Shops which were open for at least one full year as of December 28, 2025.

3. Drive Thru Shops in Table 3 exclude 4 Shops that only have pickup windows, not a full drive-thru setup, and 2 shops who had extended temporary closures during the 2025 Season.

Table 4

Cost of Goods for 2025 Calendar Year

	Top	**Middle**	**Bottom**	**Average**
Number of Shops	168	167	168	503
Avg. Sales	$558,602	$346,957	$221,606	$375,779
Avg. Food Cost	$76,612	$53,724	$36,695	$55,681
Food Cost as % of Sales	*13.7%*	*15.5%*	*16.6%*	*14.8%*
Avg. Paper Cost	$12,276	$8,480	$5,622	$8,793
Paper Cost as % of Sales	*2.2%*	*2.4%*	*2.5%*	*2.3%*
Avg. Fuel Surcharge	$603	$484	$363	$483
Fuel Surcharge as % of Sales	*0.1%*	*0.1%*	*0.2%*	*0.1%*
Avg. Food, Paper, & Fuel Surcharge Costs	**$89,491**	**$62,687**	**$42,680**	**$64,957**
Food, Paper, & Fuel Surcharge Costs as % of Sales	***16.0%***	***18.1%***	***19.3%***	***17.3%***
Avg. Weeks Open	40.2	39.5	39.1	39.6
Year Weeks	52.0	52.0	52.0	52.0
% of Year	77.3%	76.0%	75.3%	76.2%
Months in Year	9.3	9.1	9.0	9.1

Food Cost as % of Sales	
Number of Shops in Sample	503
High	27.0%
Low	2.3%
Average	14.8%
Number of Shops that obtained or has less than average	209
% of Shops in Sample	*41.6%*
Median	15.4%

Paper Cost as % of Sales	
Number of Shops in Sample	503
High	4.9%
Low	0.6%
Average	2.3%
Number of Shops that obtained or has less than average	229
% of Shops in Sample	*45.5%*

Median	2.4%

Fuel Surcharge as % of Sales	
Number of Shops in Sample	503
High	0.3%
Low	0.0%
Average	0.1%
Number of Shops that obtained or has less than average	211
% of Shops in Sample	*41.9%*
Median	0.1%

Notes to Table 4:

1. Table 4 reflects the cost of goods in Shops during 2025 and includes only shops with at least 26 weeks of sales.

2. The cost of goods for Mobile Units and Satellites were counted in the sales of their parent Shop.

3. Costs of goods reflected in Table 4 do not include payments of Royalty Fees or Advertising Contributions.

4. Food Costs include Bottled Water, Custard, Custard (Kosher), Mixes, Mixes (Sugarfree), Pretzels, Sugar, Waffle Cones and other ambient and refrigerated ingredients.

5. The following items are not included in food costs in Table 4, as we do not sell these items directly to franchisees: test items, hot dogs, Philadelphia style pretzels, and fresh fruit.

6. The following items may not be included in food and paper costs as some franchisees periodically source out of network: non-proprietary items such as spoons, napkins, straws, and sugar.

NOTES TO ENTIRE ITEM 19:

1. The information reflected in this Item 19 was compiled from unaudited information reported to us by our franchisees. We have not independently verified any of the sales information upon which this financial performance representation is based and the information has not been prepared on a basis consistent with generally accepted accounting principles.

2. The financial performance representations figures do not reflect the operating expenses or other costs or expenses (i.e., rent) that must be deducted from the Gross Sales figures to obtain potential net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in opening and operating a Shop.

3. Many of the Shops included in this data have been open and operating for years. These franchisees have achieved their level of sales after spending many years building customer goodwill at a particular location. A newly opened business should not be expected to achieve sales volume (or maintain expenses) similar to those of an established business.

4. The sales results for a Shop are affected by a number of factors including but not limited to: whether the Shop has a Satellite and/or engages in Third-Party Delivery Services, Mobile Events and/or Catering;

weather conditions in the market; the physical location of the Shop; local demographics (including daytime and residential population and income levels); site characteristics (i.e. visibility, traffic count, ease of ingress and egress, parking availability); seating; the offering of online ordering and/or curbside service; the presence of a walk-up window and/or drive-thru; seasonality (particularly in colder climates); local competition; brand and product awareness in the market; the number of Shops in the market; the presence of a Cooperative in the market; your local advertising and promotion spending, and your individual marketing efforts. Sales may also be affected by other factors such as the length of the seasons, unusual weather events and road construction affecting traffic patterns. Sales may also be affected by the strength of and public reception to the Rita's brand in the market, the length of time the Rita's brand has been in the market, the overall brand marketing within the market (which is determined by the number of Shops in the media market and whether there is a Cooperative in the media market), the flavors you offer, the overall public familiarity with Italian Ice in the market, and the overall public desire for Italian ice and custard in the market.

5. Written substantiation for the financial performance representation will be made available to the prospective franchisee upon reasonable request.

* * *

Some outlets have sold this amount. Your individual results may differ. There is no assurance that you'll sell as much.

Other than the preceding financial performance representation, we do not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting by contacting the Legal Department, Rita's Franchise Company, LLC at 1210 Northbrook Drive, Suite 310, Trevose, PA 19053 and (800) 677-7482, the Federal Trade Commission, and the appropriate state regulatory agencies.

Item 20: Outlets and Franchisee Information

Table 20.1
System Wide Outlet Summary
For Years 2023 to 2025

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2023	528	546	18
	2024	546	564	18
	2025	564	569	5
Company-Owned[1]	2023	0	1	1
	2024	1	5	4
	2025	5	9	4
Total Outlets	2023	528	547	19
	2024	547	569	22
	2025	569	578	9

Note: The numbers are for the period October 1 to September 30 of each year.

[1]Our company-owned Rita's shops are located at special venues owned by SWPE and SWPE operates and manages those Rita's shops.

Table 20.2 Transfer of Outlets from Franchisee to New Owners (other than the Franchisor) For Years 2023 to 2025		
State	**Year**	**Number of Transfers**
Alabama	2023	2
	2024	2
	2025	0
Arizona	2023	1
	2024	0
	2025	0
California	2023	0
	2024	1
	2025	0
Connecticut	2023	0
	2024	0
	2025	1
Delaware	2023	1
	2024	1
	2025	0
District of Columbia	2023	0
	2024	0
	2025	1
Florida	2023	2
	2024	1
	2025	1
Georgia	2023	0
	2024	0
	2025	1
Maryland	2023	2
	2024	5
	2025	5
Michigan	2023	0
	2024	2
	2025	0
Minnesota	2023	1
	2024	0
	2025	0
Nevada	2023	0
	2024	1
	2025	0
New York	2023	2
	2024	0
	2025	2
New Jersey	2023	5

	2024	5
	2025	7
Ohio	2023	2
	2024	0
	2025	0
Pennsylvania	2023	15
	2024	15
	2025	26
South Carolina	2023	0
	2024	0
	2025	1
Texas	2023	1
	2024	0
	2025	0
Utah	2023	2
	2024	0
	2025	0
Virginia	2023	0
	2024	0
	2025	1
West Virginia	2023	0
	2024	1
	2025	0
Total	2023	36
	2024	31
	2025	46

Note: The numbers are for the period October 1 to September 30 of each year.

Table 20.3 Status of Franchised Outlets For Years 2023 to 2025								
State	**Year**	**Outlets at Start of Year**	**Outlets Opened**	**Termi-nations**	**Non-renewals**	**Reacquired by Franchisor**	**Ceased Operation – Other Reasons**	**Outlets at End of Year**
Alabama	2023	5	1	0	0	0	0	6
	2024	6	0	0	0	0	0	6
	2025	6	0	0	1	0	0	5
Arizona	2023	3	1	1	0	0	0	3
	2024	3	0	0	0	0	0	3
	2025	3	0	0	0	0	0	3
California	2023	13	0	2	0	0	0	11
	2024	11	0	1	0	0	0	10
	2025	10	0	0	0	0	0	10
Colorado	2023	4	0	0	0	0	0	4
	2024	4	0	0	0	0	0	4
	2025	4	0	1	0	0	0	3
Connecticut	2023	9	0	0	0	0	0	9
	2024	9	0	2	1	0	0	6
	2025	6	0	1	0	0	0	5
Delaware	2023	19	0	0	0	0	0	19
	2024	19	1	0	1	0	0	19
	2025	19	0	0	0	0	0	19
District of Columbia	2023	3	0	0	1	0	1	1
	2024	1	2	0	0	0	0	3
	2025	3	0	0	0	0	0	3
Florida	2023	28	6[1]	0	0	0	0	34
	2024	34	6	3	0	0	0	37
	2025	37	4	5	0	0	0	36
Georgia	2023	4	1	0	0	0	0	5
	2024	5	0	0	0	0	0	5
	2025	5	1	0	0	2	0	4
Illinois	2023	1	2	0	0	0	0	3
	2024	3	1[3]	0	0	0	0	4
	2025	4	0	0	0	0	0	4
Indiana	2023	2	0	0	0	0	0	2
	2024	2	3	0	0	0	0	5
	2025	5	0	0	0	0	0	5
Kentucky	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Louisiana	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	1	0	0	0	0	1

Table 20.3 Status of Franchised Outlets For Years 2023 to 2025								
State	**Year**	**Outlets at Start of Year**	**Outlets Opened**	**Termi-nations**	**Non-renewals**	**Reacquired by Franchisor**	**Ceased Operation – Other Reasons**	**Outlets at End of Year**
Maryland	2023	73	5	0	0	0	1[2]	77
	2024	77	0	0	0	0	0	77
	2025	77	2	1	2	0	0	76
Massachusetts	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Michigan	2023	3	0	0	0	0	0	3
	2024	3	2	0	0	0	0	5
	2025	5	1	1	0	0	0	5
Minnesota	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
Missouri	2023	0	1	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Nevada	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	1[2]	0
	2025	0	0	0	0	0	0	0
New Jersey	2023	103	4[4]	0	0	0	0	107
	2024	107	2	1	0	0	0	108
	2025	108	2	0	0	0	1[2]	109
New York	2023	15	1	3	0	0	0	13
	2024	13	0	0	0	0	0	13
	2025	13	2	0	0	0	0	15
North Carolina	2023	7	0	0	0	0	0	7
	2024	7	2	1	0	0	0	8
	2025	8	0	0	1	0	0	7
Ohio	2023	7	1	0	0	0	0	8
	2024	8	2	0	0	0	0	10
	2025	10	2	0	0	0	0	12
Oklahoma	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Pennsylvania	2023	196	3	2	2	0	1	194
	2024	194	6[1]	0	1	0	0	199
	2025	199	1	0	0	0	0	200
South Carolina	2023	7	3	1	0	0	0	9
	2024	9	0	0	0	0	0	9
	2025	9	2	0	0	0	0	11

Table 20.3 Status of Franchised Outlets For Years 2023 to 2025								
State	**Year**	**Outlets at Start of Year**	**Outlets Opened**	**Termi-nations**	**Non-renewals**	**Reacquired by Franchisor**	**Ceased Operation – Other Reasons**	**Outlets at End of Year**
Tennessee	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Texas	2023	4	1	0	0	0	0	5
	2024	5	1	0	0	0	0	6
	2025	6	3	0	0	0	0	9
Utah	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
Virginia	2023	12	3[1]	0	0	0	0	15
	2024	15	2	0	0	0	0	17
	2025	17	1	1	0	0	0	17
West Virginia	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Total	2023	528	33	9	3	0	3	546[5]
	2024	546	30	10	1	0	1	564[6]
	2025	564	22	10	4	2	1[2]	569[7]

Note: The numbers are for the period October 1 to September 30 of each year.

[1]One of these shops was closed for relocation and reopened.

[2]These shops were closed for relocation.

[3]This shop that opened was a shop previously closed for relocation.

[4] Two of these shops that opened were shops previously closed for relocation.

[5] Of these shops, 525 were Standard Shops, 13 were Express Shops, and 8 were Satellites.

[6] Of these shops, 539 were Standard Shops, 17 were Express Shops, and 8 were Satellites.

[7] Of these shops, 543 were Standard Shops, 15 were Express Shops, and 11 were Satellites.

Table 20.4 Status of Company Owned Outlets[1] For Years 2023 to 2025							
State	**Year**	**Outlets at Start of Year**	**Outlets Opened**	**Outlets Reacquired from Franchisees**	**Outlets Closed**	**Outlets Sold to Franchisees**	**Outlets at End of the Year**
California	2023	0	1	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	0	1
Floridia	2023	0	0	0	0	0	0
	2024	0	2	0	0	0	2
	2025	2	1	0	0	0	3

Table 20.4 Status of Company Owned Outlets[1] For Years 2023 to 2025							
State	**Year**	**Outlets at Start of Year**	**Outlets Opened**	**Outlets Reacquired from Franchisees**	**Outlets Closed**	**Outlets Sold to Franchisees**	**Outlets at End of the Year**
Georgia	2023	0	0	0	0	0	0
	2024	0	0	0	0	0	0
	2025	0	0	2	0	0	2
Pennsylvania	2023	0	0	0	0	0	0
	2024	0	0	0	0	0	0
	2025	0	1	0	0	0	1
Texas	2023	0	0	0	0	0	0
	2024	0	1	0	0	0	1
	2025	1	0	0	0	0	1
Virginia	2023	0	0	0	0	0	1
	2024	0	1	0	0	0	1
	2025	1	0	0	0	0	1
Total	2023	0	1	0	0	0	1
	2024	1	4	0	0	0	5
	2025	5	2	2	0	0	9

Note: The numbers are for the period October 1 to September 30 of each year.
[1]Our company-owned Rita's shops are located at special venues owned by SWPE and SWPE operates and manages those Rita's shops.

Table 20.5 Projected Openings as of September 30, 2025			
State	**Franchise Agreements Signed but Outlet Not Opened**	**Projected New Franchised Outlets in the Next Fiscal Year**	**Projected New Company-Owned Outlets in the Next Fiscal Year**
California	3	0	0
District of Columbia	1	1	0
Florida	11	4	0
Georgia	3	1	0
Illinois	4	1	0
Indiana	1	0	0
Kentucky	2	1	0
Maryland	4	2	0
Michigan	2	0	0
New Jersey	7	4	0
New York	5	3	0
North Carolina	3	3	0
Ohio	3	4	0
Pennsylvania	4	4	0
Rhode Island	1	0	0
South Carolina	3	2	0
Texas	2	0	0
Virginia	4	3	0
Total	63	33	0

Exhibit H contains (i) a System-wide list of all franchisees/licensees operating under the System; (ii) a System-wide list of franchisees/licensees operating under the System that have signed Franchise Agreements or Development Agreements but have not opened their shop(s); and (iii) franchisees who had an outlet transferred, terminated, canceled, not renewed or who otherwise voluntarily or involuntarily ceased to do business under Franchise Agreements or Development Agreements during the previous fiscal year, or who have not communicated with us within 10 weeks of the issuance date of this disclosure document.

If you buy this franchise, your contact information and shop sales information may be disclosed to other buyers when you leave the System or as required by law. In some instances, current and former franchisees/developers sign provisions restricting their ability to speak openly about their experience with us. You may wish to speak with current and former franchisees but be aware that not all such franchisees will be able to communicate with you.

We created a Rita's Franchisee Advisory Council (the "**RFAC**") to act as an advisory board to our management team. The address for the RFAC is 1210 Northbrook Drive, Suite 310, Trevose, Pennsylvania, 19053. The telephone number is 215-876-9300.

Except as noted above, there are no trademark-specific franchisee organizations that need to be disclosed in this Disclosure Document.

ITEM 21: FINANCIAL STATEMENTS

Attached as Exhibit I to this Disclosure Document are the audited financial statements of our Parent, RWIFC Holdings, LLC, and its subsidiaries for the fiscal years ending September 30, 2025, September 30, 2024 and September 30, 2023. Parent guarantees the performance of our obligations under our franchise agreements and development agreements. A copy of the guaranty of Parent is included in Exhibit I to this Disclosure Document.

ITEM 22: CONTRACTS

Attached to this Disclosure Document are the following agreements that you may be required to sign:

Exhibit A	Rita's Franchise Agreement
Exbibit B	Rita's Satellite Shop Addendum
Exhibit C	Rita's Mobile Unit Addendum
Exhibit D	Rita's Development Agreement
Exhibit E	Rita's New Shop Marketing Program Agreement
Exhibit F	Sample General Release

ITEM 23: RECEIPTS

Attached as Exhibit O of this Disclosure Document are duplicate receipts. Please sign both copies. Retain one copy for your records and return the "Franchisor Copy" to Legal Department, Rita's Franchise Company, LLC, 1210 Northbrook Drive, Suite 310, Trevose, PA 19053.

EXHIBIT A TO

FRANCHISE DISCLOSURE DOCUMENT

RITA'S FRANCHISE AGREEMENT

RITA'S FRANCHISE COMPANY, LLC

FRANCHISE AGREEMENT

☐ **Standard Rita's Shop**

☐ **Express Rita's Shop**

RITA'S FRANCHISE COMPANY, LLC
FRANCHISE AGREEMENT

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EXHIBIT E – LEASE RIDER
EXHIBIT F – ADA CERTIFICATION
EXHIBIT G – STATE ADDENDA

RITA'S FRANCHISE COMPANY, LLC
FRANCHISE AGREEMENT

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RITA'S FRANCHISE COMPANY, LLC
FRANCHISE AGREEMENT

THIS RITA'S FRANCHISE COMPANY, LLC FRANCHISE AGREEMENT (the "**Agreement**"), is made and entered into on _____ (the "**Effective Date**") by and between **RITA'S FRANCHISE COMPANY, LLC**, a Delaware limited liability company, with its principal place of business at 1210 Northbrook Drive, Suite 310, Trevose, Pennsylvania 19053 ("**Company**") and _____, a [resident of] [corporation organized under the laws of] [limited liability company organized under the laws of] _____ ("**Franchisee**").

BACKGROUND:

A. Company and its predecessors and affiliates, as the result of the expenditure of time, skill, effort, and money, have developed a distinctive system (the "**System**") relating to the establishment and operation of retail frozen dessert businesses ("**Rita's Shops**"), which (i) operate at retail shops that display Company's interior and exterior trade dress, (ii) are engaged in the sale of Company's proprietary products including Italian ice, frozen custard, frozen desserts and drinks, toppings, frozen novelties, and other food and beverage items, as well as proprietary gift products and a limited selection of complementary and compatible products, including non-proprietary gift products, approved by Company (collectively, the "**Menu Items**"), and (iii) operate under the Proprietary Marks (as defined below).

B. The Menu Items consist of (i) items made with Company's proprietary products and Company's proprietary products that are ready to be resold to customers (collectively, the "**Rita's Products**"); and (ii) a limited selection of items made with Company-approved complementary and compatible products and Company-approved complementary and compatible products ready to be resold to customers (collectively, the "**Non-Proprietary Products**").

C. The distinguishing characteristics of the System include, without limitation, distinctive exterior and interior design, decor, color schemes, fixtures and furnishings; standards and specifications for products, equipment, materials and supplies; uniform standards, specifications and procedures for operations; procedures for inventory and management control; training and assistance; proprietary equipment; and marketing and promotional programs, all of which may be changed, improved, and further developed by Company from time to time.

D. The System is identified by means of certain trade names, service marks, trademarks, logos, emblems, and indicia of origin as are now designated and may hereafter be designated by Company in writing for use in connection with the System including the mark "RITA'S ICE-CUSTARD-HAPPINESS" and other marks (the "**Proprietary Marks**").

E. Company operates and licenses others to operate various forms of Rita's Shops offering both full and limited assortments of the Menu Items.

F. Franchisee desires to enter into the business of operating a Rita's Shop under the System and using the Proprietary Marks, and wishes to enter into this Agreement with Company for that purpose, and to receive the training and other assistance provided by Company in connection therewith.

G. Franchisee understands and acknowledges the importance of the high standards of Company for quality, cleanliness, appearance, service, and the necessity of operating the business franchised hereunder in conformity with the standards and specifications of Company.

NOW, THEREFORE, the parties, in consideration of the undertakings and commitments of each party to the other set forth in this Agreement, and for other good and valuable consideration, the sufficiency and receipt of which is hereby acknowledged, agree as follows:

1. GRANT

1.1 Franchisee desires to obtain a franchise to establish the type of Rita's Shop specified in Exhibit A (the "**Designated Shop Type**"). Company grants to Franchisee the right, and Franchisee hereby agrees and undertakes the obligation to operate the franchise for the entire term of this Agreement, upon the terms and conditions set forth in this Agreement: (a) to establish and operate a Rita's Shop of the Designated Shop Type (the "**Shop**") that offers a full assortment of Menu Items required by Company for the Designated Shop Type, (b) to establish and operate the Shop in compliance with all mandatory specification, standards, operating procedures and rules (collectively, "**System Operating Standards**") that Company periodically prescribes for Rita's Shops, and (c) to use the Proprietary Marks and the System solely in connection therewith. Rita's Shops are either (i) year around shops that operate all year ("**Year Around**") or (ii) seasonal shops that operate during a period designated by Company in the Manuals (defined below) ("**Seasonal**"). Exhibit A designates whether the Shop is Year Around or Seasonal. The "**Designated Operating Period**" means the Shop's designation for required operations Year Around or Seasonal. Company may change in its discretion the operating period for Rita's Shops with a Designated Operating Period that is Seasonal. For purposes of this Agreement, "**Products**" means the Menu Items, Rita's Products and Non-Proprietary Products. For purposes of this Agreement, "**Season**" means the minimum Designated Operating Period a Seasonal Rita's Shop must operate each year (as designated by Company). Each Season shall have a required opening date and date that each Seasonal Shop must operate through. Franchisee and Company are agreeing to the ADR Process (defined below) outlined in Section 26 below which includes required arbitration.

1.2 Franchisee shall operate the Shop only at the accepted and authorized location (the "**Accepted Location**") specified in Exhibit A. If, at the time of signing this Agreement, a location for the Shop has not been accepted and authorized by Company as the Accepted Location, Franchisee shall look for proposed locations for the Shop in the "**Site Selection Area**" specified in Exhibit A and obtain Company's acceptance and authorization for an Accepted Location for the Shop in accordance with Section 5. Until a Territory (defined below) is designated by Company, Franchisee shall have no territorial or other protection in the Site Selection Area and Franchisee acknowledges that other franchisees may be searching for sites for Rita's Shops in the Site Selection Area. In connection with obtaining Company's acceptance and authorization for the Accepted Location, Franchisee must provide to Company any information Company requests in considering the proposed location as the Accepted Location. Company will accept and authorize a location that meets Company's standards, requirements, and criteria for an Accepted Location. Section 5 of this Agreement specifies the time frames in which Franchisee must (i) obtain Company's acceptance and authorization for the Accepted Location, (ii) commence construction of the Shop, (iii) complete construction and/or remodeling of the Shop, and (iv) open the Shop. If Franchisee fails to comply with any of the time frames set forth in Section 5, Company may, in its sole discretion, revoke

Franchisee's ability to look for proposed locations for the Shop in the Site Selection Area or assign Franchisee another Site Selection Area. Franchisee shall not relocate the Shop without the prior written approval of Company, which shall be subject to the terms of Section 7.24 below. If Franchisee abandons an Accepted Location or loses the right to occupy an Accepted Location, the grant and rights in the Territory and Accepted Location conveyed to Franchisee under this Agreement (including Section 1.3 below and this Section 1.2) and any Accepted Location Addendum shall cease and Company shall have no further restrictions related to the Territory and Accepted Location. Any acceptance and authorizations furnished by Company pursuant to this Section 1.2 or assistance in selecting a location shall be at the sole discretion of Company, and are not, and shall not be, a guarantee or assurance by Company that the Shop shall be profitable or successful. Franchisee acknowledges and agrees that acceptance of Franchisee's proposed location, under this Section 1.2 or pursuant to the Site Acceptance Notice (defined below), does not constitute any assurance, representation, or warranty of Company of any kind that the Shop at the Accepted Location shall be profitable or successful.

1.3 Except as otherwise provided in this Agreement, during the term of this Agreement, Company shall not establish or operate, nor license any other person to establish or operate, a standard or express Rita's Shop at any location within the territory specified in Exhibit A (the "**Territory**"). However, Company and its affiliates retain the rights, among others, on any terms and conditions Company deems advisable, and without granting Franchisee any rights therein to do the following:

1.3.1 To establish and operate, and license other parties to establish and operate, Rita's Shops and other types of locations (including, without limitation, mobile carts, trucks, vans/trucks, trailers, stationary carts, and kiosks) under the System and Proprietary Marks in the Territory and Site Selection Area at any existing or future special events centers, parks, stadiums, arenas, business and industrial complexes, museums, art centers, military bases, airports, other public transportation facilities, government offices or institutions, regional malls, health care facilities and other institutional feeding facilities, hotels and motels, toll road or highway rest stops, colleges, universities, food concessions and food service facilities, theaters, warehouse clubs, theme parks, amusement centers, truck stops, casinos, temporary events, and any similar outlets as Company and/or Company's affiliates determine (collectively, "**Institutional Facilities**"), in its or their sole discretion;

1.3.2 To use, and to license others to use, the System and the Proprietary Marks for the operation and licensing of other Rita's Shops at any location (i) outside of the Territory;

1.3.3 Within and outside the Territory and Site Selection Area, and notwithstanding any other provision hereof, to acquire, be acquired by, merge with, or otherwise affiliate with, and thereafter own and operate, and franchise or license others to own and operate, any business of any kind, including, without limitation, any business that offers products or services the same as or similar to those offered under the System or that uses the Proprietary Marks or any other system or marks;

1.3.4 Within and outside the Territory and Site Selection Area, (a) to give, donate, or contribute Products to charitable and community organizations and events for

fundraising and other events, (b) to use the Products for promotions and product demonstrations, and (c) to offer Products for sampling by consumers and organizations for product testing, promotions, and demonstrations;

1.3.5 Within and outside the Territory and Site Selection Area, to own, acquire, establish and/or operate and license others to establish and operate, businesses under the Proprietary Marks, but which do not operate under the System and are not operating retail frozen dessert businesses (this provision in no way limits the other rights reserved under Section 1.3.1); and

1.3.6 Within and outside the Territory and Site Selection Area, to sell and distribute (either themselves or through licensees or designees) products (including the Products) under the Proprietary Marks in such manner and through other channels of distribution (other than Rita's Shops) as Company, in its sole discretion, determines, including, but not limited to, retail outlets (such as supermarkets, markets, machines, groceries, mom & pops, gourmet shops, convenience stores, food carts, warehouse clubs, drug stores, and book stores), catering services, electronic distributions via computer networks (such as the World Wide Web, other areas of the Internet and/or other on-line networks through delivery services or otherwise), catalogs, direct mail, toll-free numbers, and other communication methods now or hereafter devised of any nature. Company reserves the right, among others, to implement any distribution arrangements relating to these alternate channels of distribution. Franchisee understands that this Agreement does not grant Franchisee the right to (1) distribute the Products through such channels of distribution as described in this Section 1.3.6, and/or (2) share in any of the proceeds received by any party distributing the Products through such channels of distribution described in this Section 1.3.6.

1.4 The grant given herein is limited to the right to operate one Rita's Shop (a) operating only at the Accepted Location and (b) selling only the Menu Items designated for the Designated Shop Type from the Accepted Location to retail guests for actual consumption on the Premises (defined below) or for personal carry-out consumption. The grant given herein does not include (i) any right to sell products (including food items, novelty items, apparel, etc.) identified by the Proprietary Marks at any location other than the Accepted Location or through any other channels or methods of distribution, including the Internet (or any other existing or future form of electronic commerce) and pre-packaged retail sales, (ii) any right to prepare any product at any place other than the Accepted Location, (iii) any right to deliver any product from any place other than from the Accepted Location, or (iv) any right to sell the Products to any person or entity for resale or further distribution.

1.5 Franchisee may engage in the sale of bulk Menu Items that are picked up by the customer from the Shop or delivered by Franchisee to customers' homes, specialty parties, weddings, office events, and other locations for consumption ("**Catering Activities**"), provided that such Catering Activities are conducted in accordance with the terms and conditions stated (i) in this Agreement, (ii) in Company's Confidential Operating Manuals (the "**Manuals**"), which is more fully described in Section 9 hereof, and (iii) in any required written authorization or writing from Company related to Catering Activities. For purposes of this Agreement, Catering Activities means an event where there is one customer that purchases (payment must be collected at the time

of pickup by the customer or, if Franchisee will deliver the Menu Item(s) to the event site, at the time customer places the order) bulk Menu Item(s) for consumption away from the Shop. Franchisee acknowledges that Company may restrict Catering Activities to the Territory now or in the future. The definition of Catering Activities may be further defined and refined in the Manuals. All Catering Activities shall be subject to the terms of this Agreement.

1.6 Unless Franchisee has executed a mobile addendum to this Agreement, Franchisee may not engage in off-premises special events, activities, or sales, including specialty parties, festivals, and business events ("**Mobile Events**"). A Mobile Event is any event where there are multiple customers that pay individually for Menu Items sold at the event site instead of at a standard or express Rita's Shop. The definition of Mobile Events may be further defined and refined in the Manuals. If Company desires the selling of Products at a Captive Mobile Event in the Territory, Company may send Franchisee a "**Request for Notice**" if Franchisee has a license to do Mobile Events. If Franchisee has a license to do Mobile Events, Company sends Franchisee a Request for Notice and Franchisee desires to sell Product at the Captive Mobile Event described in the Request for Notice, Franchisee must send Company a "**Notice of Intent to Service**" within five business days after receipt by Franchisee of such Request for Notice. If Franchisee does not send Company a Notice of Intent to Service within five business days after the date of receipt by Franchisee of the Request for Notice, Franchisee shall be deemed to have waived Franchisee's right to sell Products at such Captive Mobile Event. If Franchisee waives the right to sell Products at any Captive Mobile Event or Franchisee does not have a license to conduct Mobile Events, Company may sell Products or grant another System franchisee the right to sell Products at such Captive Mobile Event. For purposes of this Agreement, a "**Captive Mobile Event**" is a festival, fair, special event, outdoor arena, weekend-outdoor markets, or similar event that is located less than .5 miles from the Shop (and any satellite shop Franchisee operates in the Territory). Notwithstanding anything to the contrary, Company may authorize Mobile Events in the Territory by other System franchisees.

1.7 Franchisee must offer delivery services ("**Delivery Services**" as further defined in the Manuals). Delivery Services require Franchisee to have certain equipment, training, and staffing. Franchisee must offer Delivery Services in accordance with the terms of the Manuals and this Agreement. Franchisee must only use the designated and/or approved vendors for Delivery Services that Company designates/approves. Franchisee acknowledges that Company, Company's affiliates, and other System franchisees may provide Delivery Services near the Accepted Location and in the Territory. Company retains the right to revise and/or make exceptions to Company's Delivery Services policies as they apply to Franchisee and other System franchisees. If Franchisee is not authorized to offer Delivery Services, Franchisee may not offer Delivery Services.

1.8 Franchisee acknowledges that the System may be supplemented, improved, and otherwise modified from time to time by Company, and Franchisee agrees to comply with all requirements of Company in that regard, including offering and selling new or different Menu Items or services as specified by Company from time to time. Company may impose additional fees (not yet identified or quantified above) necessary for the System to remain competitive in response to market pressures for updating the System and technology for the System. Express Rita's Shops (i) may not engage in Catering Activities and Delivery Services, and (ii) are not eligible to execute a mobile addendum to conduct Mobile Events.

2. TERM AND RENEWAL

2.1 This Agreement shall be in effect upon its acceptance and execution by Company and, unless this Agreement is sooner terminated as provided herein, this Agreement shall expire on December 31 of the 10th full calendar year following the year in which the Shop opens for business at the premises of the Shop (the "**Premises**"). The records maintained by Company regarding the opening date of the Shop shall control in the event of a controversy or conflict between Company and Franchisee as to the opening date.

2.2 Franchisee may apply to operate a Rita's Shop for one additional consecutive term of 10 years, but Franchisee must satisfy the following conditions which all must be met at least three months prior to renewal (i.e. prior to the end of the term of this Agreement):

2.2.1 Franchisee shall give Company written notice of Franchisee's election to renew at least 9 months, but not more than 12 months, prior to the end of the term of this Agreement;

2.2.2 Franchisee shall not have any past due monetary obligations or other outstanding obligations to Company and its affiliates, the approved suppliers of the System or the lessor of the Premises;

2.2.3 Franchisee shall not be in default of any provision of this Agreement, or successor hereto, or any other agreement between Franchisee (or any of its Owners) and Company or its affiliates, the approved suppliers of the System or the lessor of the Premises; and Franchisee shall have substantially complied with all the terms and conditions of such agreements during the terms thereof;

2.2.4 Franchisee, any owner with a beneficial interest in Franchisee (an "**Owner**"), and any franchisee, licensee, or developer of Company in which Franchisee and/or any Owner has a beneficial interest, shall execute a general release, in a form prescribed by Company, of any and all claims against Company and its affiliates, and their respective officers, directors, agents, and employees at the time when the documents required under Section 2.2.5 below are executed;

2.2.5 At least three months prior to the expiration date of this Agreement, Franchisee and its Owners (and their spouses) shall execute the then-current form of franchise agreement and guarantee (including paying the renewal fee due under Section 2.2.9 below) offered by Company, which shall supersede this Agreement in all respects, and the terms of which may differ from the terms of this Agreement including requirements to pay a higher royalty fee and/or Advertising Obligation (defined below), pay a royalty fee calculated in a different manner and/or an updated territory designated by Company based on the population at the time of renewal, except that Franchisee shall not be required to pay any initial franchise fee;

2.2.6 Franchisee shall comply with the then-current qualification and training requirements of Company;

2.2.7 Prior to (a) the end of the term of this Agreement and (b) executing the documents required under Section 2.2.5 above, Franchisee shall make or provide for, in a manner satisfactory to Company, such renovation and modernization of the Premises of the Shop as Company may reasonably require, including installation of new Operating Assets (defined below) and/or renovation of Operating Assets to reflect the then-current standards and image of the System;

2.2.8 Franchisee shall present evidence satisfactory to Company that Franchisee has the right to remain in possession of the Premises for the duration of the renewal term; and

2.2.9 Franchisee shall pay Company a renewal fee in an amount equal to 50% of Company's then-current initial franchise fee for the Designated Shop Type prior to or at the time of execution of the documents required under Section 2.2.5 above (or if the Designated Shop Type is no longer offered, the renewal fee will be the then-current initial franchise fee for the most similar type of Rita's Shop as determined by Company).

2.3 Franchisee's failure to deliver the executed renewal franchise agreement and release (including the personal guarantee and release executed by Owners and their spouses) within 30 days after Company delivers them to Franchisee for execution may be deemed, in the sole discretion of Company, an election by Franchisee not to renew.

3. DUTIES OF COMPANY

3.1 Company will make available standardized design plans and specifications for the Shop, including exterior and interior design and layout. Such standard design plans and specifications shall not contain the requirements of any federal, state or local law, code or regulation, including those concerning the Americans With Disabilities Act ("**ADA**") or similar rules governing public accommodations for persons with disabilities, nor shall such plans contain the requirements of, or be used for, construction drawings or other documentation as may be necessary to obtain permits or authorization to build a specific Shop.

3.2 Company shall make available specifications for required fixtures, furniture, furnishings, signs (including menu board systems), graphics, decor, and equipment (including the Computer System (defined below) and Mix/Dispensing Equipment (defined below)) (collectively, "**Operating Assets**").

3.3 Company shall provide its initial training for System franchisees and managers ("**Initial Training**"), as described in Section 6 of this Agreement, for up to two trainees, at no charge to Franchisee to be conducted at a point determined by Company prior to the opening of the Shop. After such time period, Company may require that Franchisee pay Company then-current training fees for any such training provided by Company. Nothing in this Section 3.3 shall limit or otherwise affect Franchisee's obligation to satisfy the training requirements set forth in Section 6 below.

3.4 Company will provide such on-site pre-opening oversight and assistance as Company deems advisable.

3.5 Company will make available to Franchisee marketing and promotional materials as provided in Section 12.6 hereof.

3.6 Company will provide Franchisee with electronic access to the Manuals of Company, as more fully described in Section 9 hereof.

3.7 Company will provide to Franchisee, from time to time, as Company deems appropriate, advice and written materials concerning techniques of managing and operating the Rita's Shop, including required and suggested inventory and cost control methods, new developments and improvements in the Rita's Shop layout and design, and new developments in Menu Items and marketing techniques.

3.8 Company will conduct, as it deems advisable, inspections of the operation of the Shop by Franchisee.

3.9 Company will make available to Franchisee for purchase, or designate or approve other distributors or suppliers who will make available to Franchisee for purchase, certain Rita's Products required for Franchisee's preparation of certain Menu Items, including, without limitation, Company's proprietary Italian ice mix, custard mix, and ingredients for such other Menu Items as Company may designate from time to time (collectively, "**Rita's-Mix Items**"). Company will make available to Franchisee for purchase, or designate or approve other distributors or suppliers who shall make available to Franchisee for purchase, certain Non-Proprietary Products required for Franchisee's preparation of certain Menu Items that do not include the Rita's-Mix Items ("**Non-Mix Items**"). Franchisee may purchase Products (including Rita's-Mix Items and Non-Mix Items) solely for the preparation and sale of Menu Items at the Shop. If Franchisee owns additional Rita's Shop(s), Franchisee may not purchase Products through any of Franchisee's additional Rita's shop(s) for the preparation and sale of Menu Items at the Shop. Franchisee may not purchase Products for or sell Products to other Rita's Shop(s), including any other Rita's Shop(s) owned by Franchisee or by a System franchisee(s) that is an affiliate(s) of Franchisee and/or any Owner(s). Franchisee may loan Product(s) to other Rita's Shop(s), but Franchisee must receive the identical type and quantity of such Product(s) back directly from such other Rita's Shop within a reasonable amount of time. For purposes of this Agreement and calculating the Yield Based Royalty (defined below), Company shall make the final determination of the (i) the Menu Items that may be yielded from Rita's-Mix Items, (ii) the typical mix of Menu Items for the System (i.e. System-wide percentage of sales), (iii) the other portion, yield and return calculations, and (iv) the applicable waste and promotional factor based on the System's historical practice. If Company or its designated or approved distributors or suppliers are unable to supply Franchisee with the quantity and/or type of Rita's-Mix Items or Non-Mix Items that Franchisee requests, Company will exert reasonable commercial efforts to allocate, or to cause Company's designated or approved distributors or suppliers to allocate, such Rita's-Mix Items or Non-Mix Items available on an equitable basis among the franchisees and other businesses that seek to purchase such Rita's-Mix Items or Non-Mix Items. Company and Company's designated or approved distributors or suppliers do not represent that the supply/delivery of Products will be error-free and Franchisee acknowledges that there may be temporary outages of individual products or mixes. Additionally, Franchisee acknowledges that Company, Company's affiliates, and Company's designated or approved distributors and suppliers will not be liable if Company, Company's affiliates, or

Company's designated or approved distributors or suppliers are unable to fulfill Franchisee's requests as a result of a force majeure (defined below), or otherwise.

3.10 Company and/or Company's distributors or suppliers will designate payment terms for Rita's Products and Non-Proprietary Products (including Rita's-Mix Items and Non-Mix Items) based on Franchisee's credit worthiness, and Company and/or Company's distributors or suppliers reserve the right to require prepayment (in a manner designated by Company) for Products in the event that Franchisee, as determined by Company and/or Company's distributor or supplier, poses a credit risk or has a late payment history.

3.11 Company shall use reasonable efforts to make available for purchase by Franchisee, either through Company directly, or through its affiliates, approved suppliers or distributors, the Products currently being offered for sale in Rita's Shops; provided, however, that Company reserves the rights:

3.11.1 To discontinue, in its sole discretion, the availability of Products from time to time;

3.11.2 To designate particular Products for offer and sale at retail in limited geographic regions, demographic markets, or types of facilities and venues, or to otherwise limit the offer and sale at retail of any Product in such manner and for such periods of time as Company may deem appropriate, including to reflect varying customer preferences, to conduct seasonal or regional promotions, and to determine the marketability of a Product or the feasibility and desirability of offering a Product for sale under the System; and

3.11.3 To require the return or disposal of, as Company shall direct in its sole discretion, Products that Company reasonably believes to be adulterated, tainted, contaminated, spoiled, unsafe, hazardous, expired, or otherwise unfit to be used for its intended purpose.

3.12 Company shall make available to Franchisee for purchase, or designate or approve other distributors or suppliers who shall make available to Franchisee for purchase, certain equipment (e.g. batch machines) that is proprietary to Company or contains proprietary modifications for Company (the "**Mix/Dispensing Equipment**").

3.13 Franchisee acknowledges and agrees that any duty or obligation imposed on Company by this Agreement may be performed by any affiliate, distributor, designee, employee, or agent of Company, as Company may direct from time to time.

4. FEES

4.1 The initial franchise fee shall be the amount specified in Exhibit A, which is paid in consideration of the franchise granted herein. Franchisee acknowledges and agrees that (i) the initial franchise fee is paid as consideration for Company granting Franchisee the right to develop, open, and operate the Shop using the Proprietary Marks and the System, (ii) the initial franchise fee is fully earned by Company at the time this Agreement is executed, and (iii) the initial franchise fee shall not be refundable for any reason. In the event that Franchisee is not able to go forward with

development at any Accepted Location for any reason, Franchisee's sole remedy shall be to find a new Accepted Location.

4.2 During the term of this Agreement, Franchisee shall pay Company:

4.2.1 A continuing royalty fee which shall be the mathematical product, calculated by Company, determined by multiplying 6.5% times Company's estimate of the amount of gross sales that may be derived by Franchisee from the retail sale of the Menu Items that may be prepared from the Rita's-Mix Items (the "**Yield Based Royalty**"). Once Company receives updated pricing for products and Company's ordering systems are updated with such information (usually in January or February), Company shall determine the amount of Yield Based Royalty attributable to each Product using Franchisee's reported selling price for each such Product. Franchisee shall immediately report to Company any change in its selling price for any Product so that Company may immediately recalculate the Yield Based Royalty. Franchisee shall pay the Yield Based Royalty upon Franchisee's purchase of each Rita's-Mix Item. Company will determine the Products subject to the Yield Based Royalty.

4.2.2 A continuing weekly royalty of 6.5% of the Gross Sales (defined below) of all (i) Menu Items that are Non-Mix Items sold in the preceding week, and (ii) Non-Mix Items charged as an upcharge, additional charge or service on Menu Items made with Rita's-Mix Items sold in the preceding week ("**Non-Yield Based Royalty**"). Franchisee shall pay the Non-Yield Based Royalty required under this Section 4.2.2 to Company on or before Wednesday of each week for Gross Sales in the prior week. During the term of this Agreement, Company reserves the right to require payment of the Non-Yield Based Royalty less frequently (i.e. biweekly or monthly). Company will determine the Products subject to the Non-Yield Based Royalty.

4.3 Franchisee shall make Advertising Obligation contributions and expenditures for marketing and promotion as specified in Section 12.1.

4.4 As used in this Agreement, "**Gross Sales**" means revenue from the sale of all Menu Items and all other income, whether for cash, credit, services, or barter, of every kind and nature related to the Shop (including Mobile Events and Catering Activities), including proceeds of any business interruption insurance policies, regardless of collection in the case of credit. Gross Sales shall not include (a) any sales taxes or other taxes collected from customers by Franchisee and paid directly to the appropriate taxing authority, or (b) the value of any gift card sold.

4.5 Excluding Yield Based Royalty payments and payments to the Branding Fund (defined below) calculated in the same manner as the Yield Based Royalty payments, all weekly payments and contributions required under this Agreement shall be paid on or before Wednesday of each week, calculated on the Gross Sales for the preceding week in the manner specified by Company from time to time. Concurrent with such payments, Franchisee shall submit to Company any reports or statements required under Section 11.3 below. Franchisee understands and agrees that Company reserves the right and may require, in its sole discretion, that all Product purchases, royalties, Advertising Obligation contributions, Technology Fee Contributions (defined below), assessments, fines, other fees, invoices, contributions, or any other amounts required to be paid to

Company, Company's affiliates, or any Cooperative (defined below) hereunder must be paid by automated bank draft or other reasonable means necessary to ensure payment of such fees are received by Company or the appropriate Cooperative. Franchisee agrees to comply with Company's payment instructions (including executing any documents required by Company for automated bank draft/debit or other reasonable means). Franchisee shall not change Franchisee's banking information for drafts/debits from Company or withdraw Company's approval for bank drafts/debits from Franchisee's account without designating replacement information and/or replacement approval and Franchisee shall maintain sufficient amounts in Franchisee's account to cover payment due to Company, Company's affiliates, and the appropriate Cooperative. Company's current form of "**Authorization Agreement for Direct Debits**" is attached to this Agreement as Exhibit C, and Franchisee shall complete and execute Company's then-current form of such document prior to commencing operations under this Agreement.

4.5.1 Any payment, contribution, statement, or report not actually received by Company on or before such date shall be overdue. If any payment or contribution is overdue, Franchisee shall pay Company immediately upon demand, in addition to the overdue amount, interest on such amount from the date it was due until paid, at the rate of 1.5% per month, or the maximum rate permitted by law, whichever is less. Entitlement to such interest shall be in addition to any other remedies Company may have. If any payment or contribution submitted by check is returned or dishonored, Franchisee shall pay Company immediately upon demand, in addition to the amount due, an amount assessed by Company for such returned or dishonored check.

4.5.2 All payments made by Franchisee under this Agreement shall be applied in such manner as Company may designate from time to time, including to indebtedness of Franchisee to Company or Company's affiliates for royalties, contributions, product purchases, interest, or any other reason, regardless of how Franchisee may designate a certain payment to be applied. Company reserves the right to collect all or a portion of Franchisee's past due royalties and contributions (including interest) by adding such amount to the monies due for Franchisee's purchases of Products from Company and/or its affiliates and approved suppliers or distributors. Company will establish the payment terms for all purchases from Company based on the credit terms Company extends and Franchisee's payment and credit history; provided, however, Company may, at any time, require cash-in-advance for purchases of Products. All monies collected by Company, affiliates and suppliers for Franchisee's past due contributions shall be remitted to Company on Franchisee's account. Franchisee shall not delay, withhold, or set-off any payments or contributions due hereunder against any monetary or other claim it may have against Company.

5. CONSTRUCTION AND OPENING OF SHOP

Franchisee understands and acknowledges that every detail of the System is important to Franchisee, Company, and other System franchisees in order to develop and maintain high operating standards, to increase the demand for the products and services sold by all System franchisees, and to protect Company's reputation and goodwill. Franchisee must comply with all site/lease approval and construction deadlines in this Section; provided, however, Franchisee must open the Shop no later than 270 days after the Effective Date.

5.1 No later than 120 days after the Effective Date, Franchisee shall (i) obtain Company's acceptance and authorization for the site of the Accepted Location, and (ii) obtain possession of the Accepted Location for the Shop by lease/sublease or purchase, the terms of which Company reserves the right to approve as provided in Section 5.3. Time is of the essence in Franchisee's obtaining an Accepted Location for the Shop.

5.2 Franchisee agrees to locate and submit specific sites for the Shop. Franchisee shall submit to Company a site evaluation package ("**SEP**"), in a form prescribed by Company, identifying each proposed site and describing the site characteristics, the current dimensions of the proposed site, relevant demographics for the site, and cost factors concerning the site. Company shall have the right to require that Franchisee simultaneously submit SEPs for up to three proposed sites. Company shall have 30 days after receipt of a SEP from Franchisee to accept or reject each proposed site for the Shop. To supplement the SEP, Company may review and assess any proposed site solely using online and virtual tools. Franchisee must obtain written acceptance and authorization by Company of a proposed site for the Shop, which will be in the form of a "**Site Acceptance Notice**." If Company does not authorize a proposed site by a written Site Acceptance Notice within such 30-day period, such site shall be deemed disapproved by Company. Before executing a lease/sublease for the Shop, Company may require Franchisee to form an entity for convenience of ownership of the Shop (and transferring this Agreement to such entity). Franchisee shall execute a lease/sublease that complies with the requirements set forth in Section 5.3, or a binding agreement to purchase each site within 60 days of receipt of the Site Acceptance Notice. Once Company has issued a Site Acceptance Notice and Franchisee has provided Company with the executed lease/sublease for the site or a copy of the deed showing Franchisee's acquisition of the site, Franchisee and Company shall execute the Accepted Location Addendum attached to this Agreement as Exhibit D (the "**Accepted Location Addendum**") (i) documenting the Accepted Location and (ii) specifying the Territory designated by Company within Company's sole discretion. If Franchisee fails to execute the Accepted Location Addendum within 15 days of Franchisee's receipt of the Accepted Location Addendum from Company, Company's authorization in the Site Acceptance Notice may be deemed revoked upon notice from Company to Franchisee. If after the Accepted Location Addendum is signed, Franchisee fails to develop in accordance with the terms of this Section 5, Company may exercise its rights under Section 15 and/or modify or terminate the Territory specified in the Accepted Location Addendum. In the event that Franchisee claims to have terminated this Agreement and/or abandons the Shop after opening, Franchisee shall no longer have any rights in the Territory or territorial protection for the Accepted Location. Franchisee's failure to timely execute the Accepted Location Addendum prepared by Company shall be a default under this Agreement. Additionally, in the event that Franchisee fails to execute the Accepted Location Addendum prepared by Company and Franchisee opens the Shop, the Territory shall be the four walls of the building where the Shop is located.

5.3 If Franchisee will occupy the Accepted Location under a lease/sublease, Franchisee shall, prior to the execution thereof, submit such lease/sublease to Company for Company's written approval. Company's approval of a lease/sublease (if any) for the Accepted Location shall be conditioned upon (a) Franchisee forming an entity for convenience of ownership of the Shop (and transferring this Agreement to such entity) and (b) Franchisee and lessor/sublessor (1) executing Company's then-current lease rider (the "**Lease Rider**") or (2) executing a lease/sublease containing the conditions set forth in Company's then-current Lease Rider which may include, but are not limited to:

(i) That the initial term of the lease/sublease, or the initial term together with renewal terms, shall be for 10 years, unless otherwise approved in writing by Company;

(ii) That the lessor consents to Franchisee's use of such Proprietary Marks and initial signage as Company may prescribe for the Shop;

(iii) That the use of the premises be restricted solely to the operation of the Shop;

(iv) That the lessor provides to Company copies of any and all notices of default given to Franchisee under the lease/sublease;

(v) That upon termination or expiration of this Agreement, Company has the right, at Company's option, to assume (or have another System franchisee operating under the System assume) Franchisee's interest under the lease/sublease without the lessor's consent;

(vi) That Company has the right to enter the premises to make modifications necessary to protect the Proprietary Marks or the System or to cure any default under this Agreement; and

(vii) That, at Company's request, the lessor must provide to Company all sales information that has been provided to lessor by Franchisee.

Company's current form of Lease Rider is attached to this Agreement as Exhibit E. Franchisee shall furnish to Company a fully-executed copy of the lease/sublease or purchase agreement for the Accepted Location within 10 days after execution of such agreement. Company may, at its option, require Franchisee to sign a collateral/conditional assignment of lease in a form designated by Company if Franchisee's landlord refuses to sign the Lease Rider or makes changes to the Lease Rider that materially alter Company's rights. Franchisee must provide to Company all information (including copies of all documents) Company requests related to the lease/sublease. At all times, Company may communicate with the landlord about the status of the lease/sublease. Franchisee must (i) notify Company and obtain Company's approval prior to making any changes to the lease/sublease and (ii) copy Company on all communication with landlord regarding the term or extension of the term of the lease/sublease.

5.4 Company shall have the right, but not the obligation, to designate one or more suppliers of design services and/or architecture services (a "**Designated Design Firm**") to supply such services to the System. If Company authorizes a Designated Design Firm, Franchisee shall provide the layout and dimensions for the site of the Shop to a Designated Design Firm in the manner specified in the Manuals or otherwise in writing, which Designated Design Firm will prepare a standardized design (a "**Preliminary Drawing**") of the Shop using (i) the current dimensions for the site, and (ii) knowledge of the design and layout options for Rita's Shops. The Designated Design Firm shall prepare final plans for construction based upon the Preliminary Drawings and specifications. The final plans for construction shall not thereafter be materially changed or modified without the prior written permission of Company. Franchisee shall be solely responsible for payments for all design and architecture services (including the services of the Designated Design Firm). Franchisee shall renovate or construct and equip the Shop according to the final plans for construction, at Franchisee's own expense.

5.5 Franchisee shall commence construction or renovation of the Shop within 90 days after execution of the approved lease/sublease for the Shop or purchase of the Accepted Location for the Shop or, if Franchisee's right to occupy the Accepted Location begins after the date of execution of the lease/sublease, within 30 days after obtaining possession of the Premises. Before commencing any construction or renovation of the Shop, Franchisee, at its expense, shall comply, to Company's satisfaction, with all of the following requirements:

5.5.1 Franchisee shall employ an approved general contractor, who is reputable and experienced with building units of similar retail concepts, to construct the Shop and to complete all improvements. Company shall have the right, but not the obligation, to designate a single approved contractor or furnish Franchisee with a list of approved contractors for Franchisee to employ in the construction of the Shop. Franchisee acknowledges and agrees that Company is not liable for the unsatisfactory performance of any contractor retained by Franchisee, even if such contractor was designated by Company. Prior to construction, Franchisee shall comply with the insurance requirements described in Section 13;

5.5.2 Franchisee shall submit to Company a list identifying the approved/designated suppliers that are providing the Operating Assets for the Shop;

5.5.3 Franchisee shall be responsible for obtaining all zoning classifications and clearances that may be required by state or local laws, ordinances, or regulations or that may be necessary or advisable owing to any restrictive covenants relating to Franchisee's location; and

5.5.4 Franchisee shall obtain all permits and certifications required for the lawful construction and operation of the Shop and shall certify in writing to Company that all such permits and certifications have been obtained.

5.6 Within 5 days after commencement of construction/renovations, Franchisee shall provide written notice to Company of the date construction/renovation of the Shop commenced and with such notice submit a construction/renovation schedule and proposed opening date, which opening date shall be no more than 60 days from the date of commencement of construction/renovation of the Shop. Unless delayed by the occurrence of events constituting force majeure as defined below, Franchisee shall maintain continuous construction/renovation of the Shop and shall complete construction/renovation, including all exterior and interior carpentry, electrical, painting and finishing work, and installation of all Operating Assets, in accordance with the approved site-adapted plans and specifications, at Franchisee's expense. Franchisee further agrees that Company and its agents shall have the right to inspect the construction/renovation at all reasonable times. Franchisee further agrees that Company and its agents shall have the right to communicate (including, but not limited to, requesting status updates and documentation regarding the construction/renovation) with all contractors and vendors involved with the construction/renovation. Franchisee shall obtain all required building, utility, sign, health, sanitation, business, and other permits and licenses for the lawful construction and operation of the Shop. As used in this Agreement, "**force majeure**" means an act of God, war, civil disturbance, act of terrorism, government action, significant shortage of raw food material (e.g. milk, sugar, eggs, other ingredients), fire, flood, accident, hurricane, earthquake or other calamity, strike or other

labor dispute, epidemic, pandemic or outbreak of communicable disease(s),or any other cause beyond the reasonable control of Company (or Company's agents) or Franchisee; provided, however, force majeure shall not include Franchisee's lack of adequate financing. If Franchisee's opening is delayed by a force majeure event, Franchisee must give Company written notice describing the event within 5 days after Franchisee became aware, or should have become aware, of the relevant event or circumstance constituting force majeure and Franchisee's time to open the Shop shall be extended by the shorter of: (a) the delay caused by such event, or (b) 30 days.

5.7 In constructing, renovating, and/or equipping the Shop, Franchisee shall comply with all applicable provisions of the ADA and shall not discriminate against anyone on the basis of disability or any other protected class. Company's review and approval of plans for the Shop will only assess compliance with Company's design standards for Rita's Shops, including such items as trade dress, presentation of Proprietary Marks, and the provision to the potential customer of certain products and services that are central to the functioning of Rita's Shops. Such review is not designed to assess compliance with federal, state, or local laws and regulations, including the ADA. Prior to opening the Shop and prior to renovating the Shop after the initial opening of the Shop, Franchisee shall execute an ADA Certification in the form attached to this Agreement as Exhibit F that certifies in writing to Company that the Shop and any proposed renovations comply with the ADA. In the event Franchisee receives any complaint, claim, or other notice alleging a failure to comply with the ADA, Franchisee shall provide Company with a copy of such notice within 5 days after receipt of the complaint.

5.8 Prior to opening for business, Franchisee shall comply with all pre-opening requirements set forth in this Agreement, the Manual, and/or elsewhere in writing by Company (including providing Company with detailed information designated by Company related to all costs related to developing the Shop). Franchisee shall also obtain prior written approval by Company to open the Shop, and Franchisee shall not open the Shop without Company's such prior written approval. Company shall conduct the opening inspection within 14 days of Franchisee's request and either approve or deny the opening of the Shop, provided that during holiday and other atypical periods Company may extend the time to conduct its opening inspection and provide its approval or denial to open as needed to accommodate the circumstances. If Franchisee fails the opening inspection, Franchisee shall reimburse Company for the travel expenses and room and board of representatives of Company for the initial opening inspection and any/all required follow-up inspections.

5.9 Franchisee understands it is Franchisee's responsibility to undertake all actions necessary to acquire, construct/renovate and open the Shop at Franchisee's sole cost and expense, which responsibility includes but is not limited: (a) to identify potential sites for the Accepted Location; (b) to negotiate for the acquisition of such site by lease/sublease or purchase (and comply with the terms of any such lease/sublease); (c) to obtain necessary and appropriate governmental approvals; (d) to supervise and monitor the general contractor and the budget for construction/renovation; (e) to obtain financing as needed for the acquisition and construction of the Shop and the purchase of all Operating Assets for the Accepted Location; and (f) to construct the Shop at the Accepted Location. Franchisee hereby acknowledges and agrees that any (i) presentation of a site to Franchisee by any broker for the System or by Company, and/or (ii) assistance in negotiating the lease/sublease for the Accepted Location does not constitute an assurance, representation or warranty of any kind, express or implied, as to the (1) suitability of the

Accepted Location for the Shop, (2) the suitability of the lease/sublease for Franchisee's business, (3) the suitability of the Accepted Location or lease/sublease for any other purpose, or (4) the Accepted Location's compliance with any federal, state or local laws, codes or regulations, including, without limitation, the applicable provisions of the ADA. Company makes no representations or warranties related to the number of Rita's Shops in and around the Territory now or in the future, which number is impacted by multiple factors outside of Company's control. Company's acceptance of the Accepted Location only indicates that Company believes the site complies with the minimum criteria established by Company solely for Company's purpose of evaluating sites at the time of the evaluation. Both Franchisee and Company acknowledge that application of criteria that have been effective with respect to other sites under the System may not be predictive of potential for all sites and leases/sublease and that, subsequent to Company's acceptance of an Accepted Location, demographic and/or economic factors, such as competition from other similar businesses, included in or excluded from Company's criteria could change, thereby altering the potential of an Accepted Location. Such factors are unpredictable and are beyond Company's control. Company shall not be responsible for the failure of a site or lease/sublease presented or authorized by Company to meet Franchisee's expectations as to revenue or operational criteria. Franchisee further acknowledges and agrees that Company's acceptance and authorization for the operation of the Shop at the Accepted Location site or lease/sublease is based on Franchisee's own independent investigation of the suitability of the site and/or the lease/sublease. Company shall have no responsibility related to the construction of the Shop or inspection of the construction of the Shop. Franchisee acknowledges and understands that if Franchisee defaults under its lease/sublease, Company may exercise its rights under Section 15 and/or withdrawal, nullify and void the Site Acceptance Notice and Accepted Location Addendum.

5.10 Once the Shop officially opens, Franchisee must keep the Shop continuously open and in normal operation during the Designated Operating Period for such minimum hours and days as Company may specify for the Designated Shop Type, unless Franchisee is forced to temporarily cease operating for a period, by government action or actual incapability, due to events constituting force majeure (and excluding any causes due to Franchisee's action or inaction). Inconvenience due to events constituting a force majeure is insufficient reason to cease operating the Shop. If Franchisee's is forced to temporarily cease operating for a period by government action or actual incapability due to events constituting force majeure, Franchisee must give Company written notice describing the event within 5 days after Franchisee became aware, or should have become aware, of the relevant event or circumstance constituting force majeure and Franchisee's time to resume the Shop's operation shall be extended by the delay caused by such event. In the event that the term of Franchisee's lease for the Shop expires or is terminated prior to the end of the term of this Agreement, Franchisee must, at Franchisee's sole expense, prior to the expiration or termination of such lease, obtain a new Shop location to relocate the Shop in order to prevent the Shop from ceasing to operate or closing in any Designated Operating Period during the term of this Agreement. Before obtaining a new Shop location, Franchisee must notify Company of the lease expiration or termination and obtain written approval from Company for the relocation of the Shop. Upon relocation, Company and Franchisee shall execute an amendment to this Agreement documenting the new Shop location and new Territory designated by Company.

6. TRAINING

6.1 Before opening the Shop, Initial Training shall be attended and completed to Company's satisfaction, by both the (i) Franchisee (or, if Franchisee is an entity, an Owner approved by Company), and (ii) Franchisee's manager. Completing Initial Training to Company's satisfaction includes passing any tests conducted as part of the training. If Franchisee or an Owner will be the on-Premises manager on a full-time basis, the second trainee can be a second manager or another Owner.

6.2 In addition to pre-opening training, Company may require any persons subsequently employed by Franchisee in the position of manager to attend and complete to Company's satisfaction, Initial Training, for which training Company may charge Franchisee a fee. Franchisee, and Franchisee's manager and other employees, shall also attend such additional courses, seminars, and other training programs as Company may require from time to time. Every 5 years, Franchisee shall also attend such additional courses, seminars, and other training programs as Company may reasonably require from time to time irrespective of the number of Rita's Shops Franchisee operates.

6.3 All training programs shall be at such times as may be designated by Company and shall be subject to the availability of Company's personnel. Training programs shall be provided in Pennsylvania and/or such other locations as Company may designate. Franchisee may be required to pay a fee to Company, or to trainers designated by Company, for training courses, seminars and programs provided after the pre-opening training described in Section 6.1. Franchisee or its employees shall be responsible for any and all other expenses incurred by them in connection with Initial Training and any other training, including the costs of transportation, lodging, meals, and wages. Franchisee shall be responsible for worker's compensation insurance for Franchisee's trainees. Franchisee's trainees will not receive compensation from Company for work performed during Initial Training or such other training. Each of Franchisee's trainees shall comply with all health and safety instructions and policies of Company and/or Company's office site and failure to comply with any such instructions or policies will (i) disqualify the trainee(s) from receiving training and (ii) extinguish Company's obligations to train such trainee(s).

6.4 In addition to the training of the individuals described in Section 6.1 hereof, any approved personnel from the Shop responsible for preparing Menu Items from Products shall be certified through training prescribed by Company to prepare such Menu Items.

6.5 If the Initial Training is completed more than 6 months prior to the opening date of the Shop, Company may require Franchisee and/or Franchisee's manager to complete the Initial Training again, at Franchisee's expense. Company may, in Company's sole discretion, conduct the Initial Training (and/or any other training) remotely.

7. DUTIES OF FRANCHISEE

7.1 Franchisee understands and acknowledges that every detail of the System and this Agreement is important to Franchisee, Company, and other System franchisees in order to develop and maintain high operating, quality, and service standards, to increase the demand for the Products sold by all System franchisees, to protect Rita's Shops operating under the System, and to protect

Company's reputation and goodwill. Franchisee shall operate the Shop in strict conformity with such standards and specifications as Company may from time to time prescribe in the Manuals or otherwise in writing, and shall refrain from deviating from such standards, specifications, and procedures without the prior written consent of Company. Franchisee acknowledges and understands that, in addition to the remedies described in Section 15 of the Agreement, Franchisee may be liable for fees and other costs, as described in the Manuals, if Franchisee fails to comply with the System Operating Standards.

7.2 Franchisee shall use the Premises solely for the operation of the Shop in accordance with this Agreement; shall keep the Shop open and in normal operation during the Designated Operating Period for such minimum hours and days as specified for the Designated Shop Type in the Manuals or as otherwise specified by Company; shall refrain from using or permitting the use of the Premises for any unauthorized or unlawful purpose; and shall refrain from using or permitting the use of the Premises for any purpose or activity at any time without first obtaining the written consent of Company. Franchisee may engage in Catering Activities in compliance with Section 1.5 herein.

7.3 Franchisee shall purchase and install all Operating Assets and maintain sufficient supplies and materials, as Company may prescribe in the Manuals or otherwise in writing. Franchisee shall refrain from deviating therefrom by using any non-approved item without Company's prior written consent. Franchisee further acknowledges and agrees that:

7.3.1 In the event any refurbishment or replacement (whether pursuant to this Section 7.3, or to Sections 2.2.7, 7.15, or 14.3.8) results in the discontinuance of any Operating Asset which bear the Proprietary Marks or which Company otherwise deems to be proprietary to the System, Franchisee shall deliver to Company, without charge, all such items; and

7.3.2 Franchisee shall not install or permit to be installed any vending machine, game, or coin, card, or electronic operated device, automated teller machine, computer for public use, televisions, video monitors, or other device for customer use, unless specifically approved in writing, in advance, by Company.

7.4 To maintain the high standards of quality and uniformity associated with the System, Franchisee shall offer and sell only Menu Items that Company specifies from time to time, unless otherwise approved in writing by Company; and Franchisee shall offer and sell all Menu Items as Company may specify for the Designated Shop Type from time to time as required offerings at the Shop. Franchisee is prohibited from offering or selling any menu items, products, or services at or from the Shop that have not previously been authorized by Company. If Franchisee wishes to offer or sell any menu items, products or services that have not previously been authorized by Company, Franchisee must first make a written request to Company, requesting authorization to offer or sell such menu items, products, or services, and Franchisee must pay royalty and Advertising Obligation contributions and expenditures in connection with any newly approved menu item at the Shop. Company may deny such approval for any reason. In connection with such request for approval, Franchisee must submit to Company such information and samples as Company desires. Franchisee agrees to pay to Company such amount as is necessary to cover Company's costs of reviewing and evaluating such requests for approval submitted by Franchisee.

7.5 Franchisee acknowledges that (i) the Menu Items and Rita's Products offered and sold under the System are prepared from proprietary recipes developed by and, in some cases, developed exclusively for Company; (ii) the Menu Items and Rita's Products are unique and their formulae and manufacturing processes constitute trade secrets essential to the success of the System; (iii) Company has the absolute discretion to make any and all changes to, and to vary, the Menu Items and Rita's Products; the packaging; the package, tub and container sizes, weights, volumes and shapes; the fill levels; the product flavors and varieties; and the formulations and specifications of the Menu Items and Rita's Products, including the texture, quality, "piece count," creaminess, weight, color, density, "chunk weight," and degree of overrun; and Company shall have no liability whatsoever to Franchisee for any impact such changes may have on Franchisee's business; and (iv) Franchisee has entered into this Agreement in order to, among other things, obtain the right to offer and sell the Menu Items. In order to protect the interest of Company in the Menu Items and Rita's Products and to ensure the quality, uniformity, and distinctiveness of the Menu Items and Rita's Products, Franchisee agrees to purchase (solely from Company or suppliers designated by Company) and store all of the Rita's Products. Franchisee acknowledges that the requirements of this Section 7.5 are in addition to the requirements of Section 7.6 below.

7.6 In no way limiting the terms of Section 7.5, all Menu Items sold or offered for sale at the Shop must meet Company's then-current standards and specifications, as established in the Manuals or otherwise in writing, and in accordance with Section 9.7.20 below. Franchisee further agrees:

7.6.1 Not to sell or otherwise market the Products for subsequent resale unless approved in writing by Company;

7.6.2 To handle and store the Products solely in the manner directed by Company in the Manuals or otherwise in writing;

7.6.3 Not to sell, offer for sale or sample, and to destroy immediately in accordance with procedures set forth in the Manual, any Product that it knows, or should know through the exercise of reasonable care, to be adulterated, tainted, contaminated, spoiled, unsafe, or otherwise unfit for human consumption; and

7.6.4 To only have approved Products present at the Shop and to have no unapproved Products present or stored at the Shop.

7.7 Franchisee shall purchase all Operating Assets, supplies, products (including the Products) and services required for the establishment and operation of the Shop from suppliers designated or approved in writing by Company (as used in this Section 7.7 the term "**supplier**" shall include manufacturers, distributors, and other forms of suppliers). Company shall have the right to designate, at any time and for any reason, a single supplier for any Operating Assets, supplies, products (including the Products) and services and to require Franchisee to purchase exclusively from such designated supplier, which exclusive designated supplier may be Company or an affiliate of Company's. Company may auto ship certain supplies and products (including the Products) to Franchisee to facilitate all Rita's Shops having the items and products for the launch of new product offering, new marketing programs or other reasonable purposes determined by Company, and Franchisee must pay for such auto shipped supplies and products. Company and its

affiliates may receive payments or other compensation from suppliers on account of such suppliers' dealings with Franchisee and other System franchisees; and Company may use all amounts so received for any purpose Company and its affiliates deem appropriate.

7.7.1 If Franchisee desires to purchase any Operating Assets, supplies, products (including the Products) and services from suppliers other than those previously designated or approved by Company, Franchisee shall first submit to Company a written request for authorization to purchase such items, together with such information and samples as Company may reasonably require. Company shall have the right to require periodically that its representatives be permitted to inspect such items and/or supplier's facilities, and that samples from the proposed supplier, or of the proposed items, be delivered for evaluation and testing either to Company or to an independent testing facility designated by Company. Permission for such inspections shall be a condition of the initial and continued approval of such manufacturer, distributor, or supplier. A charge not to exceed the reasonable cost of the evaluation and testing shall be paid by Franchisee. Company shall, within 90 days after its receipt of such request and completion of such evaluation and testing (if required by Company), notify Franchisee in writing of its approval or disapproval. Company may deny such approval for any reason, including its determination to limit the number of approved suppliers.

7.7.2 Company may from time to time revoke its approval of particular items, Products, or suppliers if Company determines that the items, services, Products, or suppliers no longer meet Company's standards or Company determines that the product is no longer appropriate to sell in Rita's Shops. Within 30 days after receipt of notice of such revocation (or, for failure to meet health or safety standards, immediately upon receipt of notice), Franchisee shall cease to sell, use or store any disapproved item and Products, and cease to purchase from any disapproved supplier.

7.8 To ensure the efficient management and operation of the Shop and the transmission of data to and from Company, Franchisee, at its expense, shall (i) purchase or lease, and thereafter maintain, such computer and communication hardware and software and point-of-sale system hardware and software, required dedicated telephone, broadband and/or other communication access services and power lines, modems, scanners, tablets, monitors, printers, and other computer-related equipment, accessories, software, or peripheral equipment as Company specifies in the Manuals or otherwise in writing, and (ii) acquire computer and communication software as Company specifies in the Manuals or otherwise in writing from Company or, if any, approved vendors (collectively, the "**Computer System**"). Franchisee acknowledges that Company shall have no liability to Franchisee in connection with any Computer System problems, including any problems caused by any approved supplier of any Computer System. Additionally, Company has established and may establish other Websites (defined below), including a Website providing private and secure communications between Company, Franchisee, System franchisees, System licensees and other persons and entities as determined by Company, at its sole option and in accordance with such rules and procedures as are determined by Company from time to time ("**CoolNet**" or any successor system designated by Company). On the first Wednesday of each month (or such other day each month designated by Company in the Manuals), Franchisee shall pay Company a monthly technology contribution fee of $150 (the "**Technology Contribution Fee**") to assist Company in maintaining, funding, servicing and developing technology for the

System. During the term of this Agreement, the Technology Contribution Fee may be subject to annual increases in accordance with any change in the National Consumer Price Index - All Urban Consumers as reported for each calendar year by the U.S. Department of Labor (or the successor index or agency thereto). The Technology Contribution Fee is in addition to any charges or fees by vendors, suppliers or Company that provide specific equipment, software, products and/or services to Franchisee in connection with the Computer System or other technology. Franchisee agrees to the following:

7.8.1 Franchisee's Computer System shall have the capacity to electronically exchange information, messages, and other data with other computers, by such means (including the Internet and the CoolNet), and using such protocols (e.g. TCP/IP), as Company may prescribe in the Manuals or otherwise in writing. Franchisee shall maintain, at all times, access to the CoolNet in the manner specified by Company in the Manuals or otherwise in writing. If required by Company, Franchisee shall from time to time execute such agreements or acknowledge such policies as Company may prepare to set forth the terms of use for the CoolNet, and Franchisee agrees at all times to comply;

7.8.2 Company shall have the right from time to time, and at any time, to retrieve data and information relating to the operations of the Shop from Franchisee's Computer System, or from the servers, networks or systems with which Franchisee's Computer System connects, by modem or other requested means, and to use it for any reasonable business purpose both during and after the term of this Agreement. Company may, from time to time, specify in the Manuals or otherwise in writing the information that Franchisee shall collect and maintain on the Computer System installed at the Shop, and Franchisee shall provide to Company such reports as Company may reasonably request from the data so collected and maintained, which shall be in the form and format prescribed or approved by Company;

7.8.3 Franchisee shall keep its Computer System in good maintenance and repair and, at its expense, shall promptly install such additions, changes, modifications, substitutions, and/or replacements to the Computer System, telephone and power lines, and other computer-related facilities, as Company directs (including any such directives related to Franchisee's compliance with the applicable industry regulations and/or guidelines related to the processing of credit/debit cards promulgated by the card issuers and/or service companies/organizations (e.g., Cardholder Information Security Program promulgated by Visa®). Franchisee shall have the sole and complete responsibility for: (a) acquiring, operating, maintaining, and upgrading its Computer System; (b) the manner in which Franchisee's Computer System interfaces with Company's computer systems, and the computer systems of third parties; and (c) any and all consequences that may arise if Franchisee's Computer System is not properly operated, maintained, or upgraded;

7.8.4 Company may from time to time develop or authorize others to develop software programs for use in the System, which Franchisee may be required to purchase and/or license, and use, in connection with the Shop and for which Franchisee may be required to execute a license, sublicense, or maintenance agreement with Company or an approved vendor;

7.8.5 Franchisee shall abide by all applicable laws pertaining to the privacy of consumer, employee, and transactional information ("**Privacy Laws**"). Franchisee shall comply with Company's standards and policies pertaining to privacy information. If there is a conflict between Company's standards and policies pertaining to privacy information and the Privacy Laws, Franchisee shall: (a) comply with the requirements of the Privacy Laws; (b) immediately give Company written notice of said conflict; and (c) promptly and fully cooperate with Company and its counsel in determining the most effective way, if any, to meet Company's standards and policies pertaining to privacy information;

7.8.6 Franchisee shall comply with the standards and procedures developed by Company for the System, in the manner directed by Company in the Manuals or otherwise, with regard to Franchisee's authorization to use, and use of, blogs, common social networks (such as "Facebook" and "Instagram"), professional networks (such as "LinkedIn"), live blogging tools (such as "Twitter"), virtual worlds, file, audio and video sharing sites and other similar social networking media or tools ("**Social Media**") that in any way references the Proprietary Marks and/or the Shop or involves the System or the Shop; and

7.8.7 Franchisee shall abide by: (a) the Payment Card Industry Data Security Standards ("**PCIDSS**") enacted by the applicable Card Associations (as they may be modified from time to time or as successor standards are adopted); (b) the Fair and Accurate Credit Transactions Act ("**FACTA**"); and (c) all other standards, laws, rules, regulations or any equivalent thereof applicable to electronic payments that may be published from time to time by payment card companies and applicable to electronic payments ("**Electronic Payment Requirements**"). If Franchisee or Company is required by one of the credit card companies or another third party (including any governmental body) to provide evidence of compliance with PCIDSS, FACTA or applicable Electronic Payment Requirements, Company may require Franchisee to provide, or make available, to Company copies of an audit, scanning results, or related documentation relating to such compliance. If Franchisee suspects or knows of a security breach, Franchisee must immediately give Company notice of such security breach and promptly identify and remediate the source of any compromise or security breach. Franchisee assumes all responsibility for providing all notices of breach or compromise and all duties to monitor credit histories and transactions concerning customers of the Shop.

7.9 At the time the Shop opens, Franchisee shall stock and display the initial inventory of Products and supplies prescribed by Company in the Manuals or otherwise in writing. Thereafter, Franchisee shall stock and maintain all types of approved Products in quantities sufficient to meet reasonably anticipated customer demand.

7.10 Franchisee shall permit Company and its agents, and Company and its agents shall have the right, to enter upon the Premises, with or without notice to Franchisee at any time during normal business hours (as such hours are designated by Company for Rita's shops to operate) for the purpose of conducting inspections of the Premises, books, records and/or accounts of Franchisee; shall cooperate with representatives of Company in such inspections by rendering such assistance as they may reasonably request; and, upon notice from Company or its agents, and

without limiting other rights of Company's under this Agreement, shall take such steps as may be necessary to immediately correct any deficiencies detected during any such inspection. Any denial of immediate entry to the Premises or conditioning entry on anything but employer identification shall be a default under Section 15.2.18 below. During the course of any such inspection, Company may photograph or videotape any part of the Shop, whether or not Franchisee or any Owner is present. If Company determines, based on unsatisfactory findings of an inspection, that a re-inspection is required, Franchisee shall reimburse Company for the travel expenses and room and board of Company's representatives for subsequent inspections to ensure all deficiencies have been corrected. Should Franchisee, for any reason, fail to correct such deficiencies within a reasonable time as determined by Company, Company shall have the right, but not the obligation, to correct any deficiencies which may be susceptible to correction by Company and to charge Franchisee the actual expenses of Company's in so acting, payable by Franchisee upon demand. The foregoing shall be in addition to such other remedies Company may have.

7.11 Subject to any local laws or landlord restrictions, Franchisee shall ensure that all marketing and promotional materials, signs, decorations, paper goods (including disposable food containers, napkins, menu boards and all forms and stationery used in the Shop), Products, and other items specified by Company bear the Proprietary Marks in the form, color, location, and manner prescribed by Company. Franchisee shall place and illuminate all signs in accordance with Company's specifications.

7.12 Franchisee shall participate in promotional programs developed by Company for the System, in the manner directed by Company in the Manuals or otherwise in writing. Additionally, Franchisee shall sell or otherwise issue gift cards or certificates issued by Company or Company's designee (together, "**Gift Cards**"). Franchisee shall participate in any customer loyalty program (whether as part of, or separate from, Gift Cards) designated by Company for the System ("**Loyalty Program**") which may include loyalty cards (including, but not limited to, physical cards, digital cards, loyalty apps and/or similar items) issued by Company or Company's designee ("**Loyalty Cards**"). The Gift Cards and Loyalty Cards shall only be prepared utilizing the standard form of Gift Card and Loyalty Card provided or designated by Company, and only in the manner specified by Company in the Manuals or otherwise in writing. Franchisee shall fully honor all Gift Cards and the Loyalty Program that are approved by Company for the System regardless of whether the card or a loyalty reward(s)/credit(s) was issued/earned at the Shop or another Rita's Shop. Franchisee shall sell, issue, and redeem Gift Cards and Loyalty Cards in accordance with procedures and policies specified by Company in the Manuals or otherwise in writing. Franchisee shall not prepare or issue any gift cards, certificates or loyalty cards that are not part of Company's programs for Gift Cards and the Loyalty Program. Company does not (nor does Company have any right or obligation to) control or monitor the activities of any vendors of Delivery Services. Such vendors of Delivery Services may (i) purchase Products from any individual Rita's Shop(s) of their choosing, and (ii) deliver such Products to any customer(s) of their choosing (which customer(s) may be located anywhere inside or outside the Territory). Customers have the right to elect the Rita's Shop(s) from which they purchase Products using Delivery Services and the location(s) at which they consume the Products.

7.13 Franchisee shall maintain the Premises (including adjacent public areas) in a clean, orderly condition and in excellent repair; and, in connection therewith, Franchisee shall, at its expense, make such repairs and replacements thereto (but no others without prior written consent

of Company) as may be required for that purpose, including such periodic repainting or replacement of obsolete Operating Assets as Company may reasonably direct. Any replacement, reconstruction, addition, or modification to the Shop must be approved by Company and comply with the specifications of Company.

7.14 As required by Company, Franchisee shall actively participate in any advisory council designated by Company ("**Advisory Council**") and participate in all Advisory Council programs approved by Company. Company, in its sole discretion, will determine the boundaries of the Advisory Council and designate the governing documents for any Advisory Council. The purposes of the Advisory Council may include, but are not limited to, exchanging ideas and problem-solving methods, advising Company on System-wide advertising, and coordinating franchisee efforts. Franchisee shall pay all assessments approved by Company to be levied by the Advisory Council, and Company has the right to enforce this obligation. Amounts and expenditures may vary from time to time due to variations in Advisory Council participation and costs, as determined by the Advisory Council, and as approved by Company.

7.15 At the request of Company, but not more often than once every 5 years, and not during the last 2 years of the initial term of this Agreement, unless sooner required by Franchisee's lease, Franchisee shall refurbish the Premises, at its expense, to conform to the shop design, trade dress, color schemes, and presentation of the Proprietary Marks in a manner consistent with the then-current image for new Rita's Shops. Such refurbishment may include structural changes, installation of new Operating Assets, remodeling, redecoration, and modifications to existing improvements. Notwithstanding the foregoing, this Section 7.15 shall not apply to renovations, refurbishment, and modernization required pursuant to (i) Section 2.2.7 relating to the renewal of franchise rights; (ii) Section 14.3.8 relating to transfers under this Agreement; and (iii) expenses related to repairs and replacement of Operating Assets and other items to operate the Shop in compliance with this Agreement and the Manuals.

7.16 Without limiting the requirements of Section 18.1, the day-to-day operations of the Shop shall be under the direct supervision of Franchisee or a manager of Franchisee who has satisfactorily completed Initial Training; provided, however, that Franchisee shall not enter into any management arrangements/agreements where this Agreement and any of the associated rights hereunder are leased, transferred, or otherwise given to any manager or other individual or entity. Franchisee shall maintain a competent, conscientious, trained staff, including a fully-trained manager (who may be Franchisee). Franchisee shall take such steps as are necessary to ensure that its employees preserve good customer relations; render competent, prompt, courteous, and knowledgeable service; and meet such minimum standards as Company may establish from time to time in the Manuals. Franchisee and its employees shall handle all customer complaints, refunds, returns, and other adjustments in a manner that will not detract from the System's and Company's name and goodwill. Company reserves the right to handle all customer complaints, disputes and/or crises (including any social media crisis) in Company's sole discretion to protect the name and goodwill of the System, Brand, and Company and Company reserves the right to charge Franchisee in connection with resolving any customer complaints, disputes and/or crises arising at the Shop (including charges for any public relations or social media assistance required in connection with such complaints, disputes and/or crises). Franchisee will use the system designed by Company for training employees. Franchisee shall be solely responsible for all employment decisions and functions of the Shop, including those related to hiring, firing, wage and hour requirements,

recordkeeping, supervision, and discipline of employees. In the event that Franchisee has an ownership interest in five or more Rita's Shops (including any other Rita's Shop(s) owned by Franchisee or by a System franchisee(s) that is an affiliate(s) of Franchisee and/or any Owner(s)), Franchisee and/or Owner(s) must employ at least one full-time district manager ("**district manager**") for such five Rita's Shops and additional district managers for every five Rita's Shops owned by Franchisee and/or Owner(s). District manager shall meet the same qualifications for managers and the Designated Owner may be a district manager for only one group of five Rita's Shops.

7.17 Franchisee shall not implement any change to the System (including the use of any product or supplies not already approved by Company) without the prior written consent of Company. Without limiting any other provision in this Agreement, Company has the perpetual and exclusive right to own and use and to authorize other Rita's Shops to use, and Franchisee will fully and promptly disclose to Company, all ideas, plans, innovations, improvements, concepts, formulas, recipes, methods and techniques relating to the development or operation of a Shop or any similar business conceived or developed by Franchisee or Franchisee's employees during the term of this Agreement (collectively, "**Innovations**"). Company shall have all right, title, and interest in any Innovations, without compensation to Franchisee and Franchisee shall have no right, title, or interest whatsoever in any and all Innovations. Company shall not be obligated to approve or accept any request to implement any Innovations. Company may from time to time revoke its approval of a particular change or amendment to the System. Upon receipt of written notice of such revocation, Franchisee shall modify its activities in the manner described by Company.

7.18 Franchisee shall comply with all terms of its lease/sublease, its financing agreements (if any), and all other agreements affecting the construction, development, and/or operation of the Shop; shall undertake best efforts to maintain a good and positive working relationship with its landlord and/or lessor; and shall not engage in any activity which may jeopardize Franchisee's right to remain in possession of, or to renew, the lease/sublease for the Premises. Franchisee further agrees that Company and its agents shall have the right to communicate with Franchisee's landlord and/or lessor at all times.

7.19 Franchisee must at all times pay its distributors, contractors, suppliers, trade creditors, landlord, lenders, employees, and other creditors promptly as the debts and obligations to such persons become due, and failure to do so shall constitute a breach of this Agreement.

7.20 Franchisee shall meet and maintain the highest health standards and ratings applicable to the operation of the Shop under the Manuals and applicable health ordinances. Franchisee shall also comply with the requirements set forth in the Manuals for submitting to Company a copy of a violation or citation relating to Franchisee's failure to maintain any health or safety standards in the operation of the Shop.

7.21 If Franchisee learns that any unauthorized retail outlet in the Territory, excluding those rights reserved by Company in Section 1 of this Agreement and other permitted Catering Activities or Mobile Events by System franchisees, is selling Menu Items, Franchisee must notify Company in writing.

7.22 Franchisee shall use its best efforts to integrate into its business a reasonable number (given the size of Franchisee's operation) of socially responsible activities which are the same as or not inconsistent with those activities and programs which Company conducts to implement its social mission described in memoranda, and other documents directed to System franchisees. Franchisee agrees to discontinue involvement or affiliation with any activities or programs that Company determines to be inconsistent with its social mission or otherwise harmful to the Shop, other Rita's Shops, Company or its affiliates, the Proprietary Marks, the System, and/or Company's and the System's goodwill.

7.23 Franchisee shall notify Company in writing within 5 days of the commencement of any suit to foreclose any lien or mortgage, or any action, suit, or proceeding, and of the issuance of any order, writ, injunction, award, or decree of any court, agency, or other governmental instrumentality, including health agencies, which (i) relates to the construction, development, and/or operation of the Shop, (ii) may adversely affect the operation or financial condition of the Shop (including any arrest or court action that could result in a default under Section 15.2.3), or (iii) may adversely affect Franchisee's financial condition.

7.24 Franchisee shall not relocate the Shop from the Accepted Location without Company's prior written approval. Company is not obligated to approve any request for relocation. If Franchisee desires to relocate the Shop, Franchisee shall submit such materials and information as Company may request for the evaluation of the requested plan for relocation. Company has the right to require any or all of the following as conditions of its approval for relocation: (i) Franchisee not be in default under any provision of this Agreement, or any other agreement between Franchisee and Company; (ii) the proposed substitute location meets Company's then-current standards for Rita's Shops; (iii) Franchisee must possess the financial resources to meet the costs associated with relocating; (iv) Franchisee enter into Company's then-current form of franchise agreement (which shall replace this Agreement and include a new territory designated by Company) for the remainder of the term of the franchise granted hereunder, provided that Franchisee shall not be required to pay an initial fee; (v) Franchisee and its Owners shall execute a general release, in a form designated by Company, of all claims against Company and its affiliates, and their respective officers, directors, agents and employees; (vi) Franchisee pay a relocation fee of $2,500; and (vii) Franchisee and Owners execute Company's then-current relocation amendment/agreement.

7.25 Franchisee (or a designated full-time employee of Franchisee) shall, at Franchisee's sole expense, attend the first annual business meeting/conference ("**Annual Meeting**") organized by Company after execution of this Agreement and shall participate in any training programs and workshops offered at the Annual Meeting. Franchisee shall pay a registration fee to Company for each attendee at each Annual Meeting. After opening the Shop, Franchisee shall attend or send a manager to each Annual Meeting. At Company's option, Company may require Franchisee to attend the first Annual Meeting after execution of this Agreement. Any failure to attend any two consecutive Annual Meetings as provided in this Section shall constitute a default of this Agreement for which Company may immediately terminate this Agreement pursuant to Section 15.2.13; provided, however, sending a designated full-time employee of Franchisee shall qualify as attending. For each Annual Meeting, Franchisee shall be responsible for paying a registration fee for at least one attendee regardless of participation. Franchisee will be responsible for all expenses incurred in connection with attending the Annual Meeting, including, without limitation, the costs of accommodations, meals, wages, and travel.

7.26 Whenever Franchisee independently, or by notice from Company, customer or by any local or federal governmental agency becomes aware that any Product, or any ingredient or component thereof, is or may become harmful to persons or property, or that the Product is defective in any manner, which is or may become harmful to persons or property, or that the same is mislabeled, it shall immediately give notice of such problem or defect to Company and shall provide all information in its possession with respect to such problem or defect. If Company deems it necessary to recall any quantity of the Product from the Shop, or from any customer, for any reason bearing on the quality and/or safety of the Product, Franchisee agrees to take such steps (i) as may be required by applicable law to protect the interests of the public, (ii) as Company may specify and (iii) to comply diligently with all product recall procedures established by the competent governmental agency responsible for such recalls. If Franchisee fails or refuses to comply with a recall of the Products upon request by Company, Company shall be authorized to take such action as it deems necessary to recall the relevant Products from the Shop and from customers, and Franchisee shall reimburse Company for its costs and expenses incurred in such recall procedure. Any such action taken by Company shall not relieve Franchisee of its obligations or liability hereunder.

7.27 Franchisee acknowledges and agrees that Company has the right to change or modify from time to time the System as Company deems appropriate, including to reflect the changing market and to meet new and changing consumer demands, and that variations and additions to the System may be required from time to time to preserve and enhance the public image of the System and operations of Rita's Shops. Company's changes to the System may include the adoption and use of (i) new or modified products, services, and Operating Assets, (ii) new System Operating Standards, and (iii) new (as described in Section 8 below) trademarks, service marks and copyrighted materials. Franchisee shall, upon reasonable notice and at Franchisee's sole expense, accept, implement, use and display in the operation of the Shop any such changes in the System, as if they were part of this Agreement at the time it was executed. In accordance with the Manuals, Franchisee shall act, and shall ensure other related parties acting on behalf of Franchisee (including, but not limited to, employees, managers, spouses, partners and guarantors) act, professionally and respectfully in all interactions (including personal and written communication) with Rita's employees and vendors and observe business decorum in all such interactions. Additionally, Company reserves the right, at its sole option, to vary the standards throughout the System, as well as the services and assistance that Company may provide to some System franchisees upon the peculiarities of a particular site or circumstance, existing business practices, or other factors that Company deems to be important to the operation of any Rita's Shops or the System. Franchisee shall have no recourse against Company on account of any variation to any System franchisee and shall not be entitled to require Company to provide Franchisee with a like or similar variation hereunder.

7.28 Franchisee agrees to install and maintain one or more security cameras as required and/or specified by Company in the Manuals or otherwise in writing, subject to any limitations imposed by any applicable law.

8. PROPRIETARY MARKS

Company represents with respect to the Proprietary Marks that:

8.1 Company is the registered owner of the Proprietary Marks in the United States. Company holds the right to use, and to license others to use, the Proprietary Marks in the manner contemplated by this Agreement.

8.1.1 As determined by Company, Company will take all steps reasonably necessary to preserve and protect the ownership and validity in and to the Proprietary Marks.

8.2 Franchisee's right to use the Proprietary Marks is limited to such uses as are authorized under this Agreement, and any unauthorized use thereof shall constitute an infringement of Company's rights.

8.3 With respect to Franchisee's use of the Proprietary Marks, Franchisee agrees to:

8.3.1 Use only the Proprietary Marks designated by Company, and to use them only in the manner authorized and permitted by Company;

8.3.2 Use the Proprietary Marks only for the operation and marketing of the Shop, and in connection with Catering Activities that have been approved by Company;

8.3.3 Operate and advertise the Shop only under the name "Rita's Ice-Custard-Happiness," and use the Proprietary Marks without prefix or suffix, unless otherwise authorized or required by Company. Franchisee shall not use the Proprietary Marks (including Company's service marks), the words "Rita's" or "Rita," or any name that is now, or in the future, used for the Menu Items and Rita's Products, or any marks confusingly similar to any of them as part of its corporate, partnership, or other legal name, or to identify Franchisee or the Shop in other legal or financial capacities (including in connection with bank checks, bank accounts, and other financial accounts), or as part of any e-mail address, domain name, or other identification of Franchisee or the Shop in any electronic medium, unless agreed to in advance, in writing, by Company and Company has the right to designate and/or change any name used for the Shop. In marketing the Shop and business of the Shop, Franchisee shall only use the email address designated by Company for the Shop and the phone number for the Shop which all must be approved by Company. Franchisee may, as necessary to conduct the business of the Shop and to obtain governmental licenses and permits for the Shop, indicate that Franchisee shall be operating the Shop under the trademark "RITA'S," provided that Franchisee shall also clearly identify itself as the owner and operator of the Shop;

8.3.4 Identify itself as the owner of the Shop (in the manner required by Company) in conjunction with any use of the Proprietary Marks, including on invoices, order forms, receipts, and business stationery, as well as at such conspicuous locations on the Premises as Company may designate in writing;

8.3.5 Not to use (i) the Proprietary Marks to incur any obligation or indebtedness on behalf of Company, or (ii) the Proprietary Marks (or any part or variation of the Proprietary Marks) as part of its corporate or other legal name;

8.3.6 Execute any documents deemed necessary by Company to obtain protection for the Proprietary Marks or to maintain their continued validity and enforceability; and

8.3.7 Promptly notify Company of any suspected unauthorized use of the Proprietary Marks, any challenge to the validity of the Proprietary Marks, or any challenge to Company's ownership of, right to use and to license others to use, or Franchisee's right to use, the Proprietary Marks. Franchisee acknowledges that Company has the sole right to direct and control any administrative proceeding or litigation involving the Proprietary Marks, including any settlement thereof. Company has the right, but not the obligation, to take action against uses by others that may constitute infringement of the Proprietary Marks. Company shall defend Franchisee against any third-party claim, suit, or demand arising out of Franchisee's use of the Proprietary Marks. If Company, in its sole discretion, determines that Franchisee has used the Proprietary Marks in accordance with this Agreement, the cost of such defense, including the cost of any judgment or settlement, shall be borne by Company, except that Franchisee shall bear the salary costs of its employees. If Company determines that Franchisee has not used the Proprietary Marks in accordance with this Agreement, the cost of such defense, including the cost of any judgment or settlement, including attorneys' fees, shall be borne by Franchisee. In the event of any litigation relating to Franchisee's use of the Proprietary Marks, Franchisee shall execute any and all documents and do such acts as may, in the opinion of Company, be necessary to carry out such defense or prosecution, including becoming a nominal party to any legal action. Except to the extent that such litigation is the result of Franchisee's use of the Proprietary Marks in a manner inconsistent with the terms of this Agreement, Company agrees to reimburse Franchisee for its out-of-pocket costs in doing such acts.

8.4 Franchisee expressly understands and acknowledges that:

8.4.1 Company is the owner of all right, title, and interest in and to the Proprietary Marks and the goodwill associated with and symbolized by them, and that Company has the right to use, and license others to use, the Proprietary Marks;

8.4.2 During the term of this Agreement and after its expiration or termination, Franchisee shall not directly or indirectly contest the validity of, or Company's ownership of, or right to use and to license others to use, the Proprietary Marks;

8.4.3 Franchisee's use of the Proprietary Marks does not give Franchisee any ownership interest or other interest in or to the Proprietary Marks;

8.4.4 Any and all goodwill arising from Franchisee's use of the Proprietary Marks shall inure solely and exclusively to the benefit of Company, and unless approved by Company, Franchisee shall not use Proprietary Marks in connection with advertising their business for sale (including posting any for sale sign at the Shop). Upon expiration or termination of this Agreement, no monetary amount shall be assigned as attributable to any goodwill associated with Franchisee's use of the System or the Proprietary Marks;

8.4.5 Subject to the provisions of Section 1.2 hereof, the license of the Proprietary Marks granted hereunder to Franchisee is nonexclusive, and Company thus has and retains the rights, among others: (a) to use the Proprietary Marks itself in connection with selling the Menu Items; (b) to grant other licenses for the Proprietary Marks; and (c) to develop and establish other systems using the Proprietary Marks, similar proprietary marks, or any other proprietary marks, and to grant licenses thereto without providing any rights therein to Franchisee; and

8.4.6 Company reserves the right to substitute different proprietary marks for use in identifying the System and the businesses operating under it. If Company decides to change, add, or discontinue use of any Proprietary Mark, or to introduce additional or substitute Proprietary Marks, Franchisee, upon a reasonable period of time after receipt of written notice, shall take such action, at its sole expense, as is necessary to comply with such changes, alteration, discontinuation, addition, or substitution. Company shall have no liability for any loss of revenue or goodwill due to any new Proprietary Mark or discontinued Proprietary Mark.

9. OPERATING MANUALS AND SYSTEM OPERATING STANDARDS

9.1 In order to protect the reputation and goodwill of Company and to maintain high standards of operation under the System, Franchisee shall operate the Shop in accordance with the standards, methods, policies, and procedures specified in the Manuals. Company shall provide Franchisee with access to the Manuals, via electronic access (through the CoolNet or other means), for the term of this Agreement upon completion by Franchisee and Franchisee's manager of Initial Training. The Manuals may be set forth in several volumes, including such amendments thereto, as Company may electronically publish from time to time. Additionally, Franchisee acknowledges and agrees that Company may provide a portion or all (including updates and amendments) of the Manuals, and other instructional information and materials in, or via, electronic media, including through the use of computer disks, the Internet or the CoolNet.

9.2 Franchisee shall treat the Manuals, any other materials created for or approved for use in the operation of the Shop, and the information contained therein, as confidential, and shall maintain such information (in electronic format) as proprietary and confidential. Franchisee shall not download, copy, duplicate, record, or otherwise reproduce the foregoing materials, in whole or in part, or otherwise make the same available to any unauthorized person.

9.3 The Manuals shall remain the sole property of Company and shall be accessible only from a secure place on the Premises, and shall only be accessible electronically.

9.4 Company has the sole and absolute right to modify, add to, and delete from, the Manuals at any time, and Franchisee expressly agrees to comply with each new or changed provision of the Manuals. Any modification of, addition to, and/or deletion from the Manuals that Company delivers to Franchisee, either electronically or otherwise in writing, will bind Franchisee upon Franchisee's receipt of such notice. Franchisee shall be solely responsible to ensure that the Shop is operated in compliance with the most current and up-to-date version of the Manuals. Franchisee expressly agrees to comply with and implement each new or changed standard, method, policy, and procedure promptly and at Franchisee's sole expense.

9.5 Franchisee shall ensure the version of the Manuals referred to in the Shop is the most current version. In the event of any dispute as to the contents of the Manual, the terms of the master version, maintained by the home office of Company, shall be controlling.

9.6 Franchisee acknowledges and agrees that operating and maintaining the Shop in compliance with System Operating Standards are essential to preserve the goodwill of the Proprietary Marks and all Rita's Shops. Therefore, Franchisee agrees at all times to operate and maintain the Shop in compliance with all mandatory System Operating Standards, as Company periodically issues, modifies, and supplements them, even if Franchisee believes that a System Standard, as originally issued or subsequently modified, is not in the System's or the Shop's best interests. At Company's option, Company shall have the right to impose fines in connection with violations of the System Operating Standards. Although Company retains the right to establish and periodically modify System Operating Standards that Franchisee have agreed to follow, Franchisee retains the right to control, and responsibility for, the Shop's day-to-day management and operation and implementing and maintaining System Operating Standards at the Shop.

9.7 System Operating Standards may regulate any one or more of the following:

9.7.1 Design, layout, decor, appearance, and lighting of the Shop; periodic maintenance, cleaning, and sanitation; periodic remodeling and painting; replacing obsolete or worn-out leasehold improvements and Operating Assets; and using interior and exterior signs, emblems, lettering, and logos. (If at any time the appearance or condition of the Premises, the Shop, or Operating Assets does not meet the System Operating Standards, Company will notify Franchisee and identify the action that Franchisee must take to correct the deficiency. If Franchisee fails to correct the deficiency within 30 days after delivery of Company's notice, Company may enter the Premises and Shop and take the required action on Franchisee's behalf, in which case Franchisee must reimburse all of Company's costs associated with such action.);

9.7.2 Types, models, and brands of required Operating Assets, Products, and other food and beverage products and supplies and minimum standards and specifications that Franchisee must satisfy;

9.7.3 Required and/or authorized Products; unauthorized and prohibited food and beverage products and services; and purchase, storage, preparation, handling, and packaging procedures and techniques, as well as required inventory requirements, for Products. Company always has the right to approve or disapprove in advance all items to be sold by the Shop. Company may withdraw its approval of previously authorized Products;

9.7.4 Designated and approved suppliers of Operating Assets, Products, and other items and services. In the case of Products, suppliers may be limited to Company, its affiliates, and/or other specified exclusive sources as Company designates, and Franchisee must acquire such Products during this Agreement's term only from Company, Company's affiliates, and/or the other specified exclusive sources at the prices that Company or Company's affiliates decide to charge. (Company reserves the right to restrict Franchisee's sources of Products, services, and suppliers in order to protect Company's trade secrets, assure quality, assure a reliable supply of products that meet Company's standards, achieve

better terms of purchase and delivery service, control usage of the Proprietary Marks by third parties, and monitor the manufacturing, packaging, processing, and sale of such items);

9.7.5 In the case of Operating Assets, items other than Products, and services, suppliers may at Company's option be limited to Company, Company's affiliates, and/or other specified exclusive sources, in which case Franchisee must (at Company's direction) acquire such Operating Assets, other items, and services (including Gift Cards and Loyalty Program processing services, "mystery" and "secret" shopper services, and consumer satisfaction survey processes) during this Agreement's term only from Company, Company's affiliates, and/or the other specified exclusive sources at the prices that Company or Company's affiliate decide to charge. Company has the absolute right to limit the suppliers with whom Franchisee may deal;

9.7.6 Supply and supplier approval procedures and criteria for items and services that Franchisee needs in order to operate the Shop and that Franchisee may obtain from sources other than Company, Company's affiliates, and/or other specified exclusive sources. If Franchisee proposes to offer for sale or use at the Shop any product brand, ingredient, supply, or service that Company has not then approved as meeting Company's minimum specifications and standards, or to purchase any item or service from a supplier that Company has not then approved or designated, Franchisee first must notify Company and, at Company's request, submit samples and any other information Company requires to determine whether the item, service, or supplier meets Company's System Operating Standards. Company may charge Franchisee or the supplier a reasonable amount for the inspection and evaluation. Company need not approve Franchisee's request and Company does not intend to do so if Company already has designated specific items, services, and/or suppliers or otherwise have imposed restrictions on the supply system. Company will not approve Franchisee or another franchisee to be a supplier of any products or services to Rita's Shops. Company also has the right to re-inspect any supplier's products, services, and facilities and to revoke Company's approval of any item, service, or supplier;

9.7.7 Terms and conditions of the sale and delivery of, and terms and methods of payment for, Products, and other products and services that Franchisee obtains from Company and affiliated and unaffiliated suppliers. This includes Company and Company's affiliates' right to establish an electronic product ordering system (whether through the CoolNet, a website, email, or other means) and to require Franchisee's payment via electronic means before Company prepares for shipment and to send Products and other items Franchisee has ordered. Company and Company's affiliates have the right not to sell Franchisee any Products, or other products and not to provide Franchisee with services, or to do so (if Company has not established or are not then operating an advanced electronic payment system) only on a "cash-in-advance" or other basis, if Franchisee and/or Franchisee's affiliates are in default under any agreement with Company or Company's affiliates (and have been notified of that default). Company may take this action even if Franchisee is forced to suspend operation of the Shop due to an inadequate inventory of Products, or other products, and Franchisee may not use any unapproved products as replacements;

9.7.8 Company's and Company's affiliates' right (without liability) to consult with Franchisee's suppliers about the status of Franchisee's account with them and to advise Franchisee's suppliers and others with whom Franchisee, Company, Company's affiliates, and other System franchisees deal that Franchisee is in default under any agreement with Company or Company's affiliates (but only if Company has notified Franchisee of such default);

9.7.9 Company's and Company's affiliates' right to receive payments from suppliers on account of their actual or prospective dealings with Franchisee and other System franchisees and to use all amounts Company and Company's affiliates receive without restriction for any purposes Company and Company's affiliates deem appropriate (unless Company and Company's affiliates agree otherwise with the supplier);

9.7.10 Sales, marketing, advertising, social media, and promotional programs and materials and media used in these programs. Franchisee must participate in, and comply with the requirements of, any special promotional programs Company implements;

9.7.11 Use and display of the Proprietary Marks at the Shop and on caps, aprons, shirts, napkins, bags, wrapping paper, labels, forms, paper and plastic products, and other supplies;

9.7.12 Issuing and honoring Gift Cards, Loyalty Programs, Loyalty Cards, and coupons, and administering customer Loyalty Programs. Franchisee must participate in, and comply with the requirements of (including the payment of any fees related to administering the programs) the Gift Cards and the Loyalty Program (including giving Company all customer-specific information that Franchisee receives or generates from operating the Shop, which customer-specific information Company will be deemed to own). Company or Company's designee (which may be a vendor or an affiliate of Company) will hold all monies paid by customers for Gift Cards and Loyalty Cards until the Gift Card and Loyalty Cards are used by customers for purchases (at which time Company or Company's designee will reimburse the honoring Rita's Shops with Company's then standard reimbursement amount in compliance with Company's then current Gift Card and Loyalty Card policies and procedures). Company may keep any monies that are not used by customers;

9.7.13 Staffing levels for the Shop, including a full-time general manager, assistant manager, kitchen manager and if applicable, district manager; identifying the Shop's personnel; and employee qualifications, training, dress, and appearance (although Franchisee has sole responsibility and authority concerning, among other things, employee selection and promotion, hours worked, rates of pay and other benefits, work assigned, and working conditions);

9.7.14 Days and hours of operation and operation and use of the Website;

9.7.15 Participation in (i) market research and testing, and (ii) product and service development programs;

9.7.16 Complying with Company's customer complaint resolution procedures and Company's commitment to a 100% customer satisfaction policy and reimbursing Company promptly if Company chooses to resolve a customer complaint because Franchisee fails to do so as or when Company requires;

9.7.17 Accepting credit and debit cards, and other non-cash payment systems that Company periodically requires;

9.7.18 Bookkeeping, accounting, data processing, data privacy, and recordkeeping systems and forms; formats, content, and frequency (including daily) of reports to Company of sales, revenue, product mix, financial performance, and condition; and giving Company copies of tax returns and other operating and financial information concerning the Shop;

9.7.19 Types, amounts, terms, and conditions of insurance coverage required for the Shop; Company and Company's affiliates' protection and rights under insurance policies as additional named insureds with respect to Franchisee's actions at the Shop; required and impermissible insurance contract provisions; assignment of policy rights to Company; periodic verification of insurance coverage; Company's right to defend claims; and similar matters relating to insured and uninsured claims;

9.7.20 Company's right to specify the prices at which Franchisee must sell and/or promote the Menu Items and services that are sold at or from the Shop. Company also has the right to designate the minimum and maximum prices at which Franchisee may sell and/or promote the Menu Items and services that are sold at or from the Shop. Company retains the right to modify the specified prices, minimum prices, and maximum prices at any time, in its sole discretion, and the right to require different specified prices, minimum prices, and maximum prices at different Rita's Shops. Franchisee must strictly adhere to the lawful prices specified or designated by Company, and Franchisee must participate in all mandatory promotions, because the purpose of establishing such prices and promotions is to strengthen the System and Rita's brand and enhance interbrand competition. Franchisee shall not be required to adhere to any prices that Company determines are per se unlawful;

9.7.21 Complying with applicable laws, including those relating to terrorist activities; cybersecurity; labor and employment practices (including equal employment opportunity laws); obtaining required licenses and permits; adhering to good business practices; observing high standards of honesty, integrity, fair dealing, and ethical business conduct in all dealings with customers, suppliers, and Company; and notifying Company if any action, suit, or proceeding is commenced against Franchisee or the Shop or if Franchisee receives any report, citation, or notice regarding the Shop's failure to comply with any licensing, health, cleanliness, or safety standard; and

9.7.22 Any other aspects of operating and maintaining the Shop that Company determines to be useful to preserve or enhance the efficient operation, image, or goodwill of the Proprietary Marks and Rita's Shops.

9.8 Franchisee agrees that System Operating Standards prescribed by Company in the Manuals, or otherwise communicated to Franchisee in writing or another tangible form (for example, via CoolNet or another intranet, extranet, or website), are part of this Agreement as if fully set forth within its text. All references to this Agreement include all System Operating Standards as periodically modified. As provided in the Manuals, Franchisee's failure to comply with certain System Operating Standards shall subject Franchisee to certain assessed fees and costs related to violating System Operating Standards and Franchisee shall immediately pay such fees and costs.

9.9 Company may periodically modify System Operating Standards, which may accommodate regional or local variations, and these modifications may obligate Franchisee to invest additional capital in the Shop and/or incur higher operating costs. Franchisee agrees to implement any changes in System Operating Standards within the time period Company requests, whether they involve refurbishing or remodeling the Premises or any other aspect of the Shop, buying new Operating Assets, adding new Menu Items and services, or otherwise modifying the nature of Franchisee's operations, as if they were part of this Agreement as of the Effective Date.

10. CONFIDENTIAL INFORMATION

10.1 Franchisee shall not, during the term of this Agreement or thereafter, nor shall Franchisee permit any employee, agent, or affiliate to communicate, divulge, or use for the benefit of any other person or entity any confidential information, knowledge, or know-how concerning Company and/or the marketing, management or operations of the Shop that may be communicated to Franchisee or of which Franchisee may be apprised by virtue of Franchisee's operation under the terms of this Agreement. Franchisee shall divulge such confidential information only to such of its employees as must have access to it in order to operate the Shop. For purposes of this Agreement, "**confidential information**" means: (i) any and all information, knowledge, or know-how relating to Company and the System which may be communicated to Franchisee, whether communicated in writing, orally, electronically, by inspection, or by sample, exhibit, training, demonstration, or other means; and (ii) all Manuals, information, and materials received by Franchisee from Company; provided, however, it shall not include information which Franchisee can demonstrate came to its attention prior to disclosure thereof by Company, or which, at or after the time of disclosure by Company to Franchisee, had become or later becomes part of the public domain through publication or communication by others. Confidential information may include information relating to the construction, development, and/or operation of Rita's Shops and the System, including methods, formats, specifications, standards systems, and procedures related to the System; new menu items and products that may be in the development or testing stage; proprietary information and trade secrets regarding the Products and the preparation of the Menu Items (including mixes, recipes, ingredients and food preparation techniques); training materials and programs; advertising and marketing plans and materials for the System; information concerning the marketing, management and operation of Rita's Shops under the System; information concerning Company; electronic communications posted on the CoolNet; all password-protected portions of the Website and CoolNet and the information they contain; electronic mail distribution lists of System franchisees and Company's employees; and the Manuals. The foregoing list of confidential information is illustrative only and does not necessarily include all matters considered confidential by Company.

10.2 At Company's request, Franchisee shall require its manager and any personnel having access to any confidential information of Company's to execute covenants that they will maintain the confidentiality of information they receive in connection with their employment by Franchisee at the Shop. Such covenants shall be in a form satisfactory to Company, including specific identification of Company as a third-party beneficiary of such covenants with the independent right to enforce them. Company's right to review and pre-approve such covenants is solely to ensure that Franchisee adequately protects the confidential information. Under no circumstances will Company control the forms or terms of employment agreements Franchisee uses with employees or otherwise be responsible for Franchisee's labor relations or employment practices.

11. ACCOUNTING, RECORDS AND AUDIT RIGHTS

11.1 Franchisee agrees to use sound financial management and planning practices in connection with the Shop and the business operated hereunder. Franchisee shall record all sales for the Shop and other operations under this Agreement on the Computer System (or on any other equipment or communication system specified by Company in the Manuals or otherwise in writing). Franchisee shall prepare, and shall preserve for at least 5 years from the dates of their preparation, complete and accurate books, records, and accounts in accordance with generally accepted accounting principles recognized in the United States as consistently applied ("**Generally Accepted Accounting Principles**" or "**GAAP**") and in the form and manner prescribed by Company from time to time in the Manuals or otherwise in writing, including daily cash reports, cash receipts journal and general ledger, cash disbursements journal and weekly payroll register, monthly bank statements, daily deposit slips and canceled checks, all business tax returns, suppliers' invoices (paid and unpaid), dated cash register tapes (detailed and summary), semi-annual balance sheets and monthly profit and loss statements, weekly inventories, records of promotion and coupon redemptions, and such other records and information as Company may from time to time request, all of which shall accurately reflect the operations and condition of the Shop. The reporting requirements of this Section 11 shall be in addition to, and not in lieu of, the electronic reporting required under Section 7.8.

11.2 All Gross Sales, sales tax, and charges collected on behalf of third parties shall be recorded by Franchisee in accordance with the procedures prescribed in the Manuals, and on the Computer System.

11.3 Franchisee shall, at Franchisee's expense, submit to Company the following reports, financial statements, and other data in the form prescribed by Company:

11.3.1 No later than Wednesday of each week, or at such other time as may correspond to the required payment periods as set forth in Section 4.5, Franchisee shall submit to Company a royalty report, a marketing report, and Gross Sales report for the prior week, and such other information as Company specifies, all in the form prescribed by Company. In the event that Company has not required Franchisee to obtain a Computer System that reports information daily to Company, Franchisee shall submit daily reports and information required by Company;

11.3.2 No later than the 10th day of the end of each month, Franchisee shall submit a profit and loss statement reflecting all Gross Sales during the preceding calendar months and such other information as Company may specify for the preceding calendar months. No later than the 60th day of the end of each calendar year, Franchisee shall submit an annual profit and loss statement reflecting all Gross Sales during the preceding calendar year and such other information as Company may specify for the preceding calendar year. Franchisee shall prepare profit and loss statements on an accrual basis and in accordance with GAAP;

11.3.3 Within 10 days after their completion, all federal tax returns filed by Franchisee;

11.3.4 Upon Company's request, within 10 days after their timely completion, all state and local sales, income, or other tax returns filed by Franchisee; and

11.3.5 Other forms, statements, reports, records, information, and data as Company may designate.

11.4 Company and its agents shall have the right at any reasonable time during the term of this Agreement to enter the Shop or any other place where business related to the Shop is conducted and: (i) conduct an operational audit to determine Franchisee's material compliance, as Company determines, with this Agreement; (ii) examine, analyze and inspect the Shop, the Products, and any products produced and/or sold or distributed at, from, or through the Shop (whether authorized or unauthorized); (iii) take reasonable samples of any of the Products and any products produced and/or sold or distributed at, from, or through the Shop (whether authorized or unauthorized), without charge or liability; and (iv) interview Franchisee's employees and customers. Franchisee will (a) provide Company and its agents with immediate access to the Shop and (b) full cooperation in the course of any inspection or audit Company conducts under Sections 7.10 and 11.4. Any denial of immediate entry to the Premises shall be a default under Section 15.2.18 below. Any inspections will be made at Company's expense, unless the inspection is necessitated by Franchisee's repeated or continuing failure to comply with any provision of this Agreement, in which case Company may charge Franchisee the costs of making such inspection, including the wages and costs of travel and lodging expenses for Company's representatives.

11.5 Company and its agents shall have the right at all reasonable times during the term of this Agreement, and for up to 3 years thereafter, to examine and copy, at the expense of Company, the books, records, accounts, and/or business tax returns of Franchisee. Company shall also have the right, at any time, to have an independent audit made of the books of Franchisee. If an inspection should reveal that any payments or contributions have been understated in any statement or report to Company, then Franchisee shall immediately pay to Company the amount understated upon demand, in addition to interest from the date such amount was due until paid, at the rate of 1.5% per month, or the maximum rate permitted by law, whichever is less. If an inspection discloses an understatement in any statement or report of 3% or more, Franchisee shall, in addition to repayment of monies owed with interest, reimburse Company for any and all costs and expenses connected with the inspection (including travel, lodging and wages expenses, and reasonable accounting and legal costs). The foregoing remedies shall be in addition to any other remedies Company may have.

11.6 All data provided by Franchisee to Company will be owned exclusively by Company, and Company has the right to use such data in any business-related manner without compensation to Franchisee, provided that Company shall use reasonable efforts to avoid public dissemination of any confidential financial information in a manner that would identify Franchisee as the source of such information. Company also has the right to share such data and other information with third parties, including consultants and existing and potential operators. Company may share sales data for System franchisees with System franchisees throughout the System.

12. MARKETING AND PROMOTION

Recognizing the value of marketing and promotion, and the importance of the standardization of marketing and promotion programs to the furtherance of the goodwill and public image of the System, Franchisee and Company agree as follows:

12.1 Company reserves the right to require that Franchisee (i) contribute to the Branding Fund, pursuant to Sections 12.1.1 below, (ii) expend on local advertising and promotion pursuant to Section 12.1.2, and/or (iii) contribute to any Cooperative, as may be established pursuant to Section 12.3.5 below (together, the "**Advertising Obligation**"). As of the Effective Date and until written notice from Company, the allocation shall be as follows:

12.1.1 Franchisee shall pay Company for the Branding Fund the sum of (a) the mathematical product, calculated by Company, determined by multiplying 3% times Company's estimate of the amount of gross sales to be derived by Franchisee from the retail sale of the Menu Items that will be prepared from the Rita's-Mix Items (as calculated and collected in the manner the Yield Based Royalty is calculated and collected under Section 4.2.1) and (b) 3% times the Gross Sales of all (i) Menu Items that are Non-Mix Items sold in the preceding week, and (ii) Non-Mix Items charged as an upcharge or service on Menu Items made with Rita's-Mix Items sold in the preceding week (as calculated and collected in the manner the Non-Yield Based Royalty is calculated and collected under Section 4.2.2).

12.1.2 Franchisee shall spend at least 2% of Gross Sales on local advertising and promotion. Calculation of Gross Sales for purposes of this Section 12.1.2 will be based on Gross Sales of all Menu Items (i.e. without regard to whether the Menu Item is prepared with or without Rita's Mix Items). Franchisee understands and acknowledges the number of Rita's Shops in the Territory may impact advertising and marketing and brand recognition in Franchisee's market and that the Advertising Obligation is the minimum requirement only, and that Franchisee may, and is encouraged to, expend additional funds for marketing and promotion. Company reserves the right to increase the local advertising and promotion expenditure required under this Section to 3% of Gross Sales. Local advertising and promotion under this Section 12.1.2 shall only include items approved by Company in the Manuals as satisfying the required local advertising and promotion expenditure requirement. Each month, Franchisee shall submit to Company, in the manner designated by Company, evidence of Franchisee's compliance with the required local advertising and promotion expenditure in accordance with this Section. If Franchisee fails to make local advertising and promotion expenditures in accordance with this Section and/or to submit proof of the expenditures, Company shall have the right to assess Franchisee for the amount of unspent expenditures required under this Section which amount shall be

deposited in the Branding Fund for general use by the Branding Fund. Company shall have the right to assess amounts due under this Section by automated bank draft or other reasonable means in accordance with Section 4.3 of this Agreement. Any amounts assessed under this Section are not required to benefit directly or pro rata the Shop. Failure to comply with this Section shall be deemed a material breach of this Agreement.

12.2 Company has established a marketing fund for the System (the "**Branding Fund**" and previously referred to as the advertising fund or fund in earlier forms of franchise agreements for the System). During the existence of the Branding Fund, Franchisee shall contribute to the Branding Fund in the manner and amount specified in accordance with Section 12.1 above. Company will maintain and administer the Branding Fund as follows:

12.2.1 Company has the right to direct all marketing programs, and to determine the concepts, materials, and media used in such programs and the placement and allocation thereof. Company is not obligated, in administering the Branding Fund, to make expenditures for Franchisee which are equivalent or proportionate to Franchisee's contribution, or to ensure that any particular System franchisee benefits directly or pro rata from expenditures by the Branding Fund. Company shall have complete discretion related to the expenditure of the Branding Fund contributions. Aside from administering the Branding Fund, Company has no additional advertising or marketing obligation to any System franchisee by virtue of (i) the number of Rita's Shops in a certain market, (ii) the Rita's brand's and/or Proprietary Products' recognition or lack of recognition in a certain market, or (iii) the opening of a Shops in a new market. Contributions to the Branding Fund are not held by Company in trust and Company does not have any fiduciary obligation to Franchisee with respect to contributions to the Branding Fund. Contributions to the Branding Fund are not refundable to Franchisee and, once received by Company, will be used in accordance with this Section 12.2;

12.2.2 Company will use the Branding Fund, all contributions thereto, and any earnings thereon, to meet any and all internal and external costs of maintaining, administering, directing, conducting, and preparing marketing, advertising, public relations, and/or promotional programs and materials, and any other activities including socially responsible activities, which Company believes will enhance the image of the System and/or Rita's brand, including, among other things, the costs of preparing and conducting media marketing campaigns (such as radio, television, print, video and digital media (e.g. Social Media)); point of purchase materials (including shipping costs); developing, maintaining and updating the Website; Apps and other customer facing technology; direct mail advertising; grand opening advertising; marketing/pricing surveys and research and other public relations activities; employing advertising and/or public relations employees, people and agencies to assist therein; implementing and operating Loyalty Programs and Gift Cards; implementing social networking promotional initiatives through online media channels; providing Social Media management services and tools; sponsorship of organizations and events, including athletic teams, fundraising activities, tournaments and other similar activities; purchasing promotional items; conducting and administering in-shop promotions and "mystery shopper" programs; and providing promotional and other marketing materials and services to the Rita's Shops operating under the System;

12.2.3 Company will maintain separate bookkeeping accounts for all sums paid to the Branding Fund by System franchisees and Branding Fund money will not be used to defray any of Company's expenses, except for such costs and overhead, if any, as Company may incur in activities related to the administration, management, direction and implementation of the Branding Fund and marketing programs for operators and the System, including costs of personnel for creating, managing and implementing marketing, advertising, and promotional programs and technology for such programs;

12.2.4 Company will have an annual report of Branding Fund receipts and disbursements prepared annually and Company will make such annual report available to Franchisee for viewing during regular business hours at Company's principal place of business, upon Franchisee's written notice to Company, once during each calendar year; and

12.2.5 Company reserves the right, in its sole discretion, to discontinue the Branding Fund upon written notice to System franchisees.

12.3 With respect to local advertising and promotion for the Shop, Franchisee shall comply with the following:

12.3.1 Franchisee must place and display at the Accepted Location (interior and exterior) only such signs, emblems, lettering, logos, displays, and advertising as Company approves in writing from time to time.

12.3.2 Franchisee shall deposit with Company such amounts as Company may specify in accordance with Section 12.4 below for the New Shop Marketing Program (defined below). For any month in which Franchisee is required to make expenditures on local advertising and promotion, Franchisee shall submit to Company, in accordance with the procedures set forth in Section 4.5 above or as otherwise specified by Company, detailed reports describing the amount of money expended on advertising, marketing and promotion during the previous month (or other time period specified by Company). Additionally, at the request of Company or as Company may specify in the Manuals, Franchisee shall submit copies of its bills, statements, invoices, or other documentation satisfactory to Company to evidence Franchisee's advertising or marketing activities.

12.3.3 As used in this Agreement, the term "**local advertising and promotion**" refers to advertising and promotion related directly to the Shop, and, unless otherwise specified, consists only of the direct costs of purchasing advertising materials, media (space or time), promotion, direct out-of-pocket expenses related to costs of advertising and sales promotion, and such other activities and expenses as Company may specify. Company may provide to Franchisee, in the Manuals or otherwise in writing information specifying the types of advertising and promotional activities and costs which shall not qualify as "local advertising and promotion," including the value of advertising coupons, and the costs of Menu Items provided for free or at a reduced charge for charities or other donations.

12.3.4 Franchisee is required to participate in all marketing campaigns as designated by Company. Franchisee shall also participate in all market research, testing and product and service development programs.

12.3.5 Company shall have the right to designate any geographical area for purposes of establishing a market advertising fund ("**Cooperative**"). If a Cooperative is established for the geographic area in which the Shop is located, Franchisee shall become a member of such Cooperative on the date on which the Cooperative commences operation and commence making required contributions to the Cooperative; provided, however, Company will designate when a new Shop starts to contribute to a Cooperative. Franchisee will have no voting rights in any Cooperative until Franchisee opens the Shop and commences contributing to such Cooperative. Upon becoming a member of a Cooperative, Franchisee (or if Franchisee is an entity, an owner/member of Franchisee) shall attend, at a minimum, the first semi-annual Cooperative meeting held each calendar year (in either January of the applicable calendar year or in November or December of the preceding calendar year) (the "**Cooperative Planning Meeting**"). Franchisee shall not be required to be a member of more than one Cooperative, except to the extent that Franchisee owns multiple Rita's Shops located in different geographic markets. Each Cooperative shall be organized and governed in a form and manner prescribed or approved by Company in writing. Any disputes arising among or between Franchisee, other System franchisees in the Cooperative, and/or the Cooperative, shall be resolved in accordance with the rules and procedures set forth in the Cooperative's governing documents established by Company; provided, however, in the absence of a rule or procedure, Company will resolve such disputes. Franchisee's contributions to a Cooperative shall be credited towards satisfaction of the obligation for expenditures for local advertising and promotional activities as Company may require pursuant to Section 12.1.2 above; provided, however, if Franchisee's contribution to the Cooperative does not at least equal the minimum obligation for expenditures for local advertising and promotion activities, Franchisee must expend the difference on local advertising and promotion activities as provided for in Section 12.1.2 hereof. Franchisee shall submit to Company, on behalf of the Cooperative, the contribution to the Cooperative required of Franchisee under this Agreement at such times as determined by Company, together with such other statements or reports as may be required by Company, or by the Cooperative with Company's prior written approval.

12.3.6 Contributions to the Cooperative shall only be used for advertising and promotion activities approved by Company. Company shall have the right, but not the independent obligation, to set the rate of, collect and, to the extent submitted for collection and collected, shall have the custody of all contributions to the Cooperative, and shall disburse the contributions of the Cooperative as required to pay any invoice for the Cooperative. No Cooperative disbursements may be made without Company's prior written approval. Company may, in its sole and exclusive business judgment, maintain contributions collected on behalf of the Cooperative segregated from the contributions of other cooperatives or aggregated with the contributions collected on behalf of other cooperatives, so long as Company keeps a separate accounting of the contributions collected and expenditures made on behalf of the Cooperative. Any such account established or maintained by Company is not a trust fund or trust account and any such account and the contributions maintained therein can be combined with other like accounts and contributions

as set forth above. No fiduciary or agency duties or relationships exist between Company, on the one hand, and the Cooperative and its members, on the other hand, arising out of or relating to the Cooperative. No contributions to the Cooperative or income thereon shall revert back to Franchisee or Company prior to the dissolution or other termination of the Cooperative. Company maintains the rights to change, dissolve, merge, or terminate the Cooperative. The Cooperative shall not be terminated, however, until all contributions in that Cooperative have been expended for advertising and/or promotional purposes.

12.3.7 As part of Franchisee's Advertising Obligation, Franchisee shall (i) be actively involved in Franchisee's community to promote the Shop, (ii) comply with any Company requirements for community involvement, and (iii) report such community involvement to Company as may be required in the Manuals.

12.4 In addition to the Advertising Obligation described above, Franchisee shall conduct, at its own expense, a new shop marketing program and related promotional activities and marketing (the "**New Shop Marketing Program**") in accordance with the New Shop Marketing Program set forth in the Manuals. Franchisee is required to deposit with Company a minimum amount specified in Exhibit A as the "**Minimum New Shop Marketing Program Expenditure**" to conduct the New Shop Marketing Program. Franchisee shall, within 120 days of the expected Shop opening date, (i) execute Company's then-current form of New Shop Marketing Program Agreement, and (ii) deposit the Minimum New Shop Marketing Program Expenditure with Company. Company shall distribute such funds as necessary to conduct the New Shop Marketing Program. Franchisee must conduct the New Shop Marketing Program within 60 days prior to opening the Shop to the first 6 months of operations of the Shop. Franchisee acknowledges and agrees that the New Shop Marketing Program shall be considered local advertising and promotion (subject to Section 12.5), but shall not count toward Franchisee's obligations under Section 12.1.2. Company may, in its sole discretion, purchase on Franchisee's behalf out of the Minimum New Shop Marketing Program Expenditure deposit, broadcast and print advertising and such other advertising and promotion as recommended by Company. In addition to the advertising expenses of the New Shop Marketing Program, Franchisee shall participate in any grand opening promotions programs established by Company (the "**Opening Promotions Programs**"). Franchisee shall be responsible for all labor, Products, supplies, and cups associated with the Opening Promotions Programs.

12.5 All marketing and promotion to be used by Franchisee, the Branding Fund, or a Cooperative (i) shall be in such media and manner (including the coverage area and/or distribution area), and of such type and format, as Company may approve; (ii) shall be conducted in a dignified manner; and (iii) shall conform to such standards and requirements as Company may specify. Company has the right to designate and/or change the Shop's name as used by Franchisee in any marketing and promotion materials, including the Website (as defined below) and Social Media. Franchisee and Cooperative shall not use any marketing or promotional plans or materials that are not provided by Company unless and until Franchisee has submitted the materials to Company, pursuant to the procedures and terms set forth in Section 12.7 herein. Company has the right to condition approval of marketing and promotion by Franchisee upon the condition that Franchisee offer to other System franchisees, whose Rita's Shops are located within the circulation area of the proposed marketing and promotion, the opportunity to contribute to and to participate in the

marketing and promotion. No marketing and promotion plans or materials may be used by a Cooperative or furnished to its members without the prior approval of Company.

12.6 Company shall make available to Franchisee, from time to time, marketing plans and promotional materials, including newspaper mats, coupons, merchandising materials, sales aids, point-of-purchase materials, special promotions, direct mail materials, and similar marketing and promotional materials produced from contributions to the Branding Fund; provided that Franchisee acknowledges and agrees that Company has the right to withhold any such materials from Franchisee during any period in which Franchisee is not in full compliance with its obligations to contribute to the Branding Fund or in which Company does not require contributions from Franchisee.

12.7 If Franchisee desires to use marketing and promotional plans and materials that have not been provided or previously approved by Company, Franchisee shall submit samples of all such marketing and promotional plans and materials to Company (as provided in Section 12.5 herein) for prior approval. Franchisee shall not use unapproved marketing and promotional plans and materials until Franchisee has obtained Company's approval. If Franchisee promotes or participates in any special promotional program(s), Franchisee shall use such displays and promotional materials as Company shall authorize and specify from time to time, and shall coordinate its participation with Company and other System franchisees as Company may direct or require.

12.8 Franchisee specifically acknowledges and agrees that any Website shall be deemed "advertising" and "marketing" under this Agreement, and will be subject to (among other things) Company's approval under the provisions of Section 12.5 above. As used in this Agreement, the term "**Website**" means an interactive electronic document, series of symbols, or otherwise, that is contained in a network of computers linked by communications software. The term Website includes the Internet and World Wide Web home pages. In connection with any Website, Franchisee agrees to the following:

12.8.1 Company shall have the right, but not the obligation, to establish and maintain a Website, which may, without limitation, promote the Proprietary Marks, any or all of the Products, Rita's Shops, the franchising of Rita's Shops, and/or the System;

12.8.2 Company shall have the sole right to control all aspects of the Website, including, without limitation, its design, content, functionality, links to the Websites of third parties, legal notices, and policies and terms of usage. Company shall also have the right to discontinue operation of the Website;

12.8.3 Franchisee shall not establish a separate website or register any domain name that displays or uses the Proprietary Marks or any marks confusingly similar thereto, or that refers to this Agreement, the Products, the Shop, Company, or the System. If Franchisee registers any domain name in violation of this subsection, in addition to all other rights and remedies of Company's under this Agreement, Company shall have the right, but not the obligation, to require Franchisee to transfer any such registration(s) to Company or its designee, at Franchisee's expense;

12.8.4 Company shall have the right, but not the obligation, to (i) name the Website and/or webpages and (ii) designate one or more web page(s) to describe Franchisee and/or the Shop, with such web page(s) to be located within the Website. Franchisee shall comply with Company's policies with respect to the creation, maintenance, and content of any such webpages; and Company shall have the right to refuse to post and/or discontinue posting any content and/or the operation of any webpage; and

12.8.5 Company shall have the right to modify its policies and requirements regarding websites (including the Website) as Company may determine is necessary or appropriate.

12.9 Each year during the term of this Agreement, Franchisee must participate in the annual first day of Spring give away (the "**Spring Give Away**"). Company shall determine the size of the cup of ice used for each year's Spring Give Away and the process, procedure and format of conducting each year's Spring Give Away of free cups of ice to customers/guests who visit the Shop. Franchisee shall be responsible for all labor, Products, supplies, and cups associated with the Spring Give Away. For all Rita's Mix Items (whether from Franchisee's inventory or whether purchased in preparation for the Spring Give Away), Franchisee will be responsible for paying all royalty amounts and Advertising Obligation contributions owed to Company at the time the Rita's Mix Items are purchased. Franchisee is also responsible for keeping accurate accounting and documenting how many free ice cups are given away as part of each year's Spring Give Away. Franchisee must submit this documentation to Company and Company will subsequently reimburse Franchisee for the Yield Based Royalty associated with the Menu Items given away as part of each year's Spring Give Away (i.e. calculated based on the number of free ice cups given away and Franchisee's retail price).

12.10 Franchisee acknowledges and agrees that any and all copyrights in and to advertising and promotional materials developed by or on behalf of Franchisee which bear the Proprietary Marks shall be Company's sole property, and Franchisee agrees to execute such documents (and, if necessary, require its independent contractors to execute such documents) as may be deemed necessary by Company to give effect to this provision. Any advertising, marketing, promotional, public relations, or sales concepts, plans, programs, activities, or materials proposed or developed by Franchisee for the Shop or the System and approved by Company may be used by Company and other System franchisees without any compensation to Franchisee.

13. INSURANCE

13.1 Franchisee shall procure, prior to the commencement of construction or any operations under this Agreement, and shall maintain in full force and effect at all times during the term of this Agreement, at Franchisee's expense, an insurance policy or policies protecting Franchisee, and Company against any demand or claim with respect to personal injury, death, product liability, or property damage, or any loss, liability, or expense whatsoever arising or occurring upon or in connection with the Shop, including commercial general liability insurance, property and casualty insurance, statutory workers' compensation insurance, employer's liability insurance, and product liability insurance. Such policy or policies shall reflect industry standards, shall be written by a responsible carrier or carriers acceptable to Company, shall name Company and its respective officers, directors, partners, members, affiliates, subsidiaries and employees

("**Additional Insured Parties**") as additional insureds and loss payees, and shall provide at least the types and minimum amounts of coverage as are specified in the Manuals as modified by Company from time to time. Additional insured status shall include, without limitation, coverage for ongoing and completed operations. Additional insured coverage shall not be limited to vicarious liability and shall extend to (and there shall be no endorsement limiting coverage for) the negligent acts, errors or omissions of the Additional Insured Parties. Franchisee's insurance policies are required to respond on a primary and non-contributory basis to any insurance carried by Company. Franchisee shall also maintain all other insurance coverage as may be required by law, including worker's compensation and unemployment insurance.

13.2 Franchisee's obligation to obtain and maintain the policy or policies in the amounts specified in the Manuals shall not be limited in any way by reason of any insurance which may be maintained by Company, nor shall Franchisee's performance of that obligation relieve it of liability under the indemnity provisions set forth in Section 20.3 of this Agreement.

13.3 Prior to the commencement of any operations under this Agreement, and thereafter on an annual basis, Franchisee shall deliver to Company Certificates of Insurance evidencing the proper types and minimum amounts of coverage. Franchisee shall also maintain Certificates of Insurance evidencing the proper types and minimum amounts of coverage at the Shop. All Certificates shall expressly provide that no less than 30 days' prior written notice shall be given to Company in the event of any material alteration to or cancellation of the coverages evidenced by such Certificates.

13.4 Should Franchisee, for any reason, fail to procure or maintain the insurance required by this Agreement, as such requirements may be revised from time to time by Company in the Manuals or otherwise in writing, Company shall have the right and authority (but not the obligation) to procure such insurance and to charge the same to Franchisee, which charges, together with a reasonable fee for Company's expenses in so acting, shall be payable by Franchisee immediately upon notice. The foregoing remedies shall be in addition to any other remedies Company may have.

13.5 Franchisor maintains the right to contact the Franchisee's insurance carrier and broker to determine and gather information related to their policies under Section 13.

14. TRANSFER OF INTEREST

14.1 Company shall have the right to transfer or assign this Agreement and all or any part of its rights or obligations herein to any person or legal entity, and any designated assignee of Company's shall become solely responsible for all of Company's transferred or assigned obligations under this Agreement from the date of assignment.

14.2 Franchisee understands and acknowledges that Company has granted this franchise in reliance on Franchisee's (or, if Franchisee is an entity, its Owners') business skill, financial capacity, and personal character. Accordingly, neither Franchisee, nor any individual (including the Owners), partnership, corporation, limited liability company, or other legal entity which directly or indirectly owns any interest in Franchisee or in the Shop shall sell, assign, transfer, convey, pledge, encumber, merge, or give (collectively, "**transfer**") away any direct or indirect interest in

Franchisee (including any direct or indirect interest in a Franchisee that is an entity and transfers to an entity for convenience of ownership), in the Shop, or in all or substantially all of the assets of the Shop or the business franchised hereunder, without Company's prior written consent. Except for transfers to an entity for convenience of ownership, no transfer shall be permissible unless Franchisee has opened and operated the Shop for at least 3 months. The definition of transfer includes any assignment of authority to operate or manage the Shop through any management arrangement/agreement other than employing a manager as a direct employee of Franchisee.

14.3 Franchisee shall notify Company in writing of any proposed transfer of any direct or indirect interest in this Agreement, in Franchisee, in the Shop, or in all or substantially all of the assets of the Shop at least 45 days before such transfer is proposed to take place. Company will review the proposed transfer in connection with Company's rights under Section 14.6 below and/or to determine whether the proposed terms and transferee(s) meet Company's standards. Franchisee authorizes Company to communicate with the transferee for the purpose of providing to the transferee any information Company deems appropriate. For any proposed transfer, Company has the right to require certain conditions for its approval, which may include the following:

14.3.1 That Franchisee shall not have any past due monetary obligations or other outstanding obligations to Company and its affiliates, the approved suppliers of the System, or the lessor/sublessor of the Premises;

14.3.2 That Franchisee shall not be in default of any provision of this Agreement (including the submission of all reports, current to the date of transfer, required by Section 11.3.2), or successor hereto, or any other agreement between Franchisee and or Franchisee's owners and Company or its affiliates, the approved suppliers of the System, or the lessor of the Premises; and Franchisee shall have substantially complied with all the terms and conditions of such agreements during the terms thereof;

14.3.3 That Franchisee, any Owner, any franchisee, or developer of Company's in which Franchisee and/or any Owner has a beneficial interest, shall execute a general release, in a form prescribed by Company, of any and all claims against Company and its affiliates, and their respective officers, directors, agents, and employees;

14.3.4 Any proposed assignment agreement executed by the transferor and transferee shall be in a form designated by Company, which includes a requirement that the transferee of any beneficial interest in Franchisee shall enter into a written agreement, in a form designated by Company, agreeing to be bound as an Owner under the terms of this Agreement as long as such person or entity owns any interest in Franchisee;

14.3.5 If the transferee is an entity, the owners of beneficial interest in the transferee (including their spouses) shall guarantee the performance of the transferee's obligations in writing in a form designated by Company;

14.3.6 The transferee shall execute, for a term ending on the expiration date of this Agreement, Company's then-current form of franchise agreement then being offered to new System franchisees (for the type of Rita's Shop most similar to the Shop), and such other ancillary agreements required by Company for the business franchised hereunder,

which agreements shall supersede this Agreement and its ancillary documents in all respects, and the terms of which may differ from the terms of this Agreement, including a higher royalty and Advertising Obligation, payment of a royalty fee calculated in a different manner and/or an updated territory designated by Company based on the population at the time of the transfer, provided, however, that Franchisee shall not have to pay an initial franchise fee;

14.3.7 That the transferee demonstrate to Company's satisfaction that the terms of the proposed transfer do not place an unreasonable financial or operational burden on the transferee, and that the transferee (or, if the transferee is an entity, such owners of beneficial interest in the transferee as Company may require) meets Company's then-current educational, managerial, socially responsible, and business standards (including a demonstration of competence with respect to computer applications, verbal and written language skills, mathematical applications and ability to prepare a business plan); possesses a good moral character, business reputation, and credit rating; has the aptitude and ability to operate the Shop (as may be evidenced by prior related business experience or otherwise) and absence of conflicting interests; and has adequate financial resources and capital to operate the Shop. If the transferee is already a System franchisee, transferee must also meet the current standards for new System franchisees; have the ability to operate multiple Rita's Shops; have existing Rita's Shops that are proximate to the Shop that is being transferred; own less than 8% of the franchised Rita's Shops operating under the System; and have a record of customer service and compliance with System Operating Standards satisfactory to Company. Additionally, if the transferee is an existing franchisee, and the Shop to be acquired by the transferee is further than a one-hour drive from the transferee's existing Shop, then the transferee shall be required to have a person who holds a minimum of 20% beneficial interest in the transferee entity and who lives within a one-hour drive of the Shop to act as the designated owner for the Shop;

14.3.8 That Franchisee or transferee (as negotiated and agreed to by Franchisee and transferee subject to Company's approval as to terms and timeframe) shall, at its expense and in a manner satisfactory to Company, refurbish, renovate, and/or reconstruct the Shop, and expend such funds as Company requires in doing so, to conform to the building design, trade dress, color schemes, and presentation of the Proprietary Marks to the image then in effect for new or the most recently remodeled Rita's Shops including structural changes, remodeling, redecoration, and modifications to existing improvements;

14.3.9 That Franchisee and transferee(s) remain liable for all of the obligations to Company in connection with the Shop which arose prior to the effective date of the transfer and execute any and all instruments required by Company to evidence such continuing liability;

14.3.10 That the transferee (and, if the transferee is an entity, such owners of beneficial interest in the transferee as Company may require), and the transferee's manager (if transferee or an owner of beneficial interest in transferee will not manage the Shop), successfully complete any training programs then in effect for System franchisees and managers upon such terms and conditions as Company may require. Company will not require payment of an initial training fee to attend Initial Training for up to two trainees of the transferee who complete training within the first 6 months after the transfer takes place;

14.3.11 That Franchisee pay to Company a transfer fee in an amount equal to 50% of Company's then-current initial franchise fee for the Designated Shop Type at the time of the transfer (or if the Designated Shop Type is no longer offered, the renewal fee will be the then-current initial franchise fee for the most similar type of Rita's Shop as determined by Company). In the case of a transfer to an entity formed by Franchisee solely for the convenience of ownership, the transfer fee for such transfer shall be waived if done within 6 months of the Effective Date and reduced to a $500 administrative fee if done more than 6 months after the Effective Date;

14.3.12 That Franchisee and the transferee satisfy all of the conditions (including the conditions in this Section and the requirement of transferee obtaining a Lease Rider for the Premises) for Company's consent to the transfer and consummate the transfer within 30 days of the date on which the transferee completes the training requirements described in Section 14.3.10 hereof;

14.3.13 That transferor(s) shall agree in writing to comply with the covenants set forth in Section 17 below; and

14.3.14 That an escrow account ("**Escrow**") is established in order to facilitate the refurbishment, renovation, and/or reconstruction of the Shop described in Section 14.3.8. The Escrow will be established with either Company or an escrow agent approved by Company, and such party shall hold the funds necessary to comply with Section 14.3.8. Company shall have the right to approve the form of escrow agreement, which must contain (at a minimum) provisions specifying that (i) Company must sign off on the release of any funds in Escrow; and (ii) Company is deemed a third-party beneficiary.

14.4 For any transfer not included in Section 14.3, each transferee shall, in addition to the requirement of obtaining Company's consent as provided in Section 14.2 above, be subject to the requirements of Sections 14.3.3, 14.3.4 and 14.3.5.

14.5 Neither Franchisee nor any Owner shall grant a security interest in, or otherwise encumber, any of the assets or securities of Franchisee, including the Shop unless Franchisee satisfies Company's requirements. Such requirements may include execution of an agreement by the secured party in which it acknowledges the creditor's obligations under this Section 14, and agrees that in the event of any default by Franchisee under any documents related to the security interest, Company shall have the right and option (but not the obligation) to be substituted as obligor to the secured party and to cure any default of Franchisee, and, in the event Company exercises such option, any acceleration of indebtedness due to Franchisee's default shall be void.

14.6 If any party holding any direct or indirect interest in this Agreement, in Franchisee, in the Shop, or in all or substantially all of the assets of the Shop desires to accept any *bona fide* offer from a third party to purchase such interest, Franchisee shall notify Company as provided in Section 14.3 hereof, and shall provide such information and documentation relating to the offer as Company may require (e.g. term sheet, letter of intent, proposed asset purchase agreement). Company shall have the right and option, exercisable within 30 days after receipt of the written transfer request and the required information and documentation related to the offer (including any information that Company may require to supplement or clarify information provided to Company

with the written transfer request), to send written notice to the seller that Company intends to purchase the seller's interest on the same terms and conditions offered by the third party; provided, however, a spouse, domestic partner, parent or child of the seller shall not be considered a third party for purposes of this Section 14.6. If Company elects to purchase the seller's interest, closing on such purchase shall occur within 45 days from the date of notice to the seller of the election to purchase by Company, or, if longer, on the same timetable as contained in the *bona fide* offer. If Company elects not to purchase the seller's interest, any material change thereafter in the terms of the offer from the third party or by Franchisee, or a change in the identity of the third party shall constitute a new offer subject to the same rights of first refusal by Company as in the case of the third party's initial offer. Failure of Company to exercise the option afforded by this Section 14.6 shall not constitute a waiver of any other provision of this Agreement, including all of the requirements of this Section 14, with respect to a proposed transfer.

14.7 Upon the death or incapacity of any person with an interest in this Agreement, in Franchisee, in the Shop, or in all or substantially all of the assets of the Shop, the executor, administrator, or personal representative of such person shall transfer such interest to a third party approved by Company within 3 months after such death or incapacity. Such transfers, including transfers by devise or inheritance, shall be subject to the same conditions as any *inter vivos* transfer except no transfer fee will be required. In the case of transfer by devise or inheritance, if the heirs or beneficiaries of any such person are unable to meet the conditions in this Section 14, the executor, administrator, or personal representative of the decedent shall transfer the decedent's interest to another party approved by Company within a reasonable time, which disposition shall be subject to all the terms and conditions for transfers contained in this Agreement. If the interest is not disposed of within a reasonable time (not to exceed 6 months from such death or incapacity), Company may terminate this Agreement, pursuant to Section 15.4 hereof.

14.8 Company's consent to any transfer pursuant to this Section 14 shall not constitute a waiver of any claims it may have against the transferring party, nor shall it be a waiver of Company's right to demand exact compliance with any of the terms of this Agreement by the transferor or transferee.

14.9 All materials required for any offering of securities or partnership interests in Franchisee by federal or state law shall be submitted to Company by the offeror for review prior to filing with any government agency; and any materials to be used in any exempt offering shall be submitted to Company for review prior to their use. No offering shall imply, by use of the Proprietary Marks or otherwise, that Company is participating in an underwriting, issuance, or offering of securities of either Franchisee or Company; and review by Company of any offering shall be limited solely to the subject of the relationship between Franchisee and Company. At its option, Company may require the offering materials to contain written statements or disclaimers prescribed by Company including any limitations stated above in this Section. Franchisee and the other participants in the offering must fully indemnify Company in connection with the offering. For each proposed offering, Franchisee shall reimburse Company for its actual costs and expenses associated with reviewing the proposed offering materials, including legal and accounting fees. Franchisee shall give Company written notice at least 60 days prior to the date of commencement of any offering or other transaction covered by this Section 14.9. Any such offering shall be subject to Company's prior written consent and right of first refusal as provided for in Sections 14.2 and 14.6, respectively, hereof.

14.10 If Franchisee is an entity: (1) an original Owner must at all times during the term of this Agreement have a controlling interest in Franchisee; and (2) Franchisee shall require each Owner (including each shareholder, partner or member (as the case may be)) holding an interest in Franchisee to execute a covenant with Company agreeing not to transfer any interest in Franchisee in violation of the terms of this Agreement.

14.11 If Franchisee or any person holding any interest (direct or indirect) in Franchisee becomes a debtor in a proceeding under the U.S. Bankruptcy Code or any similar law in the United States, or elsewhere, it is the parties' understanding and agreement that any transfer of the ownership of Franchisee, Franchisee's obligations and/or rights hereunder and/or any material assets of Franchisee, shall be subject to all of the terms of this Section 14.

14.12 Notwithstanding anything to the contrary in this Agreement, no transfer shall be made if the transferee, any of its affiliates, or the funding sources for either is a person or entity designated with whom Company, or any of its affiliates, are prohibited by law from transacting business.

15. DEFAULT AND TERMINATION

15.1 Franchisee shall be in default under this Agreement, and all rights granted to Franchisee herein shall automatically terminate without notice to Franchisee, if Franchisee shall become insolvent or make a general assignment for the benefit of creditors; if a petition in bankruptcy is filed by Franchisee or such a petition is filed against and not opposed by Franchisee; if Franchisee is adjudicated a bankrupt or insolvent; if a bill in equity or other proceeding for the appointment of a receiver of Franchisee or other custodian for Franchisee's business or assets is filed and consented to by Franchisee; if a receiver or other custodian (permanent or temporary) of Franchisee's assets or property, or any part thereof, is appointed by any court of competent jurisdiction; if proceedings for a composition with creditors under any state or federal law should be instituted by or against Franchisee; if a final judgment remains unsatisfied or of record for 30 days or longer (unless supersedeas bond is filed); if Franchisee is dissolved; if execution is levied against Franchisee's business or property; if suit to foreclose any lien or mortgage against the Premises or Operating Assets is instituted against Franchisee and not dismissed within 30 days; or if the real or personal property of the Shop shall be sold after levy thereupon by any sheriff, marshal, or constable.

15.2 Upon the occurrence of any of the following events of default, or upon the breach of any of the covenants listed in Section 17 of this Agreement, Company may, at its option, terminate this Agreement and all rights granted hereunder, without affording Franchisee any opportunity to cure the default, effective immediately upon the provision of notice to Franchisee (in the manner provided under Section 23 hereof):

15.2.1 If Franchisee fails to open the Shop or complete any training in accordance with the deadlines and requirements in Sections 5 and/or 6 above;

15.2.2 If Franchisee (i) loses the right to occupy the Premises, (ii) acts or fails, to act, in any manner which is inconsistent with or contrary to its lease or sublease for the Premises, or (iii) in any way jeopardizes its right to renewal of such lease or sublease;

15.2.3 If Franchisee or any of its Owners commits, is convicted of, or pleads guilty or "nolo contendere" to a felony (or misdemeanor punishable by imprisonment for more than one year), a crime involving sexual groping, assault/battery involving sexual touching, a crime involving moral turpitude, or any other act, crime, or offense that Company believes is injurious to the System, the Proprietary Marks, the Products, or the goodwill associated therewith;

15.2.4 If a threat or danger to public health or safety results from the construction, development, maintenance, or operation of the Shop;

15.2.5 If Franchisee's action or inaction, at any time, results in the loss of the right to possession of the Premises, or forfeiture of the right to do or transact business in the jurisdiction where the Shop is located;

15.2.6 If Franchisee or other party covered by Section 14 above purports to transfer any rights or obligations under this Agreement, or any interest in Franchisee, the Shop, or the assets of the franchised business to any third party in a manner that is contrary to the terms of Section 14 hereof;

15.2.7 If Franchisee maintains false books, records or reports, knowingly submits any false statements, books, records or reports to Company, fails to submit its annual selling price for Products by the date specified by Company, or fails to immediately report to Company any change in its selling price for any Product;

15.2.8 If, contrary to the terms of Sections 9 or 10 hereof, Franchisee discloses or divulges the contents of the Manuals or other confidential information provided to Franchisee by Company;

15.2.9 If Franchisee or any of its Owners (or guarantor(s), spouse or other related party to Franchisee and/or any Owner) operates the Shop in a manner, or engages in any other conduct (including activities and communications with Company employees or representatives, customers, suppliers, landlords, other System franchisees or third parties, or social media posts), that Company determines to be injurious or prejudicial to the reputation or goodwill associated with the System, Proprietary Marks, Rita's Products (including the sale, usage, presence or storage on the Premises of any unapproved Rita's Product), or Company's rights therein;

15.2.10 If Franchisee commits 4 or more defaults under this Agreement in any 24-month period, whether or not each such default has been cured after notice (this provision in no way limits Section 15.2.11 below);

15.2.11 If Franchisee, after curing a default pursuant to Sections 15.3 or 15.4 hereof, commits the same default again, whether or not cured after notice;

15.2.12 If Franchisee, at any time, ceases to operate or otherwise abandons the Shop for a period of 3 consecutive days unless such closure is approved in writing by Company, or excused by force majeure pursuant to Section 5.6. Any such closure referred to in the previous sentence shall be deemed a repudiation of this Agreement by Franchisee;

15.2.13 If Franchisee fails to attend, as required under Section 7.25, two Annual Meetings;

15.2.14 If Franchisee breaches any material provision of this Agreement which breach is not susceptible to cure;

15.2.15 If Franchisee (i) misuses or makes an unauthorized use of or misappropriates any Proprietary Mark, (ii) commits any act which can be reasonably expected to materially impair the goodwill associated with any Proprietary Mark, (iii) commits any act which can be reasonably expected to be harmful to the Brand or any Proprietary Mark, (iv) challenges Company's ownership of the Proprietary Marks, (v) files a lawsuit involving the Proprietary Marks without Company's consent, or (vi) fails to cooperate with Company in the defense of any Proprietary Mark;

15.2.16 If Franchisee submits to Company a financial report or other data, information or supporting records which understate by more than 2% the (i) Gross Sales for the Shop or (ii) royalty fees and/or Advertising Obligation contributions and/or expenditures due for any reporting period and is unable to demonstrate that such understatements resulted from an inadvertent error;

15.2.17 If Franchisee fails to report (i) conducting any Catering Activity or Mobile Event, or revenue from any Catering Activity or Mobile Event; or (ii) engages in any unauthorized Catering Activity, Mobile Event, off-site sales, or off-site activities connected to the Shop, Proprietary Marks or Proprietary Products; or

15.2.18 If Franchisee does not allow Company to immediately enter or inspect the Shop (including denying access to portions of the Premises such as storage areas or freezers) or any other place where business related to the Shop is conducted for purposes of making an investigation under Sections 7.10 and 11.4.

15.3 Upon the occurrence of any of the following events of default, Company may, at its option, terminate this Agreement by giving written notice of termination (in the manner set forth under Section 23 hereof) stating the nature of the default to Franchisee at least 7- days prior to the effective date of termination; provided, however, that Franchisee may avoid termination by immediately initiating a remedy to cure such default, curing it to Company's satisfaction, and by promptly providing proof thereof to Company within the specified time period. If any such default is not cured within the specified time, or such longer period as applicable law may require, this Agreement shall terminate without further notice to Franchisee, effective immediately upon the expiration of the specified time period, as applicable law may require.

15.3.1 If Franchisee and/or any affiliate or Owner of Franchisee fail, refuse, or neglect promptly to pay any monies owing to Company or its affiliates when due;

15.3.2 If Franchisee refuses to provide to Company any books, records, reports, or accounts of Franchisee requested by Company in a written request or demand;

15.3.3 If Franchisee fails to operate the Shop during such days and hours specified in the Manuals or this Agreement;

15.3.4 If Franchisee fails, refuses, or neglects promptly to submit Certificates of Insurance to Company when due as required under Section 13;

15.3.5 If Franchisee fails to maintain or observe any of the health and sanitation standards and procedures prescribed by Company in this Agreement, the Manual, or otherwise in writing; or

15.3.6 If Franchisee and/or any affiliate or Owner of Franchisee is in default under any other agreement or promissory note with Company or any affiliate of Company.

15.4 Except as otherwise provided in Sections 15.1, 15.2 and 15.3 of this Agreement, upon any other default by Franchisee, Company may terminate this Agreement by giving written notice of termination (in the manner set forth under Section 23 hereof) stating the nature of the default to Franchisee at least 30 days prior to the effective date of termination; provided, however, that Franchisee may avoid termination by immediately initiating a remedy to cure such default, curing it to Company's satisfaction, and by promptly providing proof thereof to Company within the 30-day period. If any such default is not cured within the specified time, or such longer period as applicable law may require, Company may terminate this Agreement effective immediately upon the expiration of the 30-day period or such longer period as applicable law may require.

15.5 If Franchisee fails to cure a default within any applicable notice period, or if this Agreement is terminated as a result of Franchisee's default, Franchisee shall pay to Company all damages, costs and expenses, including late fees, collection fees, interest at 1.5% per month, or the highest permissible rate, and reasonable investigation and attorneys' fees incurred by Company as a result of any such default or termination. All such interest, damages, costs, and expenses may be included in and form part of the judgment awarded to Company in any proceedings brought by Company against Franchisee.

15.6 Franchisee acknowledges that upon Franchisee's failure to remedy any default specified in any written notice issued to Franchisee under Sections 15.2, 15.3, and/or 15.4, Company also has the right to (i) cease providing any operational support or services, until, Franchisee complies to Company's satisfaction with the written notice, (ii) suspend Franchisee's right to use and access the CoolNet, (iii) suspend access and use of the Website (including the removal of the Shop from the Website) and any apps, (iv) suspend and/or terminate any approval authorizing Franchisee to engage in Catering Activities, (v) cease providing Products to Franchisee, and (vi) cease having Company's affiliates and suppliers provide Products and support to Franchisee. If Company exercises Company's right to suspend Franchisee's rights, Company will only do so after Franchisee's cure period under the written notice of default has expired. Franchisee agrees that Company's exercise of these rights will not constitute an actual or constructive termination of this Agreement nor will it constitute Company's sole and exclusive remedy. If Company exercises Company's right not to terminate this Agreement but to implement such suspension and/or removal, Company reserves the right at any time after the appropriate cure period under the written notice has lapsed, to, upon written notice to Franchisee, terminate this Agreement without giving Franchisee any additional corrective or cure period. During any period of suspension, all fees due under this Agreement shall continue to be payable by Franchisee. Additionally, if Franchisee is in default under this Agreement, Company has the right to withhold or condition Company's consent or approval if needed until Franchisee cures all defaults.

Company's election of the suspension rights as provided above shall not be a waiver by Company of any breach of this Agreement or any other term, covenant or condition of this Agreement. Additionally, if Company determines any default warrants additional monitoring of the Shop, Company may charge Franchisee a fee(s) for additional monitoring of the Shop by Company or a third-party vendor.

16. OBLIGATIONS UPON TERMINATION OR EXPIRATION

Upon termination or expiration of this Agreement, all rights granted hereunder to Franchisee terminate, meaning that Company may establish and operate Rita's Shops in the Territory, and:

16.1 Franchisee acknowledges and confirms that by granting Franchisee the franchise to operate the Shop in the Territory, Company lost the opportunity to grant a franchise for the Territory to another person or entity or to itself to own and operate a Shop within the Territory. Additionally, Franchisee confirms that Company will suffer substantial damages by virtue of the termination of this Agreement before its expiration by (i) Company for the defaults set forth in Sections 15.1 through 15.4 or (ii) Franchisee (including, without limitation, by abandonment of the operations of the Shop and/or repudiation of this Agreement), including, without limitation, lost royalty fees, lost Advertising Obligation contributions and expenditures, lost market penetration and goodwill in the Territory and the state where the Shop is located and the surrounding states, lost opportunity costs and the expense Company will incur in developing another franchise for the Territory and/or the state where the Shop is located and the surrounding states, which damages are impractical and extremely difficult to ascertain and/or calculate accurately, and the proof of which would be burdensome and costly, although such damages are real and meaningful to Company and the System. Accordingly, in the event that (a) Company terminates this Agreement before its expiration due to any default by Franchisee as set forth in Sections 15.1 through 15.4 or (b) Franchisee abandons operations of the Shop, Franchisee agrees to pay to Company in a lump sum on the effective date of Company's termination or Franchisee's abandonment of operations of the Shop, liquidated damages, which represents a fair and reasonable estimate of Company's foreseeable losses as a result of such termination, and which are not in any way intended to be a penalty, in an amount equal to the product of (i) the number of months of the unexpired portion of the term under this Agreement (as set forth in Section 2 above), multiplied by (ii) the Shop's average monthly royalty fees (including Yield Based Royalties and Non-Yield Based Royalties) and Advertising Obligation contributions and expenditures required under this Agreement during the 36-month period (or any shorter period provided for below) immediately preceding the earlier of the date of termination or abandonment of the Shop (regardless of whether that period includes operational history for the Shop when it was owned by a different ownership group); provided, however, if prior to the termination or abandonment of the Shop, Franchisee was not maintaining operating hours for the Shop in accordance with minimum hours of each day as specified in the Manuals, the 24-month period (or any shorter period provided for below) used in the calculations in this Section shall be the 24-month period (or any shorter period provided for below) immediately preceding the last date on which Franchisee was maintaining operating hours for the Shop in accordance with minimum hours of each day as specified in the Manuals (subject to any periods Seasonal shops are permitted to close). Because the calculations described in this Section use a monthly average (regardless of the Shop's Designated Operating Period), if the Shop is Seasonal and closes at the conclusion of a season and fails to reopen for the following season, the termination or abandonment

date shall be the date the Shop closed in the last season the Shop operated. Notwithstanding anything to the contrary in this Section, in the event that the Shop has not been operating for 24 months, the average monthly amount of royalty fees (including Yield Based Royalties and Non-Yield Based Royalties) and Advertising Obligation contributions and expenditures shall be based on the actual months in which the Shop has been open instead of a 24-month period. For purposes of this Section, Shop includes all operations of the franchised business including all activities (e.g. operation of satellites and mobile units) conducted under any addenda and/or amendments to this Agreement. The liquidated damages amount due under this Section shall be reduced to net present value as calculated when due. Franchisee acknowledges and agrees that Franchisee is obligated to pay Company for Company's lost profits (as estimated by this Section) due to Franchisee's breach of this Agreement, notwithstanding that Company may have terminated this Agreement. Further, Franchisee acknowledges that its obligation to pay Company liquidated damages is in addition to, not in lieu of, Franchisee's obligations to pay other amounts due to Company under this Agreement or other damages caused by Franchisee's breach of this Agreement and to strictly comply with any other post-termination obligations required hereunder. Should any valid, applicable law or regulation of a competent governmental authority having jurisdiction over this Agreement limit Franchisee's ability to pay, and Company's ability to receive, such liquidated damages, Franchisee shall be liable to Company for any and all damages incurred by Company, as a result of Franchisee's breach of this Agreement.

16.2 Franchisee shall immediately cease to operate the Shop, and shall not thereafter, directly or indirectly, represent to the public or hold itself out as a present or former franchisee of Company in connection with the promotion or operation of any other business. Franchisee shall take any other action requested by Company related to ceasing operations of the Shop under this Section 16.2.

16.3 Franchisee shall immediately and permanently cease to use, in any manner whatsoever, any confidential methods, procedures, and techniques associated with the System; and the Proprietary Mark "RITA'S" and all other Proprietary Marks and distinctive forms, slogans, signs, symbols, and devices associated with the System. In particular, Franchisee shall cease to use (i) all exterior signage (including, but not limited to, building signs, shopping center signs, awnings, menu boards, pylon signs, monument signs, and pole signs), all interior signage posters, logos and graphics (including, but not limited to, interior graphics on all storefront windows, equipment and fixtures), marketing materials, displays, stationery, email addresses, forms, Products, and any other articles which incorporate or display the Proprietary Marks, and (ii) all Rita's Products. Franchisee shall (a) turn over control (by providing Company username(s) and password(s), as necessary) of any Social Media pages and/or accounts related to the Shop and/or franchised business, and/or (b) take any necessary steps to remove and deactivate the Shop from all third-party delivery vendors used by Franchisee. Franchisee shall take any other action requested by Company related to de-identifying the Shop under this Section 16.3.

16.4 Franchisee shall take such action as may be necessary to cancel any assumed name registration or equivalent registration obtained by Franchisee which contains the mark "RITA'S" or any other Proprietary Marks, and Franchisee shall furnish Company with evidence satisfactory to Company of compliance with this obligation within 5 days after termination or expiration of this Agreement.

16.5 Franchisee shall, at the option of Company, assign to Company (or Company's designee) any interest which Franchisee has in any lease or sublease for the Premises. In the event Company does not elect to exercise its option to acquire the lease or sublease for the Premises, Franchisee shall make such modifications or alterations to the Premises (including the changing of, and the assigning to Company of, the telephone number) immediately upon termination or expiration of this Agreement as may be necessary to distinguish the appearance of the Premises from that of a Rita's Shop under the System, and shall make such specific additional changes thereto as Company may require for that purpose. In the event Franchisee fails or refuses to comply with the requirements of this Section 16.5, Company shall have the right to enter upon the Premises, without being guilty of trespass or any other tort, for the purpose of making or causing to be made such changes as may be required, at the expense of Franchisee, which expense Franchisee agrees to pay upon demand. Additionally, if Company does not elect to exercise the option to acquire the lease/sublease, Franchisee shall comply with Section 17.4.2 below regarding a Competitive Business, as defined in Section 17.2 of this Agreement.

16.6 Franchisee agrees, in the event that it continues to operate or subsequently begins to operate any other business, not to use any reproduction, counterfeit, copy, or colorable imitation of the Proprietary Marks, either in connection with such other business or the promotion thereof, which is likely to cause confusion, mistake, or deception, or which is likely to dilute Company's rights in and to the Proprietary Marks. Franchisee further agrees not to utilize any designation of origin, description, or representation (including reference to Company, the System, or the Proprietary Marks) which suggests or represents a present or former association or connection with Company, the System, or the Proprietary Marks. Franchisee acknowledges and agrees that the unauthorized use of the Proprietary Marks, or any reproduction, counterfeit, copy, or colorable imitation of the Proprietary Marks in violation of this Section constitutes a default of this Agreement and will cause irreparable harm to Company. Company will notify Franchisee in the event that Company determines that any of the violations as described in this Section 16.6 have occurred. Company has the exclusive right to determine what is likely to cause confusion, mistake, or deception, what is likely to dilute Company's rights in and to the Proprietary Marks, and what suggests or represents a present or former association or connection with Company, the System, or the Proprietary Marks.

16.7 Franchisee shall promptly pay all sums owing to Company and its affiliates, including Company's reasonable attorneys' fees, and costs in accordance with Section 15.5 above.

16.8 Franchisee shall, at its own expense, immediately deliver to Company the Manuals and all other records, correspondence, and instructions containing confidential information relating to the construction, development, and/or operation of the Shop (and any copies thereof, even if such copies were made in violation of this Agreement), all of which are acknowledged to be Company's property.

16.9 Company may purchase all the proprietary pieces of the Mix/Dispensing Equipment (e.g. doors to batch machines and dashers for batch machines) for $25 and Franchisee shall deliver to Company such proprietary pieces upon termination or expiration of this Agreement and Company's request to purchase such proprietary pieces. Company or its designated affiliate shall have the option, to be exercised within 30 days after termination or expiration, to purchase from Franchisee the Mix/Dispensing Equipment (minus the proprietary pieces of the

Mix/Dispensing Equipment provided for the in the previous sentence) used in, or intended for use in, the operation of the Shop for the fair market value. If the parties cannot agree on a fair market value of the Mix/Dispensing Equipment within a reasonable time, an independent appraisal shall be conducted at Company's expense and the appraiser's determination shall be binding.

16.10 Franchisee shall deliver to Company, without charge, all Operating Assets (except as provided in Section 16.9), signs (including menu board systems) and furnishings which bear the Proprietary Marks and which Company deems to be proprietary to the System. In addition, Company shall have the option, to be exercised within 30 days after termination, to purchase from Franchisee any or all of the non-proprietary Operating Assets, supplies, or inventory (including Product mixes) of Franchisee related to the operation of the Shop, at the lesser of Franchisee's cost or fair market value. The cost for such items shall be determined based upon a 5-year straight-line depreciation of original costs. For any Operating Asset that is 5 or more years old, the parties agree that fair market value shall be deemed to be 8% of the Operating Asset's original cost. If Company elects to exercise any option to purchase herein provided, it shall have the right to set off all amounts due from Franchisee.

16.11 Franchisee (and Owners) shall comply with the covenants contained in Section 17 of this Agreement.

16.12 Franchisee shall take such action as may be required to transfer or assign to Company all sites and Social Media accounts referring to the Shop or any of the Proprietary Marks or, at Company's sole discretion and direction, Franchisee shall cancel or remove from the Internet all sites and Social Media accounts referring to the Shop or any of the Proprietary Marks.

16.13 Franchisee shall immediately irrevocably assign and transfer to Company or its designee any and all interests Franchisee may have in any website maintained by Franchisee in connection with the Shop and in the domain name and home page address related to such website. Franchisee shall immediately execute any documents and perform any other actions required by Company to effectuate such assignment and transfer and otherwise ensure that all rights in such website revert to Company or its designee, and hereby appoints Company as its attorney-in-fact to execute such documents on Franchisee's behalf if Franchisee fails to do so.

17. COVENANTS

17.1 Franchisee covenants that, during the term of this Agreement, except as otherwise approved in writing by Company, Franchisee (or, if Franchisee is an entity, an Owner) or Franchisee's fully-trained manager shall devote full time and best efforts to the management and operation of the Shop. The person who shall devote full time and best efforts to the management and operation of the business shall live within one (1) hour drive from the Shop, be present at the Shop for such minimum hours of each day that Company shall specify in the Manuals and also be directly responsible for (i) marketing the Shop; (ii) customer service and customer relations; (iii) complying with the operation standards and the Manuals; and (iv) management of the staff. Franchisee acknowledges and agrees that the success of the Shop and the System is dependent upon the marketing, solicitation, and sale of the Menu Items under the System. To that end, Franchisee shall use best efforts to: (1) maximize the sale of the Menu Items in the Territory; (2) promote the Shop; and (3) implement recommendations from Company.

17.2 Franchisee specifically acknowledges that, pursuant to this Agreement, Franchisee will receive valuable specialized training and confidential information, including, information regarding the operational, sales, promotional, and marketing methods and techniques of Company and the System. A "**Competitive Business**" means any business with 10% or more of its actual or intended Gross Sales in any month from Italian ice, custard, ice cream, sorbet, frozen yogurt and/or other frozen dessert items.

17.3 Franchisee covenants that during the term of this Agreement, except as otherwise approved in writing by Company, Franchisee shall not, either directly or indirectly, for itself, or through, on behalf of, or in conjunction with any person, persons, partnership, corporation, or entity:

17.3.1 Divert or attempt to divert any present or prospective business or customer of any Shop to any competitor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with Company (or any of its affiliates), the Products, the Proprietary Marks, or the System;

17.3.2 Employ or seek to employ any person who is at that time employed by Company, or otherwise encourage such person to leave his or her employment;

17.3.3 Own, maintain, operate, engage in, be employed by, provide any assistance to, or have any interest in (as owner or otherwise) any Competitive Business; provided, however, this provision shall not apply to the operation by Franchisee of any business under the System with another franchise agreement with Company. Furthermore, Franchisee acknowledges and agrees that Franchisee shall be considered in default under this Agreement and that this Agreement will be subject to termination as provided in Section 15 herein, in the event that a person in the immediate family (including spouse, domestic partner, parent or child) of Franchisee (or, if Franchisee is an entity, the immediate family of each Owner that is subject to these covenants) engages in a Competitive Business that would violate this Section 17.3.3 if such person was subject to the covenants of this Section 17;

17.3.4 Oppose government approval for the development of another Rita's Shop; or

17.3.5 Perform any act injurious or prejudicial to the goodwill of any other Rita's Shop or the Proprietary Marks.

17.4 Franchisee covenants that, except as otherwise approved in writing by Company, for a continuous uninterrupted period of 2 years commencing upon the date of: (a) a transfer permitted under Section 14 of this Agreement; (b) expiration of this Agreement; (c) termination of this Agreement (regardless of the cause for termination); (d) a final order of a duly authorized arbitrator, panel of arbitrators, or a court of competent jurisdiction (after all appeals have been taken) with respect to any of the foregoing or with respect to enforcement of this Section 17.4; or (e) any or all of the foregoing:

17.4.1 Franchisee shall not either directly or indirectly, for itself, or through, on behalf of, or in conjunction with any person or legal entity, own, maintain, operate, engage in, be employed by, provide assistance to, or have any interest in (as owner

or otherwise) any Competitive Business that is, or is intended to be, located at or within a five-mile radius of the Territory (including the Premises and the Accepted Location) or a three-mile radius of any Rita's Shop under the System; provided, however, that this provision shall not apply to the operation by Franchisee of any business under the System under a franchise agreement with Company; or

17.4.2 Franchisee shall not sublease, assign, or sell Franchisee's interest in any lease, sublease, or ownership of the Premises or assets of the Shop to a third party for the operation of a Competitive Business, or otherwise arrange or assist in arranging for the operation by a third party of a Competitive Business.

17.5 Sections 17.3.3 and 17.4 shall not apply to ownership by Franchisee of a less than 1% beneficial interest in the outstanding equity securities of any corporation which has securities registered under the Securities Exchange Act of 1934. The parties intend to be bound by Sections 17.3.3 and 17.4. Should there be a change in the law which would render Sections 17.3.3 or 17.4 inoperative, then the parties authorize any judge to make any and all changes to ensure that the restraints for both time and geography are within the scope of the law.

17.6 The parties agree that each of the foregoing covenants shall be construed as independent of any other covenant or provision of this Agreement. Section 17.3 and Section 17.4 shall be independent covenants. If all or any portion of a covenant in this Section 17 is held unreasonable or unenforceable by a court or agency having valid jurisdiction in an unappealed final decision to which Company is a party, Franchisee expressly agrees to be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenant were separately stated in and made a part of this Section 17. Franchisee understands and acknowledges that Company shall have the right to reduce the scope of any obligation imposed on Franchisee by Sections 17.3 and 17.4, and that such modified provision shall be effective upon Franchisee's receipt of written notice thereof.

17.7 Franchisee expressly agrees that the existence of any claims it may have against Company, whether or not arising from this Agreement, shall not constitute a defense to the enforcement by Company of the covenants in this Section 17; provided, however, any claims Franchisee may have against Company may be brought in a separate proceeding. Franchisee agrees to pay all costs and expenses (including reasonable attorneys' fees) incurred by Company in connection with the enforcement of this Section 17.

17.8 At the request of Company, Franchisee shall obtain and furnish to Company executed covenants similar in substance to those set forth in this Section 17 (including covenants applicable upon the termination of a person's relationship with Franchisee) and the provisions of Sections 10 and 16 of this Agreement (as modified to apply to an individual) from any or all of the following persons (including Owners): (a) all managers of Franchisee and any other personnel employed by Franchisee who have received or will receive training from Company; (b) all officers, directors, and holders of a beneficial interest of 1% or more of the securities of Franchisee, and of any corporation or limited liability company directly or indirectly controlling, controlled by, or under common control with, Franchisee, if Franchisee is a corporation; and (c) the general partners and any limited partners (including any corporation or limited liability company, and the officers, directors, and holders of a beneficial interest of 1% or more of the securities of any corporation or

limited liability company which controls, directly or indirectly, any general or limited partner), if Franchisee is a partnership. Every covenant required by this Section 17.8 shall be in a form approved by Company, including specific identification of Company as a third-party beneficiary of such covenants with the independent right to enforce them.

17.9 Franchisee agrees to comply with and/or to assist Company to the fullest extent possible in Company's efforts to comply with Anti-Terrorism Laws (as defined below). In connection with such compliance, Franchisee certifies, represents, and warrants that none of Franchisee's property or interests are subject to being "blocked" under any of the Anti-Terrorism Laws, and that Franchisee is not otherwise in violation of any of the Anti-Terrorism Laws. "**Anti-Terrorism Laws**" means Executive Order 13224 issued by the President of the United States, the USA PATRIOT Act, and all other present and future U.S. federal, state and local laws, ordinances, regulations, policies, lists and any other requirements of any governmental authority addressing or in any way relating to terrorist acts and acts of war. Any violation of the Anti-Terrorism Laws by Franchisee, Franchisee's employees, or any "blocking" of Franchisee's assets under the Anti-Terrorism Laws shall constitute grounds for immediate termination of this Agreement and any other agreement Franchisee or owners of Franchisee has entered with Company or its affiliates in accordance with the termination provisions of this Agreement.

18. CORPORATE, LIMITED LIABILITY COMPANY, OR PARTNERSHIP FRANCHISEE

18.1 Company may require Franchisee to be an entity and, if Franchisee is an entity or required to be an entity, (i) each shareholder, member or partner of Franchisee shall be deemed Owners and shall execute the guarantee provision of this Agreement (along with their spouses); and (ii) each Owner, and the interest of such person in Franchisee, shall be identified in Exhibit B hereto. Franchisee shall immediately furnish Company with an update to the information contained in Exhibit B upon any change, provided that nothing in this Section 18.1 shall waive or otherwise limit the terms of Section 14 regarding transfers. Additionally, Franchisee shall identify in Exhibit B, an Owner, who is acceptable to Company, to serve as Franchisee's "**Designated Owner**." The Designated Owner is, and at all times during the term of this Agreement shall be, an Owner of at least 20% of the capital stock of Franchisee (on a fully diluted basis). The Designated Owner must (a) devote his or her full time and best efforts to the management of the operations of the Shop, (b) live within a one-hour drive to the Shop, and (c) have the responsibility and decision-making authority regarding the Shop's operation and Franchisee's business. Franchisee may not enter into a management arrangement/agreement delegating the responsibilities of the Designated Owner who will be Company's primary contact related to the Shop, franchised business and this Agreement. Franchisee acknowledges and agrees that Company shall have the right to rely upon the Designated Owner for such purposes. Additionally, Franchisee shall not remove or replace the Designated Owner identified in Exhibit B without Company's prior written approval. There must be one individual Owner that has a majority controlling ownership interest in the Franchisee and/or this Agreement.

18.2 If Franchisee (or any successor to or assignee of Franchisee) is a corporation or limited liability company, Franchisee shall comply with the following requirements:

18.2.1 Franchisee shall be newly organized, and its charter shall at all times provide that its activities are confined exclusively to operating the Shop;

18.2.2 Copies of Franchisee's Articles of Incorporation, Bylaws, articles of organization, operating agreement and/or other governing documents, and any amendments thereto, including the resolution of the Board of Directors or members authorizing entry into this Agreement, shall be promptly furnished to Company, upon request of Company;

18.2.3 Franchisee shall maintain stop-transfer instructions against the transfer on its records of any equity securities; and each stock certificate or issued securities of Franchisee shall have conspicuously endorsed upon its face a statement in a form satisfactory to Company that it is held subject to, and that further assignment or transfer thereof is subject to, all restrictions imposed upon assignments by this Agreement; provided, however, that the requirements of this Section 18.2.3 shall not apply to a publicly-held corporation; and

18.2.4 Franchisee shall submit to Company, for prior written approval, any corporate or other legal name that Franchisee proposes to use.

18.3 If Franchisee (or any successor to or assignee of Franchisee) is a partnership, it shall comply with the following requirements:

18.3.1 Franchisee shall furnish Company with a copy of its partnership agreement as well as such other documents as Company may reasonably request, and any amendments thereto; and

18.3.2 Franchisee shall submit to Company, for prior written approval, any name of the partnership or other legal name that Franchisee proposes to use.

19. TAXES, PERMITS, AND INDEBTEDNESS

19.1 Franchisee shall promptly pay when due (i) all taxes levied or assessed, including unemployment and sales taxes, and (ii) in accordance with normal business practices, all accounts and other indebtedness of every kind incurred by Franchisee in the construction, development, and/or operation of the Shop. Franchisee shall pay to Company an amount equal to any sales tax, gross receipts tax, or similar tax (other than income tax) imposed on Company with respect to any payments to Company required under this Agreement, unless the tax is credited against income tax otherwise payable by Company. Franchisee must also pay Company an amount equal to a pro rata share of any state income tax imposed on Company by the state in which the Shop is located (allocated among all franchisees under the System in such State) or similar tax imposed on Company with respect to any payments to Company under this Agreement.

19.2 In the event of any bona fide dispute as to Franchisee's liability for taxes assessed or other indebtedness, Franchisee may contest the validity or the amount of the tax or indebtedness in accordance with procedures of the taxing authority or applicable law, but in no event shall Franchisee permit a tax sale or seizure by levy or execution or similar writ or warrant, or attachment by a creditor, to occur against the Premises of the Shop, or any improvements thereon.

19.3 Franchisee shall comply with all federal, state, and local laws, rules, and regulations, and shall timely obtain any and all permits, certificates, or licenses necessary for the full and proper conduct of the Shop, including licenses and permits to do business, fictitious name registrations, sales tax permits and fire clearances.

19.4 Franchisee shall immediately notify Company in writing of the commencement of any action, suit, or proceeding, and of the issuance of any order, writ, injunction, award, or decree of any court, agency, or other governmental instrumentality, which may adversely affect the operation or financial condition of the Shop.

20. INDEPENDENT CONTRACTOR AND INDEMNIFICATION

20.1 Franchisee is an independent contractor. Company and Franchisee are completely separate entities and are not fiduciaries, partners, joint venturers, or agents of the other in any sense and neither shall have the power to bind the other. No act or assistance given by either party to the other pursuant to this Agreement shall be construed to alter the relationship. Franchisee shall be solely responsible for compliance with all federal, state, and local laws, rules and regulations, and for Franchisee's policies, practices, and decisions relating to the operation of the Shop and its business.

20.2 During the term of this Agreement, Franchisee shall hold itself out to the public as an independent contractor operating the Shop pursuant to a franchise agreement from Company. Franchisee agrees to take such action as may be necessary to do so, including exhibiting a notice of that fact in a conspicuous place at the Premises, the content of which Company reserves the right to specify. Company will not exercise direct or indirect control over the working conditions of the Shop personnel except to the extent such indirect control is related to Company's legitimate interest in protecting the quality of Products, service, or the Proprietary Marks. Company does not share or co-determine the terms and conditions of employment of Franchisee's employees or affect matters relating to the employment relationship between Franchisee and its employees, such as employee selection, promotion, termination, hours worked, rates of pay, other benefits, work assigned, discipline, adjustment of grievances and complaints, and working conditions. Furthermore, Company is not the employer of Franchisee as the parties acknowledge and agree there is no employee/employer relationship. To that end, Franchisee agrees to identify itself conspicuously in all dealings with personnel as the employer of such personnel and that Company as the franchisor, is not their employer and does not engage in any employer-type activities for which only franchisees are responsible, such as employee selection, promotion, termination, hours worked, rates of pay, other benefits, work assigned, discipline, adjustment of grievances and complaints, and working conditions.

20.3 Nothing in this Agreement authorizes Franchisee to make any contract, agreement, warranty, or representation on behalf of Company, or to incur any debt or other obligation in the name of Company; and Company shall in no event assume liability for, or be deemed liable hereunder as a result of, any such action; nor shall Company be liable by reason of any act or omission of Franchisee in its construction, development, and/or operation of the Shop or for any claim or judgment arising therefrom against Franchisee or Company. Franchisee hereby waives all claims against Company for damages to property or injuries to persons arising out of the construction, development, and/or operation of Franchisee's business. Franchisee shall indemnify

and hold Company and its affiliates, and their respective officers, directors, and employees (the "**Indemnitees**") harmless against any and all causes of action, claims, losses, costs, expenses, liabilities, litigation, damages or other expenses (including settlement costs and attorneys' fees) arising directly or indirectly from, as a result of, or in connection with the construction, development, and/or operation of the Shop and/or Franchisee's conduct under this Agreement, including those alleged to be caused by the Indemnitees' negligence. Franchisee agrees that with respect to any threatened or actual litigation, proceeding or dispute which could directly or indirectly affect any of the Indemnitees, the Indemnitees shall have the right, but not the obligation, to: (i) choose counsel, (ii) direct, manage and/or control the handling of the matter; and (iii) settle on behalf of the Indemnitees, and/or Franchisee, any claim against the Indemnitees at their sole option. All vouchers, canceled checks, receipts, receipted bills or other evidence of payments for any such losses, liabilities, costs, damages, charges, or expenses of whatsoever nature incurred by any Indemnitee shall be taken as prima facie evidence of Franchisee's obligation hereunder.

21. APPROVALS AND WAIVERS

21.1 Whenever this Agreement requires Company's prior authorization, approval or consent, Franchisee shall make a timely written request to Company therefor, and such approval or consent must be obtained in writing. Failure by Company to provide approval or consent in writing shall constitute a denial of the same.

21.2 Company makes no warranties or guarantees upon which Franchisee may rely upon, and assumes no liability or obligation to Franchisee, by providing any waiver, approval, consent, or suggestion to Franchisee in connection with this Agreement, or by reason of any neglect, delay, or denial of any request therefor.

21.3 No failure of Company to exercise any power reserved to it by this Agreement, or to insist upon strict compliance by Franchisee with any obligation or condition hereunder, and no custom or practice of the parties at variance with the terms hereof, including any practice or action of Company in its dealing with any other party, shall constitute a waiver of Company's right to demand exact compliance with any of the terms hereof. Waiver by Company of any particular default of Franchisee shall not affect or impair Company's rights with respect to any subsequent default of the same, similar, or different nature; nor shall any delay, forbearance, or omission of Company to exercise any power or right arising out of any breach or default by Franchisee of any of the terms, provisions, or covenants hereof, affect or impair Company's right to exercise the same, nor shall such constitute a waiver by Company of any right hereunder, or the right to declare any subsequent breach or default and to terminate this Agreement prior to the expiration of its term. Subsequent acceptance by Company of any contributions or payments due to it hereunder shall not be deemed to be a waiver by Company of any preceding breach by Franchisee of any terms, covenants or conditions of this Agreement.

21.4 Company shall have the right to operate, develop and change the System in any manner that is not specifically precluded by this Agreement. Whenever Company reserves or is deemed to have reserved a right, option, or discretion in a particular area or where Company agrees or is deemed to be required to exercise its rights reasonably or in good faith, Company will satisfy its obligations whenever it exercises reasonable business judgment in making its decision or exercising its rights. A decision or action by Company will be deemed to be the result of reasonable

business judgment, even if other reasonable or even arguably preferable alternatives are available, if Company intended, in whole or significant part, to promote or benefit the System generally even if the decision or action also promotes a financial or other interest of Company's and/or is adverse to Franchisee's interests. Examples of items that will promote or benefit the System include enhancing the value of the Proprietary Marks, improving customer service and satisfaction, improving product quality, improving uniformity, enhancing, or encouraging modernization and improving the competitive position of the System. Company's reasonable business judgment shall not be subject to any limitation or review and neither Franchisee nor any third party (including a trier of fact), shall substitute its judgment for Company's reasonable business judgment. If applicable law implies a covenant of good faith and fair dealing in this Agreement, Company and Franchisee agree that such covenant shall not imply any rights or obligations that are inconsistent with a fair construction of the terms of this Agreement and that this Agreement grants Company the right to make decisions, take actions and/or refrain from taking actions not inconsistent with Franchisee's rights and obligations hereunder. Franchisee acknowledges and agrees that Company is not liable for the unsatisfactory performance of any supplier, vendor or contractor retained or used by Franchisee, even if such supplier, vendor or contractor was designated or approved by Company.

22. WARRANTIES OF FRANCHISEE

22.1 Company entered into this Agreement in reliance upon the statements and information submitted to Company by Franchisee in connection with this Agreement. Franchisee represents and warrants that all such statements and information submitted by Franchisee in connection with this Agreement are true, correct, and complete in all material respects. Franchisee agrees to promptly advise Company of any material changes in the information or statements submitted.

22.2 Franchisee represents and warrants to Company that neither Franchisee (including any and all of its employees, directors, officers, and other representatives) nor any of its affiliates or the funding sources for either, is a person or entity designated with whom Company, or any of its affiliates, are prohibited by law from transacting business.

23. NOTICES

Any and all notices required or permitted under this Agreement shall be in writing and shall be personally served, mailed by certified mail, return receipt requested, or dispatched by overnight delivery envelope, to the respective parties at the following addresses, unless and until a different address has been designated by written notice to the other party:

Notices to Company: Rita's Franchise Company, LLC
1210 Northbrook Drive, Suite 310
Trevose, PA 19053
Attn: Legal Department

Notices to Franchisee: _____
_____
_____

Notices shall be deemed to have been received as follows: by personal service – at the time of service; by overnight delivery service – on the next business day following the date on which the Notice was given to the overnight delivery service; and certified mail – 3 days after the date of mailing.

24. ENTIRE AGREEMENT

24.1 This Agreement, the attachments hereto, and the documents referred to herein constitute the entire Agreement between Company and Franchisee concerning the subject matter hereof and supersedes any prior agreements, and no other representations have induced Franchisee to execute this Agreement. Except for those permitted to be made unilaterally by Company hereunder, no amendment, change, or variance from this Agreement shall be binding on either party unless mutually agreed to by the parties and executed by their authorized officers or agents in writing. Any amendment, addendum, rider, or modification to this Agreement shall be deemed a part of this Agreement and a default under such document shall also be a default under this Agreement.

24.2 Notwithstanding the foregoing, nothing in this Agreement shall disclaim or require Franchisee to waive reliance on any representation that Company made in the most recent disclosure document (including its exhibits and amendments) that Company delivered to Franchisee or its representative, subject to any agreed-upon changes to the contract terms and conditions described in that disclosure document and reflected in this Agreement (including any riders or addenda signed at the same time as this Agreement).

25. SEVERABILITY AND CONSTRUCTION

25.1 If, for any reason, any section, part, term, provision, and/or covenant herein is determined to be invalid and contrary to, or in conflict with, any existing or future law or regulation by a court or agency having valid jurisdiction, such determination shall not impair the operation of, or have any other effect upon, such other portions, sections, parts, terms, provisions, and/or covenants of this Agreement as may remain otherwise intelligible; and the latter shall continue to be given full force and effect and bind the parties hereto; and said invalid portions, sections, parts, terms, provisions, and/or covenants shall be deemed not to be a part of this Agreement.

25.2 Any provision or covenant in this Agreement which expressly or by its nature imposes obligations beyond the expiration, termination, transfer, or assignment of this Agreement (regardless of cause for termination, transfer, or assignment), shall survive such expiration, termination, transfer or assignment, including Sections 10, 16, 17, 20.3 and 26.

25.3 Except as expressly provided to the contrary herein, nothing in this Agreement is intended, nor shall be deemed, to confer upon any person or legal entity other than Franchisee, Company, officers, directors, shareholders, agents, and employees of Company and such successors and assigns of Company as may be contemplated by Section 14 hereof, any rights or remedies under or by reason of this Agreement.

25.4 Franchisee expressly agrees to be bound by any promise or covenant imposing the maximum duty permitted by law which is subsumed within the terms of any provision hereof, as though it were separately articulated in and made a part of this Agreement, that may result from striking from any of the provisions hereof any portion or portions which a court or agency having valid jurisdiction may hold to be unreasonable and unenforceable in an unappealed final decision to which Company is a party, or from reducing the scope of any promise or covenant to the extent required to comply with such a court or agency order.

25.5 All captions in this Agreement are intended solely for the convenience of the parties, and no caption shall be deemed to affect the meaning or construction of any provision hereof. As used in this Agreement, the term "Franchisee" shall be deemed to include not only the individual or entity defined as "Franchisee" in the introductory paragraph of this Agreement but also all partners of the entity that executes this Agreement, in the event said entity is a partnership, and all shareholders, members, officers and directors of the entity that executes this Agreement, in the event said entity is a corporation or limited liability company. All partners, shareholders, members, officers, and directors of the entity that sign this Agreement as Franchisee (i) shall be deemed Owners, and (ii) acknowledge and accept the duties and obligations imposed upon each of them, individually, by the terms of this Agreement. All partners of the entity that executes this Agreement, in the event said entity is a partnership, and all shareholders, members, officers and directors of the entity that executes this Agreement, in the event said entity is a corporation or limited liability company, shall execute the guarantee provision of this Agreement which is a part hereof. Reference to a "controlling" interest in an entity shall mean more than 50% of the equity or voting control of such entity. The word "including" shall be construed to include the words "but not limited to."

26. APPLICABLE LAW

26.1 This Agreement takes effect upon its acceptance and execution by Company, and shall be interpreted and construed exclusively under the laws of the Commonwealth of Pennsylvania, which laws shall prevail in the event of any conflict of law (without regard to, and without giving effect to, the application of the choice-of-law rules of such state); provided, however, that if any provision of this Agreement, including the covenants in Section 17 of this Agreement, would not be enforceable under the laws of the Commonwealth of Pennsylvania and the Shop is located outside of the Commonwealth of Pennsylvania, then that provision shall be interpreted and construed under the laws of the state in which the Shop is located. Nothing in this Section 26 is intended by the parties to subject this Agreement to any franchise or similar law, rule, or regulation to which this Agreement would not otherwise be subject.

26.2 Except as otherwise provided in this Agreement, any claim or controversy arising out of or related to this Agreement (including claims of fraud in the inducement, claims related to the applicability or validity of this Section 26, and/or any claim that this Agreement or any of its provisions is invalid, illegal, or otherwise voidable or void), the relationship between Company and Franchisee, or Franchisee's operation of the Shop shall be subject to the alternative dispute resolution process ("**ADR Process**"). The ADR Process shall not be required by either Company or Franchisee with respect to (a) any claim or dispute involving actual or threatened disclosure or misuse of the confidential information of Company, (b) any claim or dispute involving the ownership, validity, or use of the Proprietary Marks, (c) any claim or dispute involving the

insurance or indemnification provisions of this Agreement or (d) any action to enforce the covenants set forth in Section 17 of this Agreement.

26.3 The ADR Process under this Section 26 is not intended to alter or suspend the rights or obligations of the parties under this Agreement or to determine the validity or effect of any provision of this Agreement, but is intended to furnish the parties an opportunity to resolve disputes amicably, expeditiously and in a cost-effective manner on mutually acceptable terms.

26.3.1 The ADR Process provided for hereunder shall be commenced by a party wishing to resolve a dispute ("**Complainant**"). Complainant shall initiate negotiation proceedings by sending a certified or registered letter to the party with whom dispute resolution is sought ("**Respondent**") setting forth the particulars of the dispute, the term(s) of this Agreement (if any) that are involved, and a proposed resolution of the dispute. Except as required to be disclosed under applicable law, all aspects of the ADR Process shall be treated as confidential, shall not be disclosed to others, and shall not be offered or admissible in any other proceeding or legal action whatsoever.

26.3.2 Respondent must respond within 30 days of receipt of a letter from Complainant with a written explanation and response to the proposed resolution.

26.3.3 If the dispute is not resolved through correspondence, then Complainant and Respondent shall meet at a place determined by Company on at least one occasion within 60 days of receipt of the initial letter in an attempt to resolve the dispute.

26.3.4 If Complainant and Respondent are unable to resolve the dispute within 60 days of receipt of the initial letter (or within such extended period of time as Complainant and Respondent shall agree upon in writing), either Complainant or Respondent may submit the dispute to arbitration in accordance with this Section 26. Except as set forth in Section 26.2 above, disputes and claims relating to this Agreement (including claims of fraud in the inducement and/or any claim that this Agreement or any of its provisions are invalid, illegal or otherwise void or voidable), the rights and obligations of the parties hereto, or any other claims or causes of action relating to the making, interpretation (including claims related to the applicability or validity of this Section 26), or performance of either party under this Agreement, will be submitted to arbitration at the office of the AAA closest to Company's principal place of business at the time the arbitration is initiated in accordance with the Federal Arbitration Act and the Commercial Arbitration Rules of the AAA ("**AAA Rules**"). All proceedings will be conducted at a suitable location chosen by the arbitrator that is within 40 miles of the Company's current principal place of business. Any disputes to be resolved by arbitration shall be governed by the Federal Arbitration Act, as amended. Any dispute arising out of or in connection with this arbitration provision (including any question regarding its existence, validity, scope, or termination) shall be referred to and finally resolved by arbitration. The following shall supplement the AAA Rules and, in the event of a conflict, shall govern any dispute submitted to arbitration:

(i) Within 30 days of the later of Complainant filing the arbitration demand with the office of the AAA and Complainant sending a copy of the arbitration demand to Respondent ("**Answer Due Date**"), Respondent shall deliver to Complainant its answer and any

counterclaim(s), setting out the nature of such counterclaims(s) and the relief requested. A counterclaim shall mean any claim(s) arising out of the transaction or occurrence that is the subject matter of Complainant's claim that, at the time of the Answer Due Date, Respondent has against Complainant. Any counterclaim(s) not included in the answer shall be considered waived. The parties agree that the arbitrator may tender an interim ruling, including injunctive relief, and all claims of any type by either party, including counterclaims and defenses, are included in the jurisdiction of arbitration. The parties shall select one arbitrator from the panel provided by the AAA. In selecting the arbitrator from the list provided by the AAA, Complainant and Respondent shall make the selection by the striking method. The parties further consent to the jurisdiction of any appropriate court to enforce the provisions of this Section and/or to confirm any award rendered by the arbitrator.

(ii) The arbitrator shall use the laws of Pennsylvania for interpretation of this Agreement. Each party shall bear its share of the costs and fees of the arbitration in accordance with the AAA Rules. Should a party fail to pay its portion of the arbitration fees in accordance with the AAA Rules, such failure to pay shall be grounds for dismissal of the non-paying party's claims. The arbitrator shall apply the Federal Rules of Evidence at the hearings. The arbitrator's award shall include interest from the date of any damages incurred, and from the date of the award until paid in full, at a rate to be fixed by the arbitrator, but in no event less than 1.5% per month, or part of a month, from the date until paid. The prevailing party shall be entitled to recover from the non-prevailing party all costs of arbitration, including, without limitation, the arbitrator's fee, attorneys' fees, interest, and costs of investigation. The arbitration hearings shall be completed within 150 days of the filing of the arbitration demand.

(iii) The arbitrator shall have no authority to amend or modify the terms of this Agreement. The parties further agree that, unless such a limitation is prohibited by applicable law, the arbitrator shall have no authority to award damages precluded by Section 26.7. To the extent permitted by applicable law, no issue of fact or law shall be given preclusive or collateral estoppel effect in any arbitration hereunder, except to the extent such issue may have been determined in another proceeding between the parties. This Agreement to arbitrate shall survive any termination or expiration of this Agreement.

(iv) Any dispute arising out of or in connection with this arbitration provision, including any question regarding its existence, validity, scope, or termination, shall be decided by arbitration.

26.4 Any legal action or proceeding brought by any party against the other in any forum or court, whether federal or state, shall be brought only within the judicial district in which Company has its principal place of business at the time the action or proceeding is initiated. Any such action or proceeding shall be brought in federal court if federal court jurisdiction exists and, if it does not exist, then in state court. The parties agree that this Section 26.4 shall not be construed as preventing either party from removing an action from state to federal court. The parties hereby waive all questions of personal jurisdiction or venue for the purpose of carrying out this provision. Any legal action or proceeding shall be conducted on an individual basis and not as part of a consolidated, common, group, representative, or class action.

26.5 WAIVER OF JURY TRIAL: COMPANY AND FRANCHISEE IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION OR PROCEEDING WITH RESPECT TO ANY CLAIM OR ACTION (INCLUDING ANY COUNTERCLAIMS OR CLAIMS OF FRAUD IN THE INDUCEMENT) WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER OF THEM AGAINST THE OTHER, WHETHER OR NOT THERE ARE OTHER PARTIES IN SUCH ACTION OR PROCEEDING.

26.6 Except for claims arising from (i) Franchisee's non-payment of amounts owed to Company and/or its affiliates, (ii) post-termination obligations under this Agreement, or (iii) any violations of intellectual property rights, any and all claims and actions arising out of or relating to this Agreement, the relationship of Franchisee and Company, Franchisee's or Company's actions in connection with this Agreement or Franchisee's operation of a Shop will be barred unless a judicial or arbitration proceeding is commenced by either party hereto against the other (including actions Franchisee may bring against Company, its affiliates, officers, directors, and employees) within 24 months from the occurrence of the facts giving rise to such claim or action.

26.7 WAIVER OF PUNITIVE AND EXEMPLARY DAMAGES: COMPANY AND FRANCHISEE HEREBY WAIVE TO THE FULLEST EXTENT PERMITTED BY LAW ANY RIGHT TO OR CLAIM OF ANY PUNITIVE OR EXEMPLARY DAMAGES AGAINST THE OTHER AND AGREE THAT IN THE EVENT OF A DISPUTE BETWEEN THEM, EACH SHALL BE LIMITED TO THE RECOVERY OF ANY ACTUAL DAMAGES SUSTAINED BY IT.

26.8 Nothing herein contained shall bar the right of either party to obtain, without invoking the ADR Process, a writ of attachment, a temporary injunction, preliminary injunction and/or other emergency relief available to safeguard and protect Company's or Franchisee's interests (including, but not limited to, those matters set forth in the second sentence of Section 26.2) under the usual equity rules, including the applicable rules for obtaining restraining orders and preliminary injunctions.

26.9 The term "Franchisee" for purposes of this arbitration clause, shall include the shareholders, owners, Guarantor(s) (defined below), principals, members, or partners of Franchisee, or any person or entity claiming by or through any of the foregoing. Franchisee specifically agrees and acknowledges that claims arising out of or relating to this Agreement in any way against or by any person or entity, whether a signatory to this Agreement or not, shall be resolved through arbitration. Franchisee specifically agrees that this Section 26 is entered into without any fraud, duress, or undue influence on the part of Company or any agent, broker, or employee thereof.

27. MISCELLANEOUS

27.1 Franchisee acknowledges that it has conducted an independent investigation of the business of operating a Rita's Shop, and recognizes that the business venture contemplated by this Agreement involves business risks and that its success will be largely dependent upon the ability of Franchisee (or, if Franchisee is a corporation, partnership or limited liability company, the ability of its principals) as (an) independent businessperson(s), his/her active participation in the daily affairs of the business, market conditions, area competition, availability of product, quality of

services provided as well as other factors. Company expressly disclaims the making of, and Franchisee acknowledges that it has not received, any warranty or guarantee, express or implied, as to the potential volume, profits, or success of the business venture contemplated by this Agreement.

27.2 Franchisee acknowledges that it shall have sole and complete responsibility for the choice of the Accepted Location; that Company has not (and shall not be deemed to have, even by Company's acceptance of the site that is the Accepted Location) given any representation, promise, or guarantee of Franchisee's success at the Accepted Location; and that Franchisee shall be solely responsible for its own success at the Accepted Location. Franchisee acknowledges that (i) Franchisee and its owners are solely responsible for funding and/or financing the development, construction and operation of the Shop, (ii) Company does not offer funding or financing for Rita's Shops; and (iii) financing may be impacted by the loan history of previous and current franchisees of the System which is beyond the control of Company. Other than connecting Franchisee with potential lenders, Company has not made any representations, promises, or guarantees regarding funding and/or financing or Franchisee's ability to obtain funding and/or financing.

27.3 Franchisee acknowledges that it received Company's current franchise disclosure document ("**FDD**") at least 14 calendar days prior to the date on which this Agreement was executed. Franchisee further acknowledges that it received a completed copy of this Agreement, and all related agreements attached to the FDD, with any changes to such agreements unilaterally and materially made by Company at least 7 calendar days prior to the date on which this Agreement and all related agreements were executed.

27.4 Franchisee acknowledges that it has read and understood the FDD, this Agreement, and the exhibits to this Agreement, and that Company has accorded Franchisee ample time and opportunity to consult with advisors of Franchisee's own choosing about the potential benefits and risks of entering into this Agreement. Franchisee acknowledges that it has no knowledge of any representations by Company, or anyone purporting to act on Company's behalf, that are contrary to the statements made in the FDD or contrary to the terms of this Agreement.

27.5 Except when another entity guarantees Company's obligations under this Agreement (the "**Guaranteeing Entity**") as may be provided in Company's FDD, Franchisee agrees that no past, present or future director, officer, employee, incorporator, member, partner, stockholder, subsidiary, affiliate, controlling party, entity under common control, ownership or management, supplier, agent, attorney or representative of Company (other than the Guaranteeing Entity, but only to the extent of the terms of the guaranty) will have any liability for (i) any of Company's obligations or liabilities relating to or arising from this Agreement, (ii) any claim against Company based on, in respect of, or by reason of, the relationship between Franchisee and Company, or (iii) any claim against Company based on any alleged unlawful act or omission of Company.

27.6 The following provision applies only to franchisees and franchises that are subject to the state franchise disclosure laws in California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington or Wisconsin:

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

27.7 Franchisee, on behalf of itself and its current and former parents, subsidiaries, affiliates and related entities, and the respective current and former owners, members, shareholders, officers, directors, agents limited liability company members, managers, insurers, attorneys, employees, predecessors, successors and assigns of each, and on behalf of the Owners, hereby (i) forever release, acquit, and discharge Company, its parents, affiliates and related entities, and their current and former predecessors and affiliates, for each of their respective current and former officers, directors, owners, shareholders, employees, agents, representatives and attorneys, and for all of their current and former heirs, executors, administrators, personal representatives, successors, assigns, and all other person(s) acting on their behalf from any and all claims, demands and causes of action, whether known or unknown, of any kind or nature, vested or contingent, at law or in equity, arising prior to or on the Effective Date, and (ii) agrees that none of them will institute any litigation or other legal action or proceeding, at law or in equity, against Company, its parents, affiliates and related entities, and their current and former predecessors and affiliates, each of their respective current and former officers, directors, owners, shareholders, employees, agents, representatives and attorneys, and/or each of their current and former heirs, executors, administrators, personal representatives, successors, assigns, and all other persons(s) acting on their behalf, directly or indirectly, relating to any claim or demand released under this Section 27.7; provided, however, that this release and covenant not to sue shall not apply to any claim that arises under any applicable federal and state franchise laws, except to the extent that such claims may by law be released by this Agreement. Franchisee shall take whatever actions are necessary or appropriate to carry out the terms of this release and covenant not to sue upon Company's request. This Section 27.7 shall survive the expiration or termination of this Agreement.

27.8 This Agreement may be executed and delivered, including by way of electronic signature (PDF formats included) in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The parties agree not to challenge the validity, enforceability, or admissibility of this Agreement's signature process on the grounds that it is in an electronic form (including, but not limited to, via Adobe Sign). By electronically signing this Agreement, the undersigned represents that he/she is authorized to bind himself/herself, and/or the entity for which he/she is signing.

IN WITNESS WHEREOF, the undersigned have executed or caused their duly authorized representatives to execute this Agreement as of the Effective Date.

FRANCHISEE:

COMPANY:
RITA'S FRANCHISE COMPANY, LLC

By:_____
Name:
Title:

By: _____
Name:
Title:

By: _____
Name:
Title:

IF FRANCHISEE IS A CORPORATION, PARTNERSHIP, OR OTHER LEGAL ENTITY, ALL OWNERS MUST EXECUTE THE FOLLOWING:

GUARANTEE PROVISION

As an inducement to Company to enter this Agreement between Company and Franchisee, the undersigned guarantor(s) ("**Guarantor(s)**"), jointly and severally, for the term of this Agreement and any extension, renewal, continuation or successor thereof, and thereafter until all of Franchisee's obligations to Company have been satisfied, do hereby personally, absolutely, and unconditionally guarantee to Company and its successors and assigns that Franchisee shall punctually pay and perform each and every obligation, undertaking, condition, and covenant set forth in (a) this Agreement, (b) any amendments to this Agreement, (c) any renewals, extensions or continuations of the rights under this Agreement and (d) any other agreements, amendments, addenda, extensions or other modifications, whenever executed, relating to this Agreement to which Company and Franchisee are parties (individually or collectively, "**Rita's Agreement(s)**"). Further, Guarantor(s), individually, jointly and severally, hereby agrees to be personally bound by each and every condition and term contained in this Agreement and the Rita's Agreement(s) as though Guarantor(s) had executed an agreement containing the identical terms and conditions of this Agreement (including, but not limited to, confidentiality, non-competition, and dispute resolution provisions) and the Rita's Agreement(s).

Upon demand by Company, Guarantor(s) will immediately make each contribution or payment required of Franchisee under this Agreement and the Rita's Agreement(s). Guarantor(s) waives: (i) all rights to payments and claims for reimbursement or subrogation that Guarantor(s) may have against Franchisee arising as a result of Guarantor(s)'s execution of and performance under this guarantee provision, for the express purpose that no Guarantor(s) will be deemed a "creditor" of Franchisee under any applicable bankruptcy law with respect to Franchisee's obligations to Company; (ii) all rights to require Company to proceed against Franchisee (or any guarantor) for any payment required under this Agreement and the Rita's Agreement(s), proceed against or exhaust any security from Franchisee, take any action to assist any Guarantor(s) in seeking reimbursement or subrogation in connection with this guarantee provision or pursue, enforce or exhaust any remedy, including any legal or equitable relief, against Franchisee; (iii) any benefit of, any right to participate in, any security now or hereafter held by Company; and (iv) acceptance and notice of acceptance by Company of his, her or its undertakings under this guarantee provision, all presentments, demands and notices of demand for payment of any indebtedness or non-performance of any obligations hereby guaranteed, protest, notices of dishonor, notices of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed, and any other notices and legal or equitable defenses to which he, she or it may be entitled. Company will have no present or future duty or obligation to Guarantor(s) under this guarantee provision, and Guarantor(s) waives any right to claim or assert any such duty or obligation, to discover or disclose to Guarantor(s) any information, financial or otherwise, concerning Franchisee, any other guarantor or any collateral securing any obligations of Franchisee to Company. Without affecting the obligations of Guarantor(s) under this guarantee provision, Company may, without notice to the undersigned, extend, modify, supplement, waive strict compliance with or release all or any provisions of this Agreement, the Rita's Agreement(s) or any indebtedness or obligation of Franchisee, or settle, adjust, release or compromise any claims against Franchisee or any other guarantor, make advances for the purpose of performing any

obligations of Franchisee under this Agreement and/or the Rita's Agreement(s), assign this Agreement and/or the Rita's Agreement(s) or the right to receive any sum payable under this Agreement and/or the Rita's Agreement(s), and the undersigned each hereby jointly and severally waive notice of same and agree to be bound by any and all amendments and changes to this Agreement and/or the Rita's Agreement(s). Guarantor(s) expressly acknowledges that the obligations under this guarantee provision survive the expiration or termination of this Agreement and the Rita's Agreement(s).

Guarantor(s) agrees to defend, indemnify, and hold Company harmless against any and all losses, damages, liabilities, costs, and expenses (including reasonable attorneys' fees, reasonable costs of investigation, court costs, and arbitration fees and expenses) ("**Claims**") resulting from, consisting of, or arising out of or in connection with any failure by Franchisee, its officers, directors, agents, or employees to perform any obligation under this Agreement and/or the Rita's Agreement(s), any amendment thereto, or any other agreement executed by Franchisee referred to in this Agreement.

Upon the death of any Guarantor(s), the estate of such individual shall be bound by this guarantee provision, but only for defaults and obligations hereunder existing at the time of death; and the obligations of the other Guarantor(s) will continue in full force and effect. Any and all notices required or permitted under this guarantee provision will be in writing and will be delivered in the manner provided under Section 23 of this Agreement.

Unless specifically stated otherwise, the terms used in this guarantee provision shall have the same meaning as in this Agreement, and shall be interpreted and construed in accordance with Section 26 of this Agreement. This guarantee provision shall be interpreted and construed under the laws of the Commonwealth of Pennsylvania. In the event of any conflict of law, the laws of Pennsylvania shall prevail, without regard to, and without giving effect to, the application of the Commonwealth of Pennsylvania conflict of law rules. If any provision of this guarantee provision would not be enforceable under the laws of the Commonwealth of Pennsylvania and the Shop is located outside of the Commonwealth of Pennsylvania, then that provision shall be interpreted and construed under the laws of the state in which the Shop is located. Nothing in this guarantee provision is intended by the parties to subject this guarantee provision to any franchise or similar law, rule, or regulation of the Commonwealth of Pennsylvania or of any other state to which it would not otherwise be subject.

This guarantee provision may be executed and delivered, including by way of electronic signature (PDF formats included) in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Guarantor(s) agrees not to challenge the validity, enforceability, or admissibility of this guarantee provision's signature process on the grounds that it is in an electronic form (including, but not limited to, via Adobe Sign). By electronically signing this guarantee provision, the undersigned represents that he/she is authorized to bind himself/herself.

(Signatures on the Following Page)

IN WITNESS WHEREOF, each of the undersigned has signed this guarantee provision effective the Effective Date.

GUARANTOR(S):

_____	_____
, individually	**, individually**

Exhibit A
to
Rita's Franchise Company, LLC
Franchise Agreement

DATA SHEET

1. **Principal Place of Business**. Franchisee's principal place of business is located at:

2. **Designated Shop Type**. The Designated Shop Type (see Section 1.1) for the Shop is:

☐ Standard Rita's Shop

☐ Express Rita's Shop

3. **Designated Operating Period**. The Designated Operating Period (see Section 1.1) for the Shop is:

☐ Year Around

☐ Seasonal

4. **Accepted Location**.

If the Accepted Location (see Section 1.2) is known when the Franchise Agreement is signed:

The Accepted Location for the Shop shall be:

If the Accepted Location is unknown when the Franchise Agreement is signed:

The Site Selection Area for the Shop shall be (see Section 1.2):

The parties will execute the Accepted Location Addendum once Company has accepted a site as the Accepted Location proposed by Franchisee for the Shop.

5. **Territory**. The Territory (see Section 1.3) shall be:

6. **Initial Franchise Fee**. The initial franchise fee (see Section 4.1) shall be $35,000.00.

7. **Minimum New Shop Marketing Program Expenditure**. If the Shop is a Standard Rita's Shop, the Minimum New Shop Marketing Program Expenditure is $12,000. If the Shop is an Express Rita's Shop, the Minimum New Shop Marketing Program Expenditure is $10,000. (See Section 12.4)

FRANCHISEE:		**COMPANY:** **RITA'S FRANCHISE COMPANY, LLC**	
Initial: _____	Date:_____	Initial:_____	Date:_____

Exhibit B
to Rita's Franchise Company, LLC Franchise Agreement
LIST OF FRANCHISEE'S OWNERS

All of Franchisee's (i) owners of record and all Owners of any class of voting securities or securities convertible into voting securities; and/or (ii) general and limited partners:

Name of Shareholder/Partner/ Member	Domicile	State of Domicile	Interest (%) (with description)

Franchisee represents and warrants that the ownership information provided above is true and correct as of the Effective Date and that there are no documents, agreements, promises, trust arrangements, or inducements related to Franchisee's ownership that convey, grant or promise any current or future interest or rights (including but not limited to ownership interests, partnership interests, voting rights, future interests, warrants, springing interests, and/or options for an interest) in Franchisee, the Shop, or any assets of the franchised business. Franchisee acknowledges that any change in the ownership information above is subject to Section 14 and Company's prior written consent.

Designated Owner: The following identifies the Designated Owner (as defined in Section 18.1 of the Franchise Agreement):

Name and Title	Domicile	State of Domicile	Interest (%) (with description)

FRANCHISEE:

COMPANY:
RITA'S FRANCHISE COMPANY, LLC

Initial: _____ Date:_____ Initial:_____ Date:_____

Exhibit C
to
Rita's Franchise Company, LLC Franchise Agreement

AUTHORIZATION AGREEMENT FOR DIRECT DEBITS

Name of Person or Legal Entity: _____

Shop Name: _____

Shop Number: _____

I (we) hereby authorize Rita's Franchise Company, LLC ("**Company**") to initiate debit entries to my (our) Checking or Savings account listed below, at the depository institution named below, hereinafter called DEPOSITORY, and to reverse the same to such account in the event of an error. I (we) hereby authorize Company to directly debit the above account for all product purchases, royalties, advertising obligation contributions, assessments, fines, other fees, invoices, or contributions, and any other amounts as they become due, assessed, or imposed under all franchise agreements and other agreements/arrangements (including any amendments thereto) with Company and/or Company's affiliates.

DEPOSITORY INFORMATION:

NAME OF BANK: _____

BRANCH: _____
(Location where you opened the Account)

CITY: _____ STATE: _____ ZIP: _____

ROUTING NUMBER: _____
(If unknown, please contact your financial institution)

ACCOUNT NUMBER: _____
(If unknown, please contact your financial institution)

If you are providing information for a checking account, please include a copy of a <u>voided check</u> so that we can verify that the numbers match your form.

ACCOUNT TYPE (*Please Select One):* ( ) Checking ( ) Savings

NAME(S) ON BANK ACCOUNT: _____

DATE: _____ SIGNED:_____

DATE: _____ SIGNED: _____

Reason for submitting this form:

Please Select One: ( ) New Shop ( ) Transfer Shop ( ) Change of Account Information

Exhibit D
to
Rita's Franchise Company, LLC Franchise Agreement

Accepted Location Addendum to
Rita's Franchise Company, LLC Franchise Agreement

THIS ADDENDUM (this "**Addendum**") made and entered into on _____, 20___ (the "**Addendum Effective Date**") by and between Rita's Franchise Company, LLC a Delaware limited liability company, with its principal place of business at 1210 Northbrook Drive, Suite 310, Trevose, Pennsylvania 19053 ("**Company**"), and _____ ("**Franchisee**").

BACKGROUND:

A. Franchisee and Company have signed a Franchise Agreement dated _____ (the "**Franchise Agreement**") for the development of a Rita's shop and Franchisee and Company wish to amend the Franchise Agreement to document the Accepted Location and Territory for the Shop.

B. All capitalized terms used but not otherwise defined in this Addendum shall have the meaning set forth in the Franchise Agreement.

NOW, THEREFORE, the parties agree as follows:

1. Franchisee has selected, and Company has accepted and authorized, the following location as the Accepted Location (defined in the Franchise Agreement) for the Shop in accordance with Section 1.2 of the Franchise Agreement:

Address of Accepted Location: _____
_____
_____

Franchisee shall develop the Shop at the Accepted Location in accordance with the timeframes in Section 5 of the Franchise Agreement.

2. The following shall be the Territory (defined in the Franchise Agreement) for the Shop located at the Accepted Location as designated in accordance with Section 5.2 of the Franchise Agreement:

Territory: _____
_____
_____

3. This Addendum may be executed and delivered, including by way of electronic signature (PDF formats included) in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The parties agree not to

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challenge the validity, enforceability, or admissibility of this Addendum's signature process on the grounds that it is in an electronic form (including, but not limited to, via Adobe Sign). By electronically signing this Addendum, the undersigned represents that he/she is authorized to bind himself/herself, and/or the entity for which he/she is signing.

IN WITNESS WHEREOF, the undersigned have executed or caused their duly authorized representatives to execute this Addendum as of the Addendum Effective Date.

FRANCHISEE:

_____

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

COMPANY:

RITA'S FRANCHISE COMPANY, LLC

By: _____

Name: _____

Title: _____

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Exhibit E
to
Rita's Franchise Company, LLC Franchise Agreement

LEASE RIDER

THIS RIDER (this "Rider") is made and entered into as of the ___ day of _____, 20___, by and among **RITA'S FRANCHISE COMPANY, LLC**, a Delaware limited liability company ("**Company**"), _____ ("**Franchisee**") and _____ ("**Landlord**"), as an addendum to the lease, as modified, amended, supplemented, renewed and/or extended from time to time as contemplated herein (the "**Lease**") dated as of _____, 20__ for the premises located at _____, in the State/Commonwealth of _____ (the "**Premises**").

WHEREAS, Franchisee has also entered (or will also enter) into a Franchise Agreement (the "**Franchise Agreement**") with Company for the development and operation of a Rita's shop at the Premises, and as a condition to obtaining Company's approval of the Lease, the Lease for the Premises must contain the provisions contained in this Rider.

NOW THEREFORE, in consideration of the mutual covenants and commitments contained herein, the execution and delivery of the Lease, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. The Premises may be used solely for the operation of a Rita's shop. Franchisee, as the tenant under the Lease, shall have the right to display and use the "Rita's" proprietary marks and signs in the manner required by Company.

2. Landlord agrees to deliver to Company a copy of any notice of default or termination of the Lease and all correspondence between Landlord and Franchisee related to any such default at the same time such notice is delivered to Franchisee. Landlord agrees to notify Company in writing of and upon failure of Franchisee to cure any default by Franchisee under the Lease.

3. Any default under the Lease shall also constitute a default under the Franchise Agreement, and any default under the Franchise Agreement shall also constitute a default under the Lease.

4. Franchisee assigns to Company, with Landlord's irrevocable and unconditional consent, all of Franchisee's rights, title and interests to and under the Lease upon any termination or expiration without renewal of the Franchise Agreement, but no such assignment shall be effective unless and until: (a) the Franchise Agreement is terminated or expires without renewal; and (b) Company exercises its option under the Franchise Agreement and this Rider to assume Franchisee's interest under the Lease by notifying Franchisee and Landlord in writing that Company assumes Franchisee's obligations under the Lease. Company's exercise of rights under this Rider shall not be deemed tortious interference of contract because Company is a party to this Rider.

5. Company shall have the right, but not the obligation, to cure any breach of the Lease upon giving written notice of its election to Franchisee and Landlord, and, if so stated in the notice, to also succeed to Franchisee's rights, title and interests thereunder. Such cure period shall be extended for an additional: (a) 15 days in the event of a monetary default and (b) 30 days in the event of a non-monetary

default (or such longer period as may be reasonably necessary provided Company commences a cure within such 30-day period and diligently pursues the cure thereafter), after the expiration of the time in which Franchisee may cure a default pursuant to the terms of the Lease.

6. Franchisee and Landlord agree that they will not modify, amend, supplement, and/or extend, nor (in the case of Franchisee) assign the Lease rights, without Company's prior written consent. Franchisee shall not amend or assign the Lease or renew or extend the terms thereof without the prior written consent of Company.

7. Franchisee and Landlord acknowledge and agree that Company shall have no liability or obligation whatsoever under the Lease unless and until Company gives written notice to Landlord that Company assumes the Lease in accordance with this Rider. The parties also agree that by signing this Rider, Company has not guaranteed Franchisee's obligations to Landlord. Company, along with its successors and assigns, is an intended third-party beneficiary of the provisions of this Rider.

8. If Company assumes the Lease, as provided above, Company may, without Landlord's prior consent, further assign the Lease to another franchisee of Company to operate a Rita's shop at the Premises provided that the proposed franchisee has met all of Company's applicable criteria and requirements and has executed a franchise agreement with Company. Landlord and Franchisee agree to execute such further documentation to confirm Landlord's consent to the assignment permitted under this Rider as Company may reasonably request for that purpose. Upon such assignment to a franchisee of Company, Company shall be released from any further liability under the terms and conditions of the Lease.

9. Landlord and Franchisee acknowledge that Franchisee has agreed under the Franchise Agreement that Company and its employees or agents have the right to enter the Premises for certain purposes. Landlord agrees not to interfere with or prevent such entry by Company, its employees, or agents. Landlord and Franchisee further acknowledge that if the Franchise Agreement expires (without renewal) or is terminated, then Franchisee has an obligation under the Franchise Agreement to take certain steps to properly de-identify the Premises as a Rita's shop (unless Company takes an assignment of the lease, as provided above). Landlord agrees to cooperate fully with Company in enforcing such obligations under the Franchise Agreement against Franchisee, including permitting Company, its employees or agent, to enter the Premises and remove any signs (both interior and exterior), décor and/or any other materials displaying any marks, designs, slogans and/or logos associated with Company. As between Company and Landlord, Company shall bear all costs and expenses of such de-identification activities in the event Company undertakes such work and shall repair any damage to the Premises caused as a result of such entry and de-identification. Franchisee acknowledges that, under the Franchise Agreement, if Franchisee fails to de-identify the Premises, Franchisee has agreed to pay to Company upon demand Company's then-current fee and expenses incurred for de-identifying the Premises.

10. If Landlord is an affiliate or an owner of Franchisee, Landlord and Franchisee agree that if Landlord proposes to sell the Premises, before the sale of the Premises, upon the request of Company the Lease shall be amended to reflect a rental rate and other terms that are the reasonable and customary rental rates and terms prevailing in the community where the Rita's shop is located.

11. Landlord and Franchisee agree that the terms in this Rider shall supersede any terms to the contrary set forth in the Lease and this Lease Rider will be assigned with any assignment of the Lease.

12. Landlord and Franchisee agree that copies of any and all notices required or permitted under this Rider, or under the Lease, shall also be sent to Company at 1210 Northbrook Drive, Suite 310,

Trevose, PA 19053 (attention Legal Department), or to such other address as Company may specify by giving written notice to Landlord.

13. This Rider may be executed and delivered, including by way of electronic signature (PDF formats included) in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The parties agree not to challenge the validity, enforceability, or admissibility of this Rider's signature process on the grounds that it is in an electronic form (including, but not limited to, via Adobe Sign). By electronically signing this Rider, the undersigned represents that he/she/they is/are authorized to bind himself/herself/themselves, and/or the entity for which he/she/they is/are signing.

WITNESS the execution hereof under seal.

LANDLORD:	**FRANCHISEE:**	**COMPANY:** **RITA'S FRANCHISE COMPANY, LLC**
By:	By:	By:
Name:	Name:	Name:
Title:	Title:	Title:

Exhibit F
to
Rita's Franchise Company, LLC Franchise Agreement

ADA CERTIFICATION

RITA'S FRANCHISE COMPANY, LLC ("**Company**") and _____ ("**Franchisee**") are parties to a franchise agreement dated _____ for the operation of a Rita's shop at _____ (the "**Shop**"). In accordance with Section 5.7 of the Franchise Agreement, Franchisee certifies to Company that, to the best of Franchisee's knowledge, the Shop and its adjacent areas comply with all applicable federal, state, and local accessibility laws, statutes, codes, rules, regulations, and standards, including the Americans with Disabilities Act. Franchisee acknowledges that it is an independent contractor and the requirement of this certification by Company does not constitute ownership, control, leasing, or operation of the Shop. Franchisee acknowledges that Company has relied on the information contained in this certification. Furthermore, Franchisee agrees to indemnify Company and the officers, directors, and employees of Company in connection with any and all claims, losses, costs, expenses, liabilities, compliance costs, and damages incurred by the indemnified party(ies) as a result of any matters associated with Franchisee's compliance with the Americans with Disabilities Act, as well as the costs, including attorneys' fees, related to the same.

FRANCHISEE:

By:_____
Name:
Title:

By:_____
Name:
Title:

Exhibit G
to
Rita's Franchise Company, LLC Franchise Agreement

STATE ADDENDA

AMENDMENT TO RITA'S FRANCHISE COMPANY, LLC
FRANCHISE AGREEMENT
REQUIRED BY THE STATE OF CALIFORNIA

The following Addendum modifies and supersedes the attached Rita's Franchise Company, LLC Franchise Agreement (the "**Franchise Agreement**") with respect to the Rita's shops offered or sold to either a resident of the state of California or a non-resident who will be operating a Rita's Shop in the state of California:

1. The following language is added at the end of Section 5.3 of the Franchise Agreement.

Franchisee must execute and cause its landlord to execute Company's then-current form of Lease Rider prior to, or concurrent with, the execution of a lease/sublease for the operation of its Rita's Shop. The current form of Lease Rider is attached as Exhibit E to this Franchise Agreement. Franchisee will be bound by the terms of the Lease Rider.

2. The following language is added to Section 14 of the Franchise Agreement:

Notwithstanding Section 14.3 of this Agreement, only a notice which is written and delivered to Company by business courier or by receipted mail which includes all of the following information required by the California Franchise Relations Act will be accepted for purposes of this Section 14:

i. The proposed transferee's name and address;

ii. A copy of all agreements related to the sale, assignment, or transfer of this Agreement, the assets of the franchised business, or the interest in the franchised business; and

iii. The proposed transferee's application for approval to become the successor franchisee. (The application must include all forms, financial disclosure, and related information generally utilized by Company in reviewing prospective new franchisees, if those forms are readily made available to Franchisee. If the forms are not readily available, Franchisee must request and Company must deliver, the forms to Franchisee.)

As soon as practicable after the receipt of the proposed transferee's application, Company will notify, in writing, Franchisee and the proposed transferee of any additional information or documentation necessary to complete the transfer application.

3. The following language is added to the end of Section 15.3 of the Franchise Agreement:

15.3.7. Notwithstanding any other provisions listed above, for defaults under this Section 15.3, Franchisee will have sixty (60) days from the delivery of such notice within which to cure the default of this Agreement If Franchisee believes it cannot reasonably cure a default while exercising diligent efforts within sixty (60) days, if Franchisee notifies Company of its conclusion within fifteen (15) days after receiving notice of default, and if Company delivers notice to Franchisee that it concurs in Franchisee's conclusion within thirty (30) days from the delivery of the notice of default, then Franchisee will have an additional fifteen (15) days within which to fully cure that default. If all defaults identified in the notice are timely cured, this Agreement will not be terminated absent a subsequent or previously undiscovered default that results in a subsequent notice.

4. Section 16.10 of the Franchise Agreement is deleted and is replaced with the following provisions:

16.10 If at any time Company reasonably believes that Franchisee is in default of any obligation arising under this Agreement, or if Franchisee has failed to comply with any conditions of renewal specified in this Agreement, in addition to any other remedies available under this Agreement or at law or in equity, Company may purchase the assets of Franchisee's business for their depreciated value on the date of the notice.

16.10.1. The date on which the purchase shall occur ("**Closing Date**") will be the day before the effective date of the termination or expiration as specified in the notice, or on such other date agreed upon by the parties. Company will not exercise this option unless it or its assignee can acquire the right to operate a business from the Rita's Shop following the Closing Date. Company will only purchase assets, including leasehold interests, that are delivered to Company on the Closing Date and, in the case of assets that are rented or leased, assets to which the renter or lessor has approved the transfer to Company or its assignee on no more onerous terms than those under which the asset was rented or leased to Franchisee.

16.10.2 The value of this Agreement will be the depreciated value of the Initial Franchise Fee or, if applicable, the depreciated value of the renewal fee paid by Franchisee as established by the depreciation schedule set forth in the Manuals. Payments for the assets due from Company will exclude all amounts Franchisee and its affiliates owe to Company and its affiliates, all amounts owed to other creditors which have not been paid by the Closing Date, any unpaid taxes, and any attorneys' fees incurred by Company or its affiliates in resolving or defending any disputes or claims arising out of the purchase of the assets. The purchase price will be reduced to the extent that any asset is damaged or unusable. Franchisee agrees that Company may also off set against the purchase price any fees or other payments that would have been due to Company during the remainder of the term of this Agreement.

16.10.3 With respect to any contracts or lease, Franchisee must provide a list (including written copies, if applicable) of all such contracts or commitments and a statement of whether they are assignable. In addition, Franchisee must provide Company with Franchisee's tax returns and financial statements for the past three years; good standing certificates; a description of any litigation, pending claims, governmental actions, or disputes; and a description of any liens, encumbrances, and/or mortgages. The purchase agreement related to the transaction will convey all of the purchased assets in good working order, free and clear of any liens, encumbrances, mortgages, pledges, covenants, and restrictions, and will provide for customary representations and warranties, covenants, indemnities, escrow and/or holdbacks of the purchase price.

16.10.4 If Franchisee has failed to provide the reports pertaining to its assets that are required by this Section 16.10, or if Franchisee fails to provide Company or its assignee with evidence of clear title to each of the assets used in the operation of its Rita's Shop, Company or its assignee may assume control of all of the assets on the termination date established by the notice of default delivered pursuant to Section 15 or on the expiration date, and may defer making any payments to Franchisee until Franchisee has provided Company or its designee with all of the information specified in this Section 16.10 and the Manuals. Company may hold back or escrow any portion of the purchase price it believes is needed to protect against claims arising out of Franchisee's operation of the Rita's Shop. At closing, the parties will execute an asset purchase agreement which will contain typical warranties, representations, and schedules normally associated with the sale of substantially all of the assets of a business. Company and Franchisee will each be liable for their own attorneys' and other professionals' fees associated with the transaction.

5. The following language is added to the end of Section 2.2 of the Franchise Agreement:

2.2.10 Franchisee's failure to request renewal as specified in this Agreement will be deemed a rejection of Company's offer of renewal, which will cause this Agreement to expire at the end of the Initial Term.

6. Section 26.1 of the Franchise Agreement shall be amended by adding the following language:

THIS SECTION SHALL NOT APPLY TO CLAIMS ARISING UNDER SECTIONS 31300 THROUGH 31306 OF THE CALIFORNIA FRANCHISE INVESTMENT LAW, ALL OF WHICH SHALL BE GOVERNED BY APPLICABLE STATE STATUTES. THIS PROVISION DOES NOT LIMIT FRANCHISEE'S RIGHT TO TERMINATE THIS AGREEMENT IN ANY WAY.

7. The following is added to the Guarantee Provisions attached to the Franchise Agreement:

Each guarantor agrees to indemnify and defend Company against any and all claims, including attorneys' fees and costs, arising out of Company's efforts to purchase Franchisee's assets as the parties have agreed in Section 16.10 of this Agreement. To the extent that any court or arbitrator determines that a higher purchase price is due to Franchisee based upon a formula that differs from the one established in this Agreement, the Guarantors agree to pay Company the difference between the agreed purchase price and the higher price upon receipt of a demand for payment from

Company. Company will not be required to purchase Franchisee's assets if the purchase price determined by a third party exceeds the price that Company is willing or able to pay for the assets.

8. The following is added to the end of the Lease Rider:

IF FRANCHISEE AND THE LANDLORD OF THE RITA'S SHOP HAVE AGREED TO LANGUAGE WHICH RESTRICTS FRANCHISEE'S USE OF THE SHOP FOLLOWING THE TERMINATION, NONRENEWAL, OR ASSIGNMENT OF THE FRANCHISE AGREEMENT, THE AGREEMENT TO SUCH FURTHER USE OF THE SHOP IS FRANCHISEE'S INDEPENDENT DECISION. FRANCHISEE AGREES THAT IT SHALL NOT MAINTAIN ANY ACTION IN WHICH IT ALLEGES THAT COMPANY'S APPROVAL OF THE LEASE SHOULD BE INTERPRETED AS COMPANY'S HAVING PREVENTED FRANCHISEE FROM RETAINING CONTROL OF THE SHOP OR THE PRINCIPAL PLACE OF FRANCHISEE'S FRANCHISED BUSINESS.

9. Each provision of this Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the California Franchise Investment Law are met independently without reference to this Amendment.

IN WITNESS WHEREOF, the parties hereto have duly executed this California Amendment to the Franchise Agreement simultaneous with the execution of the Franchise Agreement on the date indicated below.

COMPANY: **RITA'S FRANCHISE COMPANY, LLC**	**FRANCHISEE:**
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

AMENDMENT TO RITA'S FRANCHISE COMPANY, LLC
FRANCHISE AGREEMENT
REQUIRED BY THE STATE OF ILLINOIS

In recognition of the requirements of the Illinois Franchise Disclosure Act of 1987, the parties to the attached Rita's Franchise Company, LLC Franchise Agreement (the "**Franchise Agreement**") hereby agree as follows:

1. Section 2 of the Franchise Agreement, under the heading "Term and Renewal," shall be supplemented by the addition of the following language after the last sentence in the Section:

> If any of the provisions of this Section 2 concerning non-renewal are inconsistent with the provisions of Section 20 of the Illinois Franchise Disclosure Act of 1987, then the provisions of Section 20 of the Act shall apply.

2. Section 15 of the Franchise Agreement, under the heading "Default and Termination," shall be amended by adding the following language after Section 15.6:

> 15.7 If any of the provisions of this Section 15 concerning termination are inconsistent with Section 19 of the Illinois Franchise Disclosure Act of 1987, then the provisions of Section 19 of the Act shall apply.

3. Section 26 of the Franchise Agreement, under the heading "Applicable Law," shall be amended by adding the following language at the end of the Section:

> Illinois law, however, will apply to all claims arising under the Illinois Franchise Disclosure Act of 1987.

4. Section 26.6 of the Franchise Agreement is amended to provide that:

> Pursuant to Section 27, Periods of Limitation, of the Act, any and all claims and actions arising out of or relating to the relationship of Company and Franchisee, operation of the Franchised Business or any agreements executed in connection therewith, brought by you against us, shall be commenced at the earlier of 3 years from the occurrence of the act or transaction giving rise to such claim or action, within 1 year after you become aware of the facts or circumstances indicating you may have a claim for relief, or 90 days after delivery to you of a written notice disclosing the violation, or such claim or action will be barred.

5. 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. Each provision of this Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Illinois Franchise Disclosure Act of 1987 are met independently without reference to this Amendment.

IN WITNESS WHEREOF, the parties hereto have duly executed this Illinois Amendment to the Franchise Agreement simultaneous with the execution of the Franchise Agreement on the date indicated below.

COMPANY: **RITA'S FRANCHISE COMPANY, LLC**	**FRANCHISEE:**
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

AMENDMENT TO RITA'S FRANCHISE COMPANY, LLC
FRANCHISE AGREEMENT
REQUIRED BY THE STATE OF INDIANA

In recognition of the requirements of the Indiana Franchise Disclosure Law, Indiana Code § § 23-2-2.5-1 to 23-2-2.5-51, and the Indiana Deceptive Franchise Practices Act, Indiana Code § § 23-2-2.7-1 to 23-2-2.7-10, the parties to the attached Rita's Franchise Company, LLC Franchise Agreement (the "**Franchise Agreement**") agree as follows:

1. Section 1.3 of the Franchise Agreement is amended by adding the following language after Section 1.3.5:

> Company is required by this Agreement to agree not to compete unfairly with Franchisee within Franchisee's Territory. To the extent required by Indiana Code Sections 23-2-2.7-1(2) and 23-2-2.7-2(4), Company shall not operate a business which is substantially identical to the Franchised Business within Franchisee's Territory regardless of trade name.

2. Section 2.2.4 and Section 27.7 of the Franchise Agreement is amended by adding the following language:

> To the extent required by Indiana Code Section 23-2-2.7-1(5) no general release executed pursuant to this Section shall be deemed a release, assignment, novation, waiver, or estoppel which purports, or is intended to relieve Company from any liability imposed by the Indiana Deceptive Franchise Practices Act.

3. Section 2 of the Franchise Agreement is amended by adding the following provision:

> 2.4 Company will not refuse to renew this Agreement without good cause.

4. Section 15 of the Franchise Agreement, under the heading "Default and Termination," shall be amended by adding the following provision after Section 15.6:

> 15.7 Indiana Law provides that unilateral termination of this Agreement must be for good cause. Good cause includes, among other things, any material violation of this Agreement.

5. Section 17 of the Franchise Agreement, under the heading "Covenants," shall be amended by adding the following provision at the end of the Sections 17.3 and 17.4:

> To the extent required by either the Indiana Franchise Disclosure Law or the Indiana Deceptive Franchise Practices Act, the covenants not to compete are limited to Franchisee's Territory.

6. Section 20 of the Franchise Agreement, under the heading "Independent Contractor and Indemnification," shall be amended by the addition of the following language to the end of the section:

> To the extent required by Indiana Code Section 23-2-2.7-2(10), Franchisee shall not be obligated to indemnify Company as provided herein for any liability caused

by Franchisee's reasonable and proper reliance on or use of procedures and materials provided by Company or arising out of Company's negligence.

7. Section 26.1 of the Franchise Agreement, entitled "Applicable Law," shall be amended by adding the following language at the end of the Section:

To the extent required by either the Indiana Franchise Disclosure Law or Indiana Deceptive Franchise Practices Act, Indiana law shall be applied in construing this Agreement. To the extent required by either the Indiana Franchise Disclosure Law or Indiana Deceptive Franchise Practices Act, a franchisee who operates a franchised office in Indiana may require, at the franchisee's option, that litigation concerning such franchise take place in Indiana.

8. Section 26.3.4 of the Franchise Agreement is amended by adding the following language at the end of the Section:

To the extent required by either the Indiana Franchise Disclosure Law or Indiana Deceptive Franchise Practices Act, a franchisee who operates a franchised office in Indiana may require, at the franchisee's option, that arbitration concerning such franchise take place in Indiana.

9. Each provision of this Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Indiana Franchise Disclosure Law and the Indiana, Indiana Code § § 23-2-2.5-1 to 23-2-2.5-51, and the Indiana Deceptive Franchise Practice Act, Indiana Code § § 23-2-2.7-1 to 23-2-2.7-10, are met independently without reference to this Amendment.

IN WITNESS WHEREOF, the parties hereto have duly executed this Indiana Amendment to the Franchise Agreement simultaneous with the execution of the Franchise Agreement on the date indicated below.

COMPANY: **RITA'S FRANCHISE COMPANY, LLC**	**FRANCHISEE:**
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

AMENDMENT TO RITA'S FRANCHISE COMPANY, LLC
FRANCHISE AGREEMENT
REQUIRED BY THE STATE OF MARYLAND

In recognition of the requirements of the Maryland Franchise Registration and Disclosure Law, the parties to the attached Rita's Franchise Company, LLC Franchise Agreement ("**Franchise Agreement**") agree as follows:

1. Section 2.2.4 of the Franchise Agreement is supplemented to include the following:

> Provided that all rights enjoyed by Franchisee and any causes of action arising in Franchisee's favor from the provisions of the Maryland Franchise Registration and Disclosure Law shall remain in force; it being the intent of this proviso that the non-waiver provisions of the Law be satisfied. To that effect the general release shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

2. Section 14.3.3 of the Franchise Agreement is supplemented to include the following:

> Provided that all rights enjoyed by Franchisee and any causes of action arising in Franchisee's favor from the provisions of the Maryland Franchise Registration and Disclosure Law shall remain in force; it being the intent of this proviso that the non-waiver provisions of the Law be satisfied. To that effect the general release shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

3. Section 26.1 of the Franchise Agreement is supplemented by the following:

> Maryland franchisees are permitted to bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

4. Section 26.6 of the Franchise Agreement is supplemented by the following:

> Notwithstanding the above, any claim Franchisee may have under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years of the execution of this Agreement.

5. Sections 27.1 and 27.4 of the Franchise Agreement are deleted in their entirety.

6. Each provision of this Amendment shall be effective only to the extent that the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law, with respect to each such provision, are met independently of the Amendment. This Amendment shall have no force or effect if such jurisdictional requirements are not met.

IN WITNESS WHEREOF, the parties hereto have duly executed this Maryland Amendment to the Franchise Agreement simultaneous with the execution of the Franchise Agreement on the date indicated below.

COMPANY: **RITA'S FRANCHISE COMPANY, LLC**	**FRANCHISEE:**
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

AMENDMENT TO RITA'S FRANCHISE COMPANY, LLC
FRANCHISE AGREEMENT
REQUIRED BY THE STATE OF MINNESOTA

In recognition of the requirements of the Minnesota Franchises Law, Minn. Stat. §§ 80C.01 through 80C.22, and of the Rules and Regulations promulgated thereunder by the Minnesota Commissioner of Commerce, Minn. Rules §§ 2860.0100 through 2860.9930, the parties to the attached Rita's Franchise Company, LLC Franchise Agreement ("**Franchise Agreement**") agree as follows:

1. Section 14.3.3 of the Franchise Agreement shall be supplemented by the following:

> Notwithstanding the above, such release will not apply to claims as you may have under the Minnesota Franchises Law and the Rules and Regulations promulgated thereunder by the Minnesota Commissioner of Commerce.

2. Section 15 of the Franchise Agreement shall be supplemented by adding the following as Section 15.7:

> Insofar as the Franchise Agreement is governed by the State of Minnesota, Company shall comply with Minn. Stat. § 80C.214, Subds. 3, 4, and 5 which require, except in certain specified cases, that Company give Franchisee 90 days' notice of termination (with 60 days to cure) and 180 days' notice of non-renewal of the Franchise Agreement.

3. Section 26.6 of the Franchise Agreement shall be supplemented by the following:

> Notwithstanding the above, any claim Franchisee may have under the Minnesota Franchise Act must be brought within 3 years of the execution of this Agreement.

4. Section 27 of the Franchise Agreement shall be supplemented by adding the following sections:

> 27.9 The general release language contained in this Agreement shall not relieve Company or any other person, directly or indirectly, from liability imposed by Minn. Stat. §§ 80C.01 through 80C.22.
>
> 27.10 Minn. Stat. § 80C.21 and Minn. Rule 2860.4400J prohibit Company from requiring litigation to be conducted outside Minnesota. Nothing in the FDD (as defined in this Agreement) or this Agreement can abrogate or reduce any of Franchisee's rights provided for in Minnesota Statutes, Chapter 80C, or Franchisee's rights to any procedure, forum or remedies provided for by the laws of the jurisdiction.

5. Each provision of this Amendment shall be effective only to the extent that the jurisdictional requirements of the Minnesota Franchise Act, with respect to each such provision, are met independent of the Amendment. This Amendment shall have no force or effect if such jurisdictional requirements are not met.

IN WITNESS WHEREOF, the parties hereto have duly executed this Minnesota Amendment to the Franchise Agreement simultaneous with the execution of the Franchise Agreement on the date indicated below.

COMPANY:
RITA'S FRANCHISE COMPANY, LLC

By: _____

Name: _____

Title: _____

Date: _____

FRANCHISEE:

By: _____

Name: _____

Title: _____

Date: _____

AMENDMENT TO RITA'S FRANCHISE COMPANY, LLC
FRANCHISE AGREEMENT
REQUIRED BY THE STATE OF NEW YORK

In recognition of the requirements of the New York General Business Law, Article 33, the parties to the attached Rita's Franchise Company, LLC Franchise Agreement (the "**Franchise Agreement**") agree as follows:

1. Paragraph 9.4 of the Franchise Agreement is supplemented by the addition of the following language, which shall be considered an integral part of the Franchise Agreement:

> No changes to the Manuals will be made which would impose an unreasonable economic burden on Franchisee or unreasonably increase its obligations.

2. Paragraph 14.1 of the Franchise Agreement is supplemented by the addition of the following language, which shall be considered an integral part of the Franchise Agreement:

> In the event of such an assignment, Company will ascertain that its assignee, in Company's reasonable judgment, possesses the economic resources to fulfill Company's obligations to its franchisees.

3. Paragraph 14.3.3 of the Franchise Agreement with respect to the general release shall be supplemented to include the following language, which shall be considered an integral part of the Franchise Agreement:

> Provided that all rights enjoyed by Franchisee and any causes of action arising in its favor from the provisions of Article 33 of the GBL of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the nonwaiver provisions of Sections 687.4 and 687.5 of New York's GBL be satisfied.

4. Paragraph 26.1 of the Franchise Agreement shall be supplemented to include the following language, which shall be considered an integral part of the Franchise Agreement:

> However, the foregoing choice of law shall not be considered a waiver of any right conferred upon Franchisee by the provisions of Article 33 of the New York State General Business Law.

5. Each provision of this Amendment shall be effective only to the extent that the jurisdictional requirements of the General Business Law of New York State, Sections 680-695, with respect to each such provision, are met independent of this Amendment. This Amendment shall have no force or effect if such jurisdictional requirements are not met.

IN WITNESS WHEREOF, the parties hereto have duly executed this New York Amendment to the Franchise Agreement simultaneous with the execution of the Franchise Agreement on the date indicated below.

COMPANY: **RITA'S FRANCHISE COMPANY, LLC**	**FRANCHISEE:**
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

AMENDMENT TO RITA'S FRANCHISE COMPANY, LLC
FRANCHISE AGREEMENT
REQUIRED BY THE STATE OF NORTH DAKOTA

In recognition of the requirements of the North Dakota Franchise Investment Law, N.D. Cent. Code, §§ 51-19-01 through 51-19-18, and the policies of the office of the State of North Dakota Securities Commission, the parties to the attached Rita's Franchise Company, LLC Franchise Agreement (the "**Franchise Agreement**") agree to amend the Franchise Agreement as follows:

1. The Franchise Agreement shall be amended by the addition of the following Section 28.

28. The parties acknowledge and agree that they have been advised that the North Dakota Securities Commissioner has determined the following agreement provisions are unfair, unjust or inequitable to North Dakota franchisees:

A. Restrictive Covenants: Any provision which discloses the existence of covenants restricting competition contrary to Section 9-08-06, N.D.C.C., without further disclosing that such covenants will be subject to this statute.

B. Situs of Arbitration Proceedings: Any provision requiring that the parties must agree to arbitrate disputes at a location that is remote from the site of the franchisee's business.

C. Restriction on Forum: Any provision requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota.

D. Liquidated Damages and Termination Penalties: Any provision requiring North Dakota franchisees to consent to liquidated damages or termination penalties.

E. Applicable Laws: Any provision which specifies that any claims arising under the North Dakota franchise law will be governed by the laws of a state other than North Dakota.

F. Waiver of Trial by Jury: Any provision requiring North Dakota franchisees to consent to the waiver of a trial by jury.

G. Waiver of Exemplary and Punitive Damages: Any provision requiring North Dakota franchisees to consent to a waiver of exemplary and punitive damages.

H. General Release: Any provision requiring North Dakota franchisees to execute a general release of claims as a condition of renewal or transfer of a franchise.

I. Limitation of Claims: Any provision requiring North Dakota franchisees to consent to a limitation of claims. The statute of limitations under North Dakota law applies.

2. Each provision of this Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the North Dakota Franchise Investment Law, N.D. Cent. Code §§ 51-19-01 through 51-19-18, are met independently without reference to this Amendment. This Amendment shall have no force or effect if such jurisdictional requirements are not met.

IN WITNESS WHEREOF, the parties hereto have duly executed this North Dakota Amendment to the Franchise Agreement simultaneous with the execution of the Franchise Agreement on the date indicated below.

COMPANY: **RITA'S FRANCHISE COMPANY, LLC**	**FRANCHISEE:**
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

AMENDMENT TO RITA'S FRANCHISE COMPANY, LLC
FRANCHISE AGREEMENT
REQUIRED BY THE STATE OF RHODE ISLAND

In recognition of the requirements of the Rhode Island Franchise Investment Act, the parties to the attached Rita's Franchise Company, LLC Franchise Agreement (the "**Franchise Agreement**") agree as follows:

1. The following section shall be added at the end of Section 26 of the Franchise Agreement:

26.10 Notwithstanding the above, Rhode Island franchisees are permitted to bring a lawsuit in Rhode Island for claims arising under the Rhode Island Franchise Investment Act.

2. Each provision of this Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Rhode Island Franchise Investment Act are met independently without reference to this Amendment.

IN WITNESS WHEREOF, the parties hereto have duly executed this Rhode Island Amendment to the Franchise Agreement simultaneous with the execution of the Franchise Agreement on the date indicated below.

COMPANY: **RITA'S FRANCHISE COMPANY, LLC**	**FRANCHISEE:**
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

EXHIBIT B TO

FRANCHISE DISCLOSURE DOCUMENT

RITA'S SATELLITE SHOP ADDENDUM

RITA'S FRANCHISE COMPANY, LLC
SATELLITE ADDENDUM

THIS RITA'S FRANCHISE COMPANY, LLC SATELLITE ADDENDUM (the "**Satellite Addendum**") is made and entered into on _____ (the "**Satellite Effective Date**") by and between **RITA'S FRANCHISE COMPANY, LLC** ("**Company**") and _____, a [resident of] [corporation organized under the laws of] [limited liability company organized under the laws of] _____ ("**Franchisee**").

BACKGROUND

A. Company and Franchisee have entered into (or are entering into on the Satellite Effective Date) the Rita's Franchise Company, LLC Franchise Agreement dated _____ _____, as amended (the "**Franchise Agreement**") between Company and Franchisee for the operation of the Rita's shop located at _____ (the "**Shop**").

B. Company has developed special, fixed location Rita's satellite stores that do not manufacture Products onsite and are (i) decorated to meet Company's specifications (including the use of the Proprietary Marks) and (ii) sell approved menu items for Rita's satellite shops ("**Satellite Menu Items**") utilizing the Products and Company's formulas and methods for preparing the Products.

C. Franchisee desires to operate a Rita's satellite shop in the Territory (the "**Satellite Shop**") under the System and Proprietary Marks, and Company is willing to permit such operations of the Satellite Shop pursuant to the terms and conditions set forth in the Franchise Agreement and this Satellite Addendum.

D. Any other capitalized terms used in this Satellite Addendum and not otherwise defined will have the meaning given to those terms in the Franchise Agreement.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. <u>REFERENCES IN THE AGREEMENT</u>.

1.1 Unless otherwise set forth in this Satellite Addendum, whenever reference is made in the Franchise Agreement or Manuals to the Shop or the business franchised under that Franchise Agreement, those terms are amended to include the Satellite Shop that Franchisee is licensed to operate under this Satellite Addendum.

1.2 Whenever reference is made in the Franchise Agreement or Manuals to the "Premises" of the Shop or the franchised business, that term is amended to also include the Satellite

Shop, the areas surrounding the Satellite Shop, and any storage area that Franchisee uses in connection with operation of the Satellite Shop.

2. INITIAL FEES AND COMPUTATION OF ROYALTY FEE.

2.1 In consideration of the rights and license granted herein, Franchisee has paid Company a satellite shop initial franchisee fee of $15,000 (the "**Satellite Fee**") upon execution of this Satellite Addendum. The Satellite Fee is fully earned by Company upon execution and delivery of this Satellite Addendum by Company and is not refundable under any circumstances.

2.2 Franchisee shall maintain separated books and records for the operation of the Satellite Shop. For purposes of calculation and satisfying the obligations under the Franchise Agreement for the Yield Based Royalty, Non-Yield Based Royalty and Advertising Obligation related to the operation of the Satellite Shop, the Product purchases and Gross Sales for the Satellite Shop shall be included in the Product purchases and Gross Sales for the Shop.

3. GRANT OF RIGHT TO OPERATE SATELLITE SHOP.

3.1 Company grants Franchisee the right to operate one Satellite Shop under the Proprietary Marks and System in the Territory. Franchisee must not operate the Satellite Shop outside the Territory. Except for the Territory granted to the Shop in the Franchise Agreement, Franchisee acknowledges that this Satellite Addendum does not grant or imply any protected area or territory for the Satellite Shop. Franchisee's right to operate the Satellite Shop (pursuant to this Satellite Addendum) is dependent on the Shop remaining open and operational. Any closure of the Shop, temporary or permanent, will cease Franchisee's right to operate the Satellite Shop.

3.2 Rita's satellite shops are prohibited from having a batch machine or similar equipment like Rita's standard shops. If Franchisee desires to prepare Products at the Satellite Shop using a batch machine or similar equipment, Franchisee may request that Company convert the Satellite Shop to a Rita's standard shop. If Company agrees to convert the Satellite Shop into a Rita's standard shop, Franchisee shall (i) pay Company the difference between the then-current initial franchise fee for a Rita's standard shop and the Satellite Fee, (ii) execute Company's then-current franchise agreement for a Rita's standard shop in accordance with Company's procedures, and (iii) complete any renovations or upgrades required by Company to convert the Satellite Shop into a Rita's standard shop.

3.3 For the Satellite Shop, all Products must be prepared at the Shop. Franchisee shall comply with the System Operating Standards, specifications, rules, process and procedures established by Company for Rita's satellite shops as set forth in the Manuals or otherwise in writing, including, without limitation, (i) procedures for preparing, maintaining, transporting and serving Products, (ii) required equipment used for the transportation of Products, (iii) training requirements for the required supervisor for the Satellite Shop, and (iv) the Satellite Menu Items that may be offered at the Satellite Shop.

3.4 Franchisee shall operate the Satellite Shop only at _____ (the "**Accepted Satellite Location**"). If, at the time of

executing this Satellite Addendum, a location for the Satellite Shop has not been accepted by Company as the Accepted Satellite Location, the blank in the previous sentence will say "To Be Determined" and Franchisee shall look for proposed locations for the Satellite Shop in the Territory and obtain Company's acceptance for an Accepted Satellite Location for the Satellite Shop in accordance with Section 5 of the Franchise Agreement (except there will be no territory for the Satellite). For purposes of locating the Accepted Satellite Location and constructing the Satellite Shop, all references to the Accepted Location in Section 5 of the Franchise Agreement shall include the Accepted Satellite Location and all references to the Shop in Section 5 of the Franchise Agreement shall include the Satellite Shop. Franchisee acknowledges that Company reserves the right, in Company's sole discretion, to deny acceptance of a proposed location for the Satellite Shop if the Company deems such proposed location too close to the boundaries of the Territory and/or too close to another Rita shop. The timeframe for Franchisee to obtain an Accepted Satellite Location, construct the Satellite Shop and open the Satellite Shop shall be the periods set forth in Section 5 of the Franchise Agreement but modified with the Satellite Effective Date as the starting date instead of the Effective Date.

3.5 Franchisee must obtain insurance to cover the Satellite Shop, and such insurance must comply with the insurance requirements in the Manuals and Franchise Agreement (including providing Company certificates of insurance).

3.6 Company may, as Company deems advisable, inspect the Satellite Shop and all terms of the Franchise Agreement related to inspection of the Shop apply to the Satellite Shop.

3.7 At any time, Company may require Franchisee to upgrade the Satellite Shop and/or any equipment associated with the Satellite Shop. Financial responsibility for the costs, fees and expenses associated with any upgrade of the Satellite Shop and/or its equipment shall be borne solely by Franchisee.

4. **TERM**. Except as otherwise provided herein, the term of this Satellite Addendum begins on the Effective Date and expires upon the expiration of the current term of the Franchise Agreement (the "**Satellite Term**"). If Franchisee wishes to renew its ability to operate a Satellite Shop when it renews the right to operate the Shop after the current term of the Franchise Agreement expires, Franchisee must make a written request to Company, simultaneously with giving notice relating to renewal of the of the right to operate the Shop under Section 2.2.1 of the Franchise Agreement. In the event that (i) Franchisee complies with all the terms in Section 2.2 of the Franchise Agreement and (ii) Company grants Franchisee the right to renew the right to operate the Shop, Company may, at Company's option and sole discretion, agree to grant Franchisee the right to renew the right to operate the Satellite Shop provided that, at a minimum, Franchisee satisfies the renewal criteria in Sections 2.2.2, 2.2.3, 2.2.4, 2.2.5, 2.2.6, 2.2.7, and 2.2.8 of the Franchise Agreement as they apply to the Satellite Shop and this Satellite Addendum. Further, in connection with any renewal under this Section, (a) Franchisee and its Owners (and their spouses) shall execute the then-current form of satellite addendum offered by Company, which shall supersede this Satellite Addendum in all respects, and the terms of which may differ from the terms of this Satellite Addendum (including, without limitation, requirements to pay a higher royalty fee and/or Advertising Obligation, and pay a royalty fee calculated in a different manner), and (b) Franchisee shall pay Company a renewal fee in an amount equal to 50% of

Company's then-current initial franchise fee for Rita's satellite shops. Franchisee's failure to deliver the executed renewal satellite addendum and release within 30 days after Company delivers them to Franchisee for execution may be deemed, in the sole discretion of Company, an election by Franchisee not to renew.

5. COMMENCEMENT OF OPERATIONS OF SATELLITE SHOP.

5.1 Franchisee must commence operations of the Satellite Shop within 12 months after the Satellite Effective Date ("**Required Opening Date**"). Franchisee's failure to open the Satellite Shop on or prior to the Required Opening Date shall be considered a default under this Satellite Addendum and the Franchise Agreement and such default will entitle Company to terminate this Satellite Addendum; provided, however, if this Satellite Addendum is terminated solely because of Franchisee's failure to commence operating the Satellite Shop, Company shall not have the right to terminate the Franchise Agreement for such default.

5.2 In addition to the Minimum Grand Opening Marketing Expenditure required under the Franchise Agreement for the Shop, Franchisee must spend a minimum of $10,000 on Grand Opening for the Satellite Shop in accordance with the Grand Opening requirements in the Franchise Agreement and such amount must be deposited with Company, in accordance with the terms of the Franchise Agreement, prior to the opening of the Satellite Shop.

6. SALE OR TRANSFER. Upon any transfer of the Franchise Agreement the rights under this Satellite Addendum will also be transferred. A transfer of any direct or indirect interest in this Satellite Addendum, in Franchisee, in the Satellite Shop, or any or in all or substantially all of the assets of the Satellite Shop shall be made only (i) with the prior written approval of Company in accordance with the terms and conditions of the Franchise Agreement, (ii) in conjunction with a simultaneous transfer of all comparable interests held by the transferor under the Franchise Agreement and/or in the Shop, and (iii) in compliance with all of the terms and conditions for transfer contained in the Franchise Agreement. In connection with any approved transfer under the Franchise Agreement and/or in the Shop, the transferee shall (a) execute Company's then-current form of satellite addendum (along with the Company's then-current form of franchise agreement for the Shop) which shall supersede this Satellite Addendum in all respects, and (b) pay to Company a transfer fee of 50% of Company's then-current initial franchise fee for the satellites. Because experience operating a Rita's shop is necessary before operating a Rita's satellite shop, Franchisee acknowledges that it shall be reasonable for Company to withhold consent for a transferee to commence operating the Satellite Shop for a period between 90 and 365 days from the date of at transfer, as determined by Company in Company's discretion.

7. DEFAULT. Any default under the Franchise Agreement shall constitute a default under this Satellite Addendum, and any default under this Satellite Addendum shall constitute a default under the Franchise Agreement. In the event of a default by Franchisee with respect to the operation of the Satellite Shop, Company may, in its sole discretion, either: (a) terminate only this Satellite Addendum and Franchisee's rights hereunder; or (b) terminate both this Satellite Addendum and the Franchise Agreement, and Franchisee's rights thereunder. This Satellite Addendum is an addendum to the Franchise Agreement and, as such, any termination of the Franchise Agreement will terminate this Satellite Addendum and the right to operate the Satellite

Shop. The default and termination provisions in Section 15 of the Franchise Agreement apply to Franchisee's operation of the Satellite Shop under the terms of this Satellite Addendum. Upon termination or expiration of this Satellite Addendum, Franchisee shall comply with the obligations in Section 16 of the Franchise Agreement, including the obligations in Sections 16.9 and 6.10 related to the Operating Assets of the Satellite Shop and Section 16.1 in the event of any termination of this Satellite Addendum or abandonment of the Satellite (as such Section of the Franchise Agreement applies to the Satellite Shop and this Satellite Addendum).

8. **ACKNOWLEDGEMENT**. By executing this Satellite Addendum, Company and Franchisee each confirm the Franchise Agreement, as amended by this Satellite Addendum, and reaffirm their respective obligations under that Franchise Agreement (as it is amended by this Satellite Addendum) and incorporate the terms of this Satellite Addendum into the Franchise Agreement. Franchisee acknowledges that it received Company's current franchise disclosure document ("**FDD**") at least 14 calendar days prior to the date on which this Satellite Addendum was executed. Franchisee further acknowledges that it received a completed copy of this Satellite, and all related agreements attached to the FDD, with any changes to such agreements unilaterally and materially made by Company at least 7 calendar days prior to the date on which this Satellite Addendum and all related agreements were executed. Although Franchisee has been provided with the FDD for informational purposes, the parties acknowledge that the rights granted under this Addendum are an extension of the rights granted under the Franchise Agreement and not the grant of an additional franchise. The parties agree that except as specifically described above, the provisions of this Satellite Addendum are in addition to, and not in lieu of, the provisions of the Franchise Agreement. Franchisee agrees to comply with all provisions of the Manuals or any written directives of Company having specific applicability to the operation of the Satellite Shop. Except as otherwise provided in this Satellite Addendum, all other terms set forth in the Franchise Agreement shall remain in full force and effect. This Satellite Addendum may be executed and delivered, including by way of electronic signature (PDF formats included) in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The parties agree not to challenge the validity, enforceability, or admissibility of this Satellite Addendum's signature process on the grounds that it is in an electronic form (including, but not limited to, via Adobe Sign). By electronically signing this Satellite Addendum, the undersigned represents that he/she is authorized to bind himself/herself, and/or the entity for which he/she is signing.

(Remainder of this page intentionally left blank; signature page follows.)

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered on the Satellite Effective Date this Satellite Addendum to the Franchise Agreement.

FRANCHISEE

_____

Name: _____

_____

Name: _____

COMPANY
RITA'S FRANCHISE COMPANY, LLC

By: _____

Title: _____

EXHIBIT C TO

FRANCHISE DISCLOSURE DOCUMENT

RITA'S MOBILE UNIT ADDENDUM

RITA'S FRANCHISE COMPANY, LLC
MOBILE ADDENDUM

THIS RITA'S FRANCHISE COMPANY, LLC MOBILE ADDENDUM (the "**Mobile Addendum**") is made and entered into on _____ (the "**Mobile Effective Date**") by and between **RITA'S FRANCHISE COMPANY, LLC** ("**Company**") and _____, a [resident of] [corporation organized under the laws of] [limited liability company organized under the laws of]_____ ("**Franchisee**").

BACKGROUND

A. Company and Franchisee have entered into (or are entering into on the Mobile Effective Date) the Rita's Franchise Company, LLC Franchise Agreement dated _____ _____, as amended (the "**Franchise Agreement**") for the operation of the Rita's shop located at _____ (the "**Shop**").

B. Company has developed a number of special, freestanding mobile units (including mobile carts, stationary carts, kiosks, trailers, and trucks) which (i) are decorated to meet Company's specifications and (ii) offer approved Menu Items for mobile units ("**Mobile Menu Items**") utilizing the Products and Company's formulas and methods for preparing the Products.

C. Franchisee desires to operate a Rita's mobile unit ("**Mobile Unit**") to conduct Mobile Events (defined below) under the System and Proprietary Marks, and Company is willing to permit such operations of the Mobile Unit pursuant to the terms and conditions set forth in the Franchise Agreement and in this Mobile Addendum.

D. Any other capitalized terms used in this Mobile Addendum and not otherwise defined will have the meaning given to those terms in the Franchise Agreement.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. REFERENCES IN THE FRANCHISE AGREEMENT. Whenever reference is made in the Franchise Agreement or Manuals to the "Shop" or any other reference to the business franchised under that Franchise Agreement, those terms are amended to include the Mobile Unit that Franchisee is authorized to operate under this Mobile Addendum; provided, however, nothing in the Franchise Agreement shall authorize Franchisee to operate the Mobile Unit contrary to this Mobile Addendum and the Manuals.

2. GRANT OF RIGHT TO OPERATE MOBILE UNIT.

2.1 By executing this Mobile Addendum, Company grants Franchisee the right to

operate one Mobile Unit to conduct Mobile Events under the Proprietary Marks and System. The Mobile Unit may be a kiosk, trailer or truck that (i) satisfies Company's specification and (ii) has been purchased from a supplier designated by Company. Company must approve the plans and design of the Mobile Unit purchased from a supplier designated by Company. Franchisee may not make any modifications to the Mobile Unit without Company's prior written approval. The Mobile Unit (including any wrap for the Mobile Unit) may only display the email address designated by Company for the Shop and the phone number for the Shop which all must be approved by Company. Franchisee's right to operate the Mobile Unit (pursuant to this Mobile Addendum) is dependent on the Shop remaining open and operational. Any closure of the Shop, temporary or permanent, will cease Franchisee's right to operate the Mobile Unit.

2.2 Franchisee's Mobile Unit may engage in approved off-premises special events, activities, or sales, including specialty parties, festivals, and business events (each, a "**Mobile Event**") in the Territory in accordance with the terms of this Mobile Addendum. A Mobile Event is any event where there are multiple customers that pay individually for Mobile Menu Items sold at the event site. The definition of a Mobile Event may be further defined and refined in the Manual. The Mobile Unit cannot be used for Catering Activities unless Franchisee has complied with the standard procedures for conducting a Mobile Event (including the Mobile Event Request approval process).

2.3 Franchisee acknowledges that this Mobile Addendum does not grant or imply any protected area or territory for the Mobile Unit.

2.4 For the Mobile Unit, all Products must be prepared at the Shop. Franchisee shall comply with the System Operating Standards, specifications, rules, process and procedures established by Company for Rita's mobile units as set forth in the Manuals or otherwise in writing, including (i) procedures for preparing, maintaining, transporting and serving Products, (ii) required equipment used for the transportation of Products, (iii) training requirements for a required supervisor for all Mobile Events, and (iv) the Mobile Menu Items that may be offered at Rita's Mobile Events. In the event that Franchisee is in default of the Franchise Agreement and/or the Shop is in not in operational compliance with the Franchise Agreement, System Operating Standards and/or Manuals, Company shall have the right to terminate this Mobile Addendum or Company may suspend approving Mobile Events for Franchisee's Mobile Unit.

2.5 Franchisee must obtain insurance to cover the Mobile Unit and Franchisee's operations under this Mobile Addendum, and such insurance must comply with the insurance requirements in the Manuals and Franchise Agreement (including providing Company certificates of insurance).

2.6 Franchisee shall obtain all required health, sanitation, business, and other permits and licenses for the lawful operation of the Mobile Unit to engage in Mobile Events.

2.7 Company may, as Company deems advisable, inspect the Mobile Unit and all terms of the Franchise Agreement related to inspection of the Shop apply to the Mobile Unit.

2.8 At any time, Company may require Franchisee to upgrade the Mobile Unit and/or any equipment associated with the Mobile Unit. Financial responsibility for the costs, fees and expenses associated with any upgrade of the Mobile Unit and/or its equipment shall be borne solely by Franchisee.

3. TERM. Except as otherwise provided herein, the term of this Mobile Addendum begins on the Mobile Effective Date and expires upon the expiration of the current term of the Franchise Agreement (the "**Mobile Term**"). If Franchisee wishes to renew its ability to operate the Mobile Unit when it renews the right to operate the Shop after the current term of the Franchise Agreement expires, Franchisee must make a written request to Company simultaneously with giving notice relating to renewing the right to operate the Shop under Section 2.2.1 of the Franchise Agreement. In the event that (i) Franchisee complies with all the terms in Section 2.2 of the Franchise Agreement, and (ii) Company grants Franchisee the right to renew the right to operate the Shop, Company may, at Company's option and sole discretion, agree to grant Franchisee the right to renew the right to operate the Mobile Unit provided that, at a minimum, Franchisee satisfies the renewal criteria in Sections 2.2.2, 2.2.3, 2.2.4, 2.2.5, 2.2.6, and 2.2.7 of the Franchise Agreement as they apply to the Mobile Unit and this Mobile Addendum. Further, in connection with any renewal under this Section, Franchisee and its Owners (and their spouses) shall execute the then-current form of mobile addendum offered by Company, which shall supersede this Mobile Addendum in all respects, and the terms of which may differ from the terms of this Mobile Addendum. Franchisee's failure to deliver the executed renewal mobile addendum and release within 30 days after Company delivers them to Franchisee for execution may be deemed, in the sole discretion of Company, an election by Franchisee not to renew. Notwithstanding the foregoing, every ten years from the Mobile Effective Date, Franchisee shall pay Company a mobile license renewal fee in the amount of $500.

4. INITIAL FEES AND COMPUTATION OF ROYALTY FEE.

4.1 In consideration of the rights and license granted herein, Franchisee shall pay Company a mobile unit initial franchisee fee of $5,000 (the "**Mobile Fee**") upon execution of this Mobile Addendum. The Mobile Fee is fully earned by Company upon execution and delivery of this Mobile Addendum by Company and is not refundable under any circumstances. The Mobile Fee provides for the operation of one Mobile Unit. The right to operate one Mobile Unit remains in effect only during the Mobile Term.

4.2 Franchisee shall maintain separated books and records for the operation of the Mobile Unit. For purposes of calculation and satisfying the obligations under the Franchise Agreement for the Yield Based Royalty, Non-Yield Based Royalty and Advertising Obligation related to the operation of the Mobile Unit, the Product purchases and Gross Sales for the Mobile Unit shall be included in the Product purchases and Gross Sales for the Shop.

5. COMMENCEMENT OF OPERATIONS OF MOBILE UNIT.

5.1 Franchisee must commence operations of the Mobile Unit within 3 months after the commencement of operations of the Shop (or within 3 months of the Mobile Effective Date if the Shop is open as of the Mobile Effective Date) (the "**Required Commencement Date**"); provided, however, ordering the Mobile Unit prior to the Required Commencement Date shall toll

the Required Commencement Date. Ordering the Mobile Unit will only toll the Required Commencement Date so long as Franchisee bears no responsibility in any delay in obtaining the ordered Mobile Unit. Franchisee's failure to (i) order the Mobile Unit on or prior to the Required Commencement Date or (ii) purchase the Mobile Unit and commence operations of such Mobile Unit on or prior to the Required Commencement Date shall be considered a material default under this Mobile Addendum and the Franchise Agreement, and such default will entitle Company to terminate this Mobile Addendum; provided, however, if this Mobile Addendum is terminated solely because of Franchisee's failure to commence operating the Mobile Unit, Company shall not have the right to terminate the Franchise Agreement for such default. Company reserves the right to delay or suspend the Mobile Unit operations if the Shop or any other Rita's shops owned by Franchisee or Franchisee's affiliates are in default under their agreements with Company.

5.2 Franchisee may not use the Mobile Unit at any event site (including Mobile Events and Catering Activities) unless Franchisee has submitted through the CoolNet (or such other means designated by Company) a request for approval ("**Mobile Event Request**") describing (a) the proposed event, event site, and date(s) of operation, and (b) such other information designated or requested by Company. All Mobile Event Requests must be submitted at least 7 days prior to the proposed date of the event (or, as discussed below, at least 14 days prior to the proposed date of the event if the event site is in the territory of another System franchisee). Company shall have no obligation to consider a Mobile Event Request unless it is a Mobile Event in the Territory. In the event that a proposed event site is within the territory of another System franchisee, Franchisee must (i) seek the written consent of such System franchisee prior to submitting a Mobile Event Request, (ii) submit a Mobile Event Request at least 14 days prior to the proposed date of the event, and (iii) submit with the Mobile Event Request any terms of the consent agreement (e.g. profit sharing, transport arrangements) with such System franchisee. Company has the right, in its sole discretion, to make the final determination on Mobile Event Requests within or outside of the Territory (including inside the territory of another System franchisee).

5.3 Franchisee shall not use the Mobile Unit at any event site until Company has provided written approval of a Mobile Event Request. In the event that Franchisee uses the Mobile Unit at any event site without obtaining Company's written approval, such action is a default under this Mobile Addendum and the Franchise Agreement and grounds for immediate termination of this Mobile Addendum and the Franchise Agreement.

6. **SALE OR TRANSFER**. Upon any transfer of the Franchise Agreement the rights under this Mobile Addendum will also be transferred. A transfer of any direct or indirect interest in this Mobile Addendum, in Franchisee, in the Mobile Unit, or any or in all or substantially all of the assets of the Mobile Unit shall be made only (i) with the prior written approval of Company in accordance with the terms and conditions of the Franchise Agreement, (ii) in conjunction with a simultaneous transfer of all comparable interests held by the transferor under the Franchise Agreement and/or in the Shop, and (iii) in compliance with all of the terms and conditions for transfer contained in the Franchise Agreement. In connection with any approved transfer under the Franchise Agreement and/or in the Shop, the transferee shall execute Company's then-current form of mobile addendum (along with the Company's then-current form of franchise agreement for the Shop) which shall supersede this Mobile Addendum in all respects. Because experience operating a Rita's shop is necessary before operating a Rita's mobile unit, Franchisee

acknowledges that it shall be reasonable for Company to withhold consent for a transferee to commence operating the Mobile Unit for a period between 90 and 365 days from the date of the transfer, as determined by Company in Company's discretion.

7. **DEFAULT**. Any default under the Franchise Agreement shall constitute a default under this Mobile Addendum, and any default under this Mobile Addendum shall constitute a default under the Franchise Agreement. In the event of a default by Franchisee with respect to the operation of the Mobile Unit, Company may, in its sole discretion, either: (a) terminate only this Mobile Addendum and Franchisee's rights hereunder; or (b) subject to Section 5.1 of this Mobile Addendum, terminate both this Mobile Addendum and the Franchise Agreement, and Franchisee's rights thereunder. This Mobile Addendum is an addendum to the Franchise Agreement and, as such, any termination of the Franchise Agreement will terminate this Mobile Addendum and the right to operate the Mobile Unit. The default and termination provisions in Section 15 of the Franchise Agreement apply to Franchisee's operation of the Mobile Unit under the terms of this Mobile Addendum. Upon termination or expiration of this Mobile Addendum, Franchisee shall comply with the obligations in Section 16 of the Franchise Agreement, including the obligations in Section 16.10 related to the Mobile Unit.

8. **ACKNOWLEDGEMENT**. By executing this Mobile Addendum, Company and Franchisee each confirm the Franchise Agreement, as amended by this Mobile Addendum, and reaffirm their respective obligations under the Franchise Agreement (as it is amended by this Mobile Addendum) and incorporate the terms of this Mobile Addendum into the Franchise Agreement. Franchisee acknowledges that it received Company's current franchise disclosure document ("**FDD**") at least 14 calendar days prior to the date on which this Mobile Addendum was executed. Franchisee further acknowledges that it received a completed copy of this Mobile Addendum, and all related agreements attached to the FDD, with any changes to such agreements unilaterally and materially made by Company at least 7 calendar days prior to the date on which this Mobile Addendum and all related agreements were executed. Although Franchisee has been provided with the FDD for informational purposes, the parties acknowledge that the rights granted under this Addendum are an extension of the rights granted under the Franchise Agreement and not the grant of an additional franchise. The parties agree that except as specifically described above, the provisions of this Mobile Addendum are in addition to, and not in lieu of, the provisions of the Franchise Agreement. Franchisee agrees to comply with all provisions of the Manuals or any written directives of Company having specific applicability to the operation of the Mobile Unit. Except as otherwise provided in this Mobile Addendum, all other terms set forth in the Franchise Agreement shall remain in full force and effect. This Mobile Addendum may be executed and delivered, including by way of electronic signature (PDF formats included) in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The parties agree not to challenge the validity, enforceability, or admissibility of this Mobile Addendum's signature process on the grounds that it is in an electronic form (including, but not limited to, via Adobe Sign). By electronically signing this Mobile Addendum, the undersigned represents that he/she is authorized to bind himself/herself, and/or the entity for which he/she is signing.

(Remainder of this page intentionally left blank; signature page follows.)

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered on the Mobile Effective Date this Mobile Addendum to the Franchise Agreement.

FRANCHISEE:

_____

Name: _____

_____

Name: _____

COMPANY:
RITA'S FRANCHISE COMPANY, LLC

_____

By: _____

Title: _____

EXHIBIT D TO

FRANCHISE DISCLOSURE DOCUMENT

RITA'S DEVELOPMENT AGREEMENT

RITA'S FRANCHISE COMPANY, LLC

DEVELOPMENT AGREEMENT

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DEVELOPMENT AGREEMENT

THIS RITA'S FRANCHISE COMPANY, LLC DEVELOPMENT AGREEMENT (the "**Agreement**"), is made and entered into on _____ (the "**Effective Date**"), by and between **RITA'S FRANCHISE COMPANY, LLC**, a Delaware limited liability company, with its principal place of business at 1210 Northbrook Drive, Suite 310, Trevose, Pennsylvania 19053 ("**Company**") and _____, a [resident of] [corporation organized under the laws of] [limited liability company organized under the laws of] _____ ("**Developer**").

BACKGROUND:

A. Company and its predecessors and affiliates, as the result of the expenditure of time, skill, effort and money, have developed a distinctive system (the "**System**") relating to the establishment and operation of retail frozen dessert businesses ("**Rita's Shops**"), which (i) operate at retail shops that display Company's interior and exterior trade dress, (ii) are engaged in the sale of Company's proprietary products including Italian ice, frozen custard, frozen desserts and drinks, toppings, frozen novelties, and other food and beverages items, as well as proprietary gift products and a limited selection of complementary and compatible products, including non-proprietary gift products, approved by Company (collectively, the "**Menu Items**") and (iii) operate under the Proprietary Marks (as defined below).

B. The Menu Items consist of (i) items made with Company's proprietary products and Company's proprietary products that are ready to be resold to customers (collectively, the "**Rita's Products**"); and (ii) a limited selection of items made with Company-approved complementary and compatible products and Company-approved complementary and compatible products ready to be resold to customers (collectively, the "**Non-Proprietary Products**").

C. The distinguishing characteristics of the System include, without limitation, distinctive exterior and interior design, decor, color schemes, fixtures and furnishings; standards and specifications for products, equipment, materials and supplies; uniform standards, specifications and procedures for operations; procedures for inventory and management control; training and assistance; proprietary equipment; and marketing and promotional programs; all of which may be changed, improved, and further developed by Company from time to time.

D. The System is identified by means of certain trade names, service marks, trademarks, logos, emblems and indicia of origin as are now designated and may hereafter be designated by Company in writing for use in connection with the System including the mark "RITA'S ICE-CUSTARD-HAPPINESS" and other marks (the "**Proprietary Marks**").

E. Company operates and licenses others to operate various forms of Rita's Shops offering both full and limited assortments of the Menu Items.

F. Developer desires to obtain certain development rights for the development of Rita's Shops that will, in general, offer a full assortment of Menu Items ("**Shops**") and other

assistance provided by Company in connection therewith. Each of the Shops will operate under a Franchise Agreement (as defined in Section 1.1 below) for a 10-year term, unless a shorter term is approved by Company.

NOW THEREFORE, the parties, in consideration of the undertakings and commitments of each party to the other set forth in this Agreement, and for other good and valuable consideration, the sufficiency and receipt of which is hereby acknowledged, agree as follows:

1. GRANT

1.1 Subject to the provisions and conditions of this Agreement, Company grants to Developer the non-exclusive right, and Developer undertakes the obligation to (a) enter into separate signed Franchise Agreements with Company (the "**Franchise Agreements**"), as provided in Section 3.5 below, for a specified number of Shops as set forth in Exhibit A to this Agreement (the "**Development Schedule**") which will operate at specific locations (i) designated in the Franchise Agreement and (ii) located in the "**Development Search Area**" described in Exhibit B to this Agreement; and (b) to use the Proprietary Marks and System solely in connection therewith. Rita's Shops are either year around shops that operate all year ("**Year Around**") or seasonal shops that operate during a period designated by Company ("**Seasonal**"). Exhibit A designates whether the Shops that Developer will develop under this Agreement are Year Around or Seasonal. Developer and, as approved by Company, franchisee entities, in which Developer owns a controlling interest, shall have the right to execute Franchise Agreements with Company for Shops to be developed under this Agreement. Failure by Developer to adhere to the Development Schedule shall constitute a default under this Agreement. Each Shop to be developed hereunder shall be established and operated pursuant to a separate Franchise Agreement to be entered into between Developer and Company. For purposes of this Agreement, "**Products**" means the Menu Items, Rita's Products and Non-Proprietary Products. Developer and Company are agreeing to the ADR Process (defined below) outlined in Section 17 below which includes required arbitration.

1.2 By granting Developer rights to develop certain Shops, Company is not promising that other Rita's Shops will not be developed within the Development Search Area, and Company and its affiliates retain the rights, among others, on any terms and conditions Company deems advisable, and without granting Developer any rights therein:

1.2.1 To establish and operate, and license other parties to establish and operate, Rita's Shops and other types of locations (including, without limitation, mobile carts, stationary carts, and kiosks) under the System and Proprietary Marks in the Development Search Area at any existing or future special events centers, parks, stadiums, arenas, business and industrial complexes, museums, art centers, military bases, airports, other public transportation facilities, government offices or institutions, regional malls, health care facilities and other institutional feeding facilities, hotels and motels, toll road or highway rest stops, colleges, universities, food concessions and food service facilities, in theaters, warehouse clubs, theme parks, amusement centers, truck stops, casinos, temporary events, and any similar outlets as Company and/or Company's affiliates determine (collectively, "**Institutional Facilities**"), in its or their sole discretion;

1.2.2 To use, and to license others to use, the System and the Proprietary Marks for the operation and licensing of other Rita's Shops at any location within or outside of the Development Search Area;

1.2.3 Within and outside the Development Search Area, and notwithstanding any other provision hereof, to acquire, be acquired by, merge with or otherwise affiliate with, and thereafter own and operate, and franchise or license others to own and operate, any business of any kind, including, without limitation, any business that offers products or services the same as or similar to those offered under the System or that uses the Proprietary Marks or any other system or marks;

1.2.4 To give, donate or contribute to charitable and community organizations and events for fundraising and other events and use the Products for promotions and product demonstrations in the Development Search Area, and to offer Products for sampling by consumers and organizations for product testing, promotions and demonstrations in the Development Search Area;

1.2.5 To own, acquire, establish and/or operate and license others to establish and operate, businesses under the Proprietary Marks, at any location within or outside the Development Search Area but which do not operate under the System and are not operating retail frozen dessert businesses (this provision in no way limits the other rights reserved under Section 1.2.1); and

1.2.6 To, themselves or through licensees or designees, sell or distribute products, including the Products, under the Proprietary Marks in the Development Search Area in such manner and through other channels of distribution (other than Rita's Shops) as Company, in its sole discretion, determines, including, but not limited to, retail outlets (including supermarkets, markets, machines, groceries, mom & pops, gourmet shops, convenience stores, food carts, warehouse clubs, drug stores and book stores), catering services, electronic distributions via computer networks (including, without limitation, the World Wide Web, other areas of the Internet and/or other on-line networks), catalogs, direct mail, toll-free numbers, and other communications methods now or hereafter devised of any nature. This Agreement does not grant Developer any rights to distribute the Products through such alternative channels of distribution or to share in the proceeds received by any authorized party from such sale

1.3 This Agreement is not a Franchise Agreement and does not grant to Developer any right to use the Proprietary Marks or the System or to sell or distribute any Products.

1.4 Developer shall have no right under this Agreement to franchise or subfranchise others to use the Proprietary Marks or the System, or to sell, assign or otherwise transfer any portion of Developer's interest in the Development Search Area or its development rights under this Agreement.

2. TERM

This Agreement shall be in effect upon its acceptance and execution by Company and shall expire upon commencement of operations of the final Shop established pursuant to this Agreement, unless this Agreement is sooner terminated as provided herein.

3. DEVELOPMENT OBLIGATIONS

3.1 Recognizing that time is of the essence, Developer shall comply strictly with the Development Schedule. Developer acknowledges and agrees that the Development Schedule requires that Developer (a) execute and deliver Franchise Agreements for a cumulative number of Shops and (b) open a cumulative number of Shops within the time periods specified. If Developer fails, by the respective dates set forth in the Development Schedule or during the term of this Agreement, to (i) execute the Franchise Agreement(s) required in the Development Schedule, (ii) have open and operating the minimum cumulative number of Shops required in the Development Schedule, (iii) thereafter to develop, open and operate each respective Shop in accordance with the terms of the Franchise Agreement or (iv) thereafter maintain in operation the cumulative number of open and operating shops within the Development Search Area as required in the Development Schedule, then Developer shall be in material default of this Agreement, and Company shall have the right to all remedies described in Section 6 hereof.

3.2 Developer agrees to locate and submit specific sites for Shops. Developer shall submit to Company a site evaluation package ("**SEP**"), in a form prescribed by Company, identifying each proposed site and describing the site characteristics, current site layout, general proposed layout for the Shop at the site, relevant demographics for the site and cost factors concerning the site. Company shall have the right to require that Developer simultaneously submit SEPs for up to three proposed sites. Company shall have 30 days after receipt of a SEP from Developer to accept or reject each proposed site for each Shop. Developer must obtain written acceptance by Company of each proposed site, which will be in the form of a "**Site Acceptance Notice**." Developer shall execute a lease/sublease that complies with the requirements set forth in Section 3.3 or a binding agreement to purchase each site within 60 days of acceptance of each site by Company. After Developer executes a lease/sublease or a binding purchase agreement for each site, Company will deliver to Developer a Franchise Agreement for execution, which shall be the form of Franchise Agreement determined in accordance with Section 3.5 below. Company will deliver each Franchise Agreement to Developer once Company has complied with any necessary franchise registration or disclosure laws. Within 10 days after Company delivers each Franchise Agreement to Developer, Developer must (a) sign and deliver to Company two copies of such Franchise Agreement (together with any ancillary agreements required by the Franchise Agreement) and a receipt for Company's then-current Franchise Disclosure Document ("**FDD**") and (b) pay Company the applicable initial franchise fee as required therein and consistent with Section 4 of this Agreement. Once Company has received the signed Franchise Agreement, the initial franchise fee and all ancillary items it requires in satisfactory form, Company will countersign the Franchise Agreement and return one fully signed copy to Developer. Developer understands that any obligation or liability Developer incurs with respect to the proposed Shop or site before Company has approved it in writing and sent Developer the countersigned Franchise Agreement is at Developer's sole risk, and will be Developer's sole responsibility. Developer shall comply with Company's then-current franchising policies and procedures for execution of each Franchise Agreement (including signing a receipt for Company's then-current FDD). Company shall be under no obligation to execute a Franchise Agreement unless Developer has complied in a timely manner with all of the terms and conditions of this Agreement and has satisfied all requirements set forth herein to the execution of the Franchise Agreement. If any Franchise Agreement contemplated by this Agreement is executed by Company, it shall supersede this Agreement and govern the

relationship between the parties hereto with respect to the Shop that is the subject matter of such Franchise Agreement.

3.3 If Developer will occupy the premises from which the Shop is operated under a lease or sublease, Developer shall, prior to the execution of the lease/sublease, submit the lease/sublease to Company for its review to ensure that the lease/sublease includes Company's Lease Rider or contains the conditions set forth in Company's Lease Rider which may include, but are not limited to:

(i) That the initial term of the lease, or the initial term together with renewal terms, shall be for 10 years, unless otherwise approved in writing by Company;

(ii) That the lessor consents to Developer's use of such Proprietary Marks and initial signage as Company may prescribe for the Shop;

(iii) That the use of the premises be restricted solely to the operation of the Shop;

(iv) That the lessor provides to Company copies of any and all notices of default given to Developer under the lease/sublease;

(v) That upon termination or expiration of the applicable Franchise Agreement, Company has the right, at Company's option, to assume (or have another franchisee operating under the System assume) Developer's interest under the lease/sublease without the lessor's consent;

(vi) That Company has the right to enter the premises to make modifications necessary to protect the Proprietary Marks or the System or to cure any default under the Franchise Agreement; and

(vii) That at Company's request, the lessor provide to Company all sales information that has been provided to lessor by Developer.

3.4 Developer hereby acknowledges and agrees that acceptance by Company of a site does not constitute an assurance, representation, or warranty of any kind, express or implied, as to the suitability of the site for the Shop or for any other purpose. Acceptance by Company of the site indicates only that Company believes the site complies with acceptable minimum criteria established by Company solely for its purposes as of the time of the evaluation. Both Developer and Company acknowledge that application of criteria that have been effective with respect to other sites and premises may not be predictive of potential for all sites and that, subsequent to acceptance by Company of a site, demographic and/or economic factors, such as competition from other similar businesses, included in or excluded from criteria used by Company could change, thereby altering the potential of a site. Such factors are unpredictable and are beyond the control of Company. Company shall not be responsible for the failure of a site approved by Company to meet Developer's expectations as to revenue or operational criteria. Developer further acknowledges and agrees that its acceptance of a franchise for the operation of a Shop at the site is based on its own independent investigation of the suitability of the site.

3.5 The Franchise Agreement for the first Shop developed hereunder shall be in the form of the Franchise Agreement attached to the FDD provided to the Developer and referenced in Exhibit C. The Franchise Agreement for each additional Shop developed hereunder shall be Company's then-current form of Franchise Agreement.

3.6 For each Shop required to be developed under the Development Schedule, Developer must demonstrate to Company its financial ability to open and operate the Shop and must complete the pre-opening requirements set forth in the then-current Franchise Agreement.

3.7 Developer shall not be responsible for non-performance or delay in performance occasioned by causes beyond its control including, acts of civil or military authority, failure of civil or military authorities to act, strikes, acts of terrorism, lockouts, embargoes, insurrections, or Acts of God. If any delay occurs, any applicable time period hereunder shall be automatically extended for a period equal to the time lost; provided, however, that Developer shall make reasonable efforts to correct the reason for such delay and give Company prompt written notice of any such delay.

4. FRANCHISE FEES FOR SHOP DEVELOPMENT

4.1 In consideration of the development rights granted herein, Developer shall pay to Company the following initial franchise fees for each Shop to be developed, as set forth in the Development Schedule in the following manner:

4.1.1 The initial franchise fees for each Shop to be developed under this Agreement shall be in the amounts and paid as follows:

First shop	$35,000
Second shop	$20,000
Third and additional shop(s)	$15,000

4.2 Upon execution of this Agreement, Developer shall pay a development fee ("**Development Fee**") equal to the initial franchise fee for the first Shop and the initial franchise fee for each additional Shop that Developer must develop in order to comply with the Development Schedule, the aggregate amount of which is specified on Exhibit A. Developer acknowledges and agrees that the foregoing amount is earned and nonrefundable in consideration of administrative and other expenses incurred by Company even if Developer does not enter into Franchise Agreements for any Shop.

4.3 As to each Shop to be established in the Development Search Area under the Development Schedule, Company will credit the portion of the Development Fee that Developer paid for such Shop toward payment of the initial franchise fee (which amounts are set forth above) that is due for such Shop; provided, however, Developer shall be in full compliance with this Agreement and all Franchise Agreements and any other agreement with Company at the time Developer signs each Franchise Agreement.

5. DUTIES OF THE PARTIES

5.1 Company shall furnish to Developer the following:

5.1.1 Such limited site selection assistance as Company may deem advisable; and

5.1.2 Such on-site evaluation as Company deems advisable following its review of the SEP as part of its evaluation of Developer's request for site acceptance. Company shall not be obligated to conduct on-site evaluation and shall not provide on-site evaluation for any proposed site prior to Company's receipt of the SEP and all required information and materials. If on-site evaluation is deemed appropriate by Company, Company shall conduct on-site evaluations at no charge to Developer; provided, however, if Company is unable to complete a scheduled on-site evaluation as the result of any action or inaction of Developer, Developer shall reimburse Company for Company's reasonable expenses, including the costs of travel, lodging, wages and meals.

5.2 Developer shall adopt a fiscal year as specified by Company. Developer shall at Developer's expense, submit to Company in the form prescribed by Company, true and complete copies of the following reports, financial statements and other data:

5.2.1 Within 90 days after the end of each fiscal year of Developer, financial statements prepared and reviewed by an independent certified public accountant, showing the results of operations, including the balance sheet, income statement, and statement of cash flow prepared in accordance with generally accepted accounting principles recognized in the United States as consistently applied ("**Generally Accepted Accounting Principles**" or "**GAAP**") (and, for each, the supporting notes) for Developer;

5.2.2 Within 90 days after the end of each quarter of Developer's fiscal year, financial statements including balance sheets and income statements for such owners of Developer as specified by Company;

5.2.3 Within 30 days after their filing, Developer's federal tax return for each year during the term of this Agreement; and

5.2.4 Such other forms, reports, records, information, and data as Company may reasonably designate.

6. DEFAULT AND TERMINATION

6.1 Developer shall be in default under this Agreement, and all rights granted to Developer herein shall automatically terminate without notice to Developer, if Developer shall become insolvent or make a general assignment for the benefit of creditors; if a petition in bankruptcy is filed by Developer or such a petition is filed against and not opposed by Developer; if Developer is adjudicated as bankrupt or insolvent; if a bill in equity or other proceeding for the appointment of a receiver of Developer or other custodian for Developer's business or assets is filed and consented to by Developer; if a receiver or other custodian (permanent or temporary) of Developer's assets or property, or any part thereof, is appointed by

any court of competent jurisdiction; if proceedings for a composition with creditors under any state or federal law should be instituted by or against Developer; if a final judgment remains unsatisfied or of record for 30 days or longer (unless supersedeas bond is filed); if Developer is dissolved; if execution is levied against Developer's business or property; if suit to foreclose any lien or mortgage against any asset of Developer or Developer's Shops is instituted against Developer and not dismissed within 30 days; or if the real or personal property of Developer or of Developer's Shops shall be sold after levy thereupon by any sheriff, marshal or constable.

6.2 Upon the occurrence of any of the following events of default or upon any breach of any of the covenants listed in Section 8 of this Agreement, Company may, at its option, terminate this Agreement and all rights granted hereunder, without affording Developer any opportunity to cure the default, effective immediately upon the provision of notice to Developer (in the manner provided under Section 9 of this Agreement):

6.2.1 If the Franchise Agreement for any Shop operated by Developer (or a person or entity affiliated with Developer) is terminated; and/or

6.2.2 If Developer or any of its owners of a beneficial interest in Developer commits, is convicted of, pleads guilty or "nolo contendere" to a felony (or misdemeanor punishable by imprisonment for more than one year), a crime involving sexual groping, assault/battery involving sexual touching, a crime involving moral turpitude, or any other act, crime or offense that Company believes is injurious to the System, the Proprietary Marks, the Products, Company or the goodwill associated therewith.

6.3 Except as otherwise provided in Sections 6.1 and 6.2, above, if Developer fails to comply with any material term and condition of this Agreement or fails to comply with the terms and conditions of any Franchise Agreement or development agreement between Developer (or a person or entity affiliated with or controlled by Developer) and Company, such action shall constitute a default under this Agreement. Upon the occurrence of any such default, Company may, at its option, terminate this Agreement by giving written notice of termination, stating the nature of such default to Developer at least 30 days prior to the effective date of termination; provided, however, that Developer may avoid termination by immediately initiating a remedy to cure such default, curing it to Company's satisfaction, and by promptly providing proof thereof to Company within the specified time period. If any such default is not cured within the specified time or such longer period as applicable law may require, this Agreement and all rights granted hereunder (including the right to develop new Shops) shall terminate without further notice to Developer effective immediately upon the expiration of the specified time period or such longer period as applicable law may require.

6.4 Upon termination or expiration of this Agreement, all rights granted hereunder to Developer shall terminate and Developer shall have no right to establish or operate any Shop for which a Franchise Agreement has not been executed by Company at the time of termination.

6.5 No default under this Agreement shall constitute a default under any Franchise Agreement between the parties hereto, except to the extent that any default under this Agreement constitutes a default under any Franchise Agreement in accordance with the terms of the Franchise Agreement.

6.6 No right or remedy herein conferred upon Company is exclusive of any other right or remedy provided or permitted by law or equity.

6.7 If Developer fails to cure a default within any applicable notice period, or if this Agreement is terminated as a result of Developer's default, Developer shall pay to Company all damages, costs and expenses, including late fees, collection fees, interest at 1.5% per month or the highest permissible rate, reasonable investigation and attorneys' fees incurred by Company as a result of any such default or termination. All such interest, damages, costs, and expenses may be included in and form part of the judgment awarded to Company in any proceedings brought by Company against Developer.

7. TRANSFER OF INTEREST

7.1 This Agreement is personal in nature and entered into in reliance upon and in consideration of the skill, qualifications and representations of, and trust and confidence reposed in Developer and/or Developer's owners. Therefore, neither Developer, nor any individual, partnership, corporation, limited liability company or other legal entity that directly or indirectly owns any interest in Developer or in the assets of Developer's businesses, shall sell, assign, transfer, divide, convey, give away, pledge, mortgage, dispose of or otherwise encumber ("**Transfer**") (i) any direct or indirect interest in this Agreement or Developer (including any direct or indirect interest in a corporate or partnership Developer) or (ii) any of its obligations, duties, rights or privileges under this Agreement under any circumstances. None of Developer's owners as of the Effective Date may Transfer (by sale, transfer, assignment or otherwise disposition) their ownership interests in Developer under any circumstances as long as this Agreement is in effect. Any such transaction will be void and of no effect and will constitute a breach of this Agreement.

7.2 Upon the death or incapacity of any person with an interest in this Agreement or in Developer, the executor, administrator or personal representative of such person shall Transfer by an assignment of such interest approved by Company within 6 months after such death or incapacity. Such assignments, including assignments by devise or inheritance, shall be subject to the conditions set forth by Company similar to those required in connection with a transfer under Company's then-current form of Franchise Agreement at the time of the assignment(s). In the case of transfer by devise or inheritance, if the heirs or beneficiaries of any such person are unable to meet the conditions allowed under this Section 7.2, the executor, administrator or personal representative of the decedent shall transfer the decedent's interest to another party approved by Company within 6 months of Company providing notice to the executor, administrator or personal representative that the heirs or beneficiaries do not meet the conditions, which disposition shall be subject to all the terms and conditions for transfers contained in Company's then-current form of Franchise Agreement at the time of the Transfer. If the interest is not disposed of within such 6-month period, such failure shall be a default under this Agreement and Company may terminate this Agreement.

7.3 Provided Developer demonstrates to Company that it (i) is, and will remain, the legal and beneficial owner of a majority of the stock of an assignee corporation and (ii) shall act as the principal officer of the corporation, Company shall allow Developer to incorporate and Transfer by an assignment (after execution of documentation prepared by Company) of its rights

to a corporation organized expressly for the purpose of fulfilling the terms of this Agreement without the payment of any assignment fee or outstanding promissory note. However, Developer and all other shareholders must personally guaranty to Company the performance of the duties and responsibilities of the assignee corporate Developer, including the payment of any fees.

7.4 The rights, duties and obligations under this Agreement may be assigned, transferred, divided, conveyed, pledged, encumbered, merged or given away by Company and will inure to the benefit of Company's successors and assigns. Company will provide Developer with written notice of any such assignment, transfer, division, conveyance, pledge, encumbrance, merger or grant and the assignee will be required to fully perform Company's obligations under this Agreement.

8. COVENANTS

8.1 Unless otherwise specified, the term "Developer" as used in this Section 8 shall include, collectively and individually, Developer as defined in Section 18. Developer specifically acknowledges that, pursuant to this Agreement, Developer will receive valuable, specialized training and confidential information, including information regarding site selection, operational, sales, promotional, and marketing methods and techniques of Company and the System. A "**Competitive Business**" means any business with 10% or more of its actual or intended Gross Sales (as defined in the Franchise Agreement) in any month from Italian ice, custard, ice cream, sorbet, frozen yogurt and/or other frozen dessert items.

8.2 Developer covenants that during the term of this Agreement, except as otherwise approved in writing by Company, Developer shall not, either directly or indirectly, for itself, or through, on behalf of, or in conjunction with any person, persons, partnership, corporation, or entity:

8.2.1 Divert or attempt to divert any present or prospective business or customer of any shop under the System to any competitor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with Company (or any of its affiliates), the Products, the Proprietary Marks or the System;

8.2.2 Employ or seek to employ any person who is at that time employed by Company, or otherwise encourage such person to leave his or her employment;

8.2.3 Own, maintain, operate, engage in, be employed by, provide any assistance to, or have any interest in (as owner or otherwise) any Competitive Business; provided, however, this provision shall not apply to the operation by Developer of any business under the System with a Franchise Agreement with Company. Furthermore, Developer acknowledges and agrees that Developer shall be considered in default under this Agreement and that this Agreement will be subject to termination as provided in Section 6 herein, in the event that a person in the immediate family (including spouse, domestic partner, parent or child) of Developer (or, if Developer is other than an individual, the immediate family of an owner that is subject to these covenants) engages in a Competitive Business that would violate this Section 8.2.3 if such person was subject to the covenants of this Section 8;

8.2.4 Oppose government approval for the development of another Rita's Shop; or

8.2.5 Perform any act injurious or prejudicial to the goodwill of any other Rita's Shop or the Proprietary Marks.

8.3 Developer covenants that, except as otherwise approved in writing by Company, Developer shall not, for a continuous uninterrupted period of 2 years commencing upon the date of: (a) a permitted Transfer under the Development Agreement; (b) expiration of the Development Agreement; (c) termination of the Development Agreement (regardless of the cause for termination); (d) a final order of a duly authorized arbitrator, panel of arbitrators or a court of competent jurisdiction (after all appeals have been taken) with respect to any of the foregoing or with respect to enforcement of this Section 8; or (e) any or all of the foregoing; either directly or indirectly, for itself, or through, on behalf of, or in conjunction with any person or legal entity, own, maintain, operate, engage in, be employed by, provide assistance to or have any interest in (as owner or otherwise) any Competitive Business that is, or is intended to be, located in the Development Search Area, within a five-mile radius of the Development Search Area or within a three-mile radius of any Rita's Shop operating under the System; provided, however, that this provision shall not apply to the operation by Developer of any business under the System under a franchise with Company. Should there be a change in the law which would render this Section 8.3 inoperative, then the parties authorize any judge to make any and all changes to ensure that the restraints for both time and geography are within the scope of the law.

8.4 Sections 8.2.3 and 8.3 shall not apply to ownership by Developer of a less than 1% beneficial interest in the outstanding equity securities of any corporation which has securities registered under the Securities Exchange Act of 1934. The parties intend to be bounds by Section 8.2.3 and 8.3. Should there be a change in the law which would render Sections 8.2.3 and 8.3 inoperative, then the parties authorized any judge to make any and all changes to ensure that the restraints for both time and geography are within the scope of the law.

8.5 Developer shall not, during the term of this Agreement or thereafter, communicate, divulge or use for the benefit of any other person, partnership, association, corporation or limited liability company, any confidential information, knowledge or know-how, which may be communicated to Developer or of which Developer may be apprised, by virtue of Developer's operation under the terms of this Agreement. Developer shall divulge such confidential information only to such of its employees as must have access to the confidential information in connection with their employment. Any and all information, knowledge, know-how, techniques and other data which Company's designates as confidential shall be deemed confidential for purposes of this Agreement; provided, however, "confidential information" shall not include information which Developer can demonstrate came to its attention prior to disclosure thereof by Company, or which, at or after the time of disclosure by Company to Developer, had become or later becomes part of the public domain through publication or communication by others.

8.6 The parties agree that each of the foregoing covenants shall be construed as independent of any other covenant or provision of this Agreement. Section 8.2 and Section 8.3 shall be independent covenants. If all or any portion of a covenant in this Section 8 is held unreasonable or unenforceable by a court or agency having valid jurisdiction in an unappealed

final decision to which Company is a party, Developer expressly agrees to be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenant were separately stated in and made a part of this Section 8. Developer understands and acknowledges that Company shall have the right to reduce the scope of any of Developer's obligations under Sections 8.2 and 8.3, and that such modified provision shall be effective upon Developer's receipt of written notice thereof.

8.7 Developer expressly agrees that the existence of any claims it may have against Company, whether or not arising from the Development Agreement, shall not constitute a defense to the enforcement by Company of the covenants in this Section 8; provided, however, any claims Developer may have against Company may be brought in a separate proceeding. Developer agrees to pay all costs and expenses (including reasonable attorneys' fees) incurred by Company in connection with the enforcement of this Section 8.

8.8 At the request of Company, Developer shall obtain and furnish to Company executed covenants similar in substance to those set forth in of this Section 8 (including covenants applicable upon the termination of a person's relationship with Developer) from any or all of the following persons: (a) all officers, directors and holders of a beneficial interest of 1% or more of the securities of Developer, and of any corporation directly or indirectly controlling, controlled by, or under common control with, Developer, if Developer is a corporation; and (b) the general partners and any limited partners (including any corporation, and the officers, directors and holders of a beneficial interest of 1% or more of the securities of any corporation which controls, directly or indirectly, any general or limited partner), if Developer is a partnership. Every covenant required by of this Section 8.8 shall be in a form approved by Company including specific identification of Company as a third-party beneficiary of such covenants with the independent right to enforce them.

8.9 Developer agrees to comply with and/or to assist Company to the fullest extent possible in Company efforts to comply with Anti-Terrorism Laws (as defined below). In connection with such compliance, Developer certifies, represents and warrants that none of Developer's property or interests are subject to being "blocked" under any of the Anti-Terrorism Laws, and that Developer is not otherwise in violation of any of the Anti-Terrorism Laws. "**Anti-Terrorism Laws**" means Executive Order 13224 issued by the President of the United States, the USA PATRIOT Act and all other present and future U.S. federal, state and local laws, ordinances, regulations, policies, lists and any other requirements of any governmental authority addressing or in any way relating to terrorist acts and acts of war. Any violation of the Anti-Terrorism Laws by Developer or Developer's employees, or any "blocking" of Developer's assets under the Anti-Terrorism Laws shall constitute grounds for immediate termination of this Agreement and any other agreement Developer has entered into with Company or its affiliates in accordance with the termination provisions of this Agreement.

9. NOTICES

Any and all notices required or permitted under this Agreement shall be in writing and shall be personally served, mailed by certified mail, return receipt requested, or dispatched by overnight delivery envelope, to the respective parties at the following addresses, unless and until a different address has been designated by written notice to the other party:

Notices to Company:	Rita's Franchise Company, LLC 1210 Northbrook Drive, Suite 310 Trevose, PA 19053 Attn: Legal Department
Notice to Developer:	_____ _____ _____

Notices shall be deemed to have been received as follows: by personal service – at the time of service; by overnight delivery service – on the next business day following the date on which the Notice was given to the overnight delivery service; and certified mail – 3 days after the date of mailing.

10. PERMITS AND COMPLIANCE WITH THE LAWS

10.1 Developer shall comply with all federal, state and local laws, rules and regulations, and shall timely obtain any and all permits, certificates or licenses necessary for the full and proper conduct of the business contemplated under this Agreement.

10.2 Developer shall notify Company in writing within 5 days of the commencement of any action, suit or proceeding, and of the issuance of an order, writ, injunction, award or decree of any court, agency or other government instrumentality, which may adversely affect the operation or financial condition of Developer and/or any Shop established under this Agreement.

11. CORPORATE, LIMITED LIABLITY COMPANY OR PARTNERSHIP DEVELOPER

11.1 If Developer (or any successor to assignee of Developer) is a corporation or limited liability company, it shall comply with the following requirements:

11.1.1 Developer shall be newly organized, and its charter shall at all times provide that its activities are confined exclusively to developing and operating Shops;

11.1.2 Copies of Developer's Articles of Incorporation, Bylaws, articles of organization, operating agreement and/or other governing documents, and any amendments thereto, including the resolution of the Board of Directors or members authorizing entry into this Agreement, shall be promptly furnished to Company, upon request of Company;

11.1.3 Developer shall maintain stop-transfer instructions against the transfer on its records of any equity securities; and each stock certificate of Developer shall have conspicuously endorsed upon its face a statement in a form satisfactory to Company that it is held subject to, and that further assignment or transfer thereof is subject to, all restrictions imposed upon

assignments by this Agreement; provided, however, that the requirements of this Section 11.1.3 shall not apply to a publicly-held corporation; and

11.1.4 Developer shall maintain a current list of all owners of record, members and all beneficial owners of any class of voting securities or securities convertible into voting securities of Developer and shall furnish the list to Company upon request.

11.1.5 Developer shall submit to Company, for prior written approval, any corporate or other legal name that Developer proposes to use.

11.2 If Developer (or any successor to or assignee of Developer) is a partnership, it shall comply with the following requirements:

11.2.1 Developer shall furnish Company with a copy of its partnership agreement as well as such other documents as Company may reasonably request, and any amendments thereto; and

11.2.2 Developer shall prepare and furnish to Company, upon request, a list of all general and limited partners in Developer.

11.2.3 Developer shall submit to Company, for prior written approval, any name of the partnership or other legal name that Developer proposes to use.

11.3 Developer shall adopt a fiscal year as specified by Company. Developer shall at Developer's expense, submit to Company in the form prescribed by Company, true and complete copies of the following reports, financial statements and other data:

11.3.1 Within 90 days after the end of each fiscal year of Developer, financial statements prepared and reviewed by an independent certified public accountant, showing the results of operations, including the balance sheet, income statement and statement of cash flow (and, for each, the supporting notes) for Developer;

11.3.2 Within 90 days after the end of each quarter of Developer's fiscal year, financial statements including balance sheets and income statements for such owners of Developer as specified by Company;

11.3.3 Within 30 days after their filing, Developer's federal tax return for each year during the term of this Agreement; and

11.3.4 Such other forms, reports, records, information and data as Company may reasonably designate.

12. INDEPENDENT CONTRACTOR AND INDEMNIFICATION

12.1 Developer is an independent contractor. Company and Developer are completely separate entities and are not fiduciaries, partners, joint venturers, or agents of the other in any sense and neither shall have the power to bind the other. No act or assistance given by either

party to the other pursuant to this Agreement or any Franchise Agreement shall be construed to alter the relationship.

12.2 During the term of this Agreement, Developer shall hold itself out to the public as an independent contractor. Developer agrees to take such action as may be necessary to do so, including exhibiting a notice of that fact in a conspicuous place in Developer's offices the content of which Company reserves the right to specify.

12.3 Nothing in this Agreement authorizes Developer to make any contract, warranty or representation on the behalf of Company, or to incur any debt or other obligation in the name of Company and Company shall in no event assume liability for, or be deemed liable hereunder as a result of, any such action; nor shall Company be liable by reason of any act or omission of Developer in connection with Developer's operation of the business contemplated hereunder, or for any claim or judgment arising therefrom against Developer or Company. Developer hereby waives all claims against Company for damages to property or injuries to persons arising out of the operation of Developer's business. Developer shall indemnify and hold Company and the officers, directors and employees of Company ("**Indemnitees**") harmless against any and all causes of action, claims, losses, costs, expenses, liabilities, litigation, damages or other expenses (including settlement costs and attorneys' fees) arising directly or indirectly from, as a result of, or in connection with Developer's development of Shops and/or conduct under this Agreement, including those alleged to be caused by the Indemnitees' negligence. Developer agrees that, with respect to any threatened or actual litigation, proceeding or dispute that could directly or indirectly affect any of the Indemnitees, the Indemnitees shall have the right, but not the obligation, to: (i) choose counsel, (ii) direct, manage and/or control the handling of the matter; and (iii) settle, on behalf of the Indemnitees, any claim against the Indemnitees and/or Developer at their sole option. All vouchers, canceled checks, receipts, receipted bills or other evidence of payments for any such losses, liabilities, costs, damages, charges or expenses of whatsoever nature incurred by any Indemnitee shall be taken as prima facie evidence of Developer's obligation hereunder.

13. APPROVALS AND WAIVERS

13.1 Whenever this Agreement requires Company's prior authorization, approval or consent, Developer shall make a timely written request to Company therefor, and such approval or consent must be obtained in writing. Failure by Company to provide approval or consent in writing shall constitute a denial of the same.

13.2 Company makes no warranties or guarantees upon which Developer may rely, and assumes no liability or obligation to Developer, by providing any waiver, approval, consent or suggestion to Developer in connection with this Agreement, or by reason of any neglect, delay or denial of any request therefor.

13.3 No failure of Company to exercise any power reserved to it by this Agreement or to insist upon strict compliance by Developer with any obligation or condition hereunder, and no custom or practice of the parties at variance with the terms of this Agreement, including any practice or action of Company in its dealings with any other party, shall constitute a waiver of Company's right to demand exact compliance with any of the terms of this Agreement. Waiver

by Company of any particular default of Developer shall not affect or impair Company's rights with respect to any subsequent default of the same, similar or different nature; nor shall any delay, forbearance or omission of Company to exercise any power or right arising out of any breach or default by Developer of any of the terms, provisions or covenants of this Agreement, affect or impair Company's right to exercise the same, nor shall such constitute a waiver by Company of any right hereunder or the right to declare any subsequent breach or default and to terminate this Agreement prior to the expiration of its term. Subsequent acceptance by Company of any contributions or payments due to it hereunder shall not be deemed to be a waiver by Company of any preceding breach by Developer of any terms, covenants or conditions of this Agreement.

13.4 Company shall have the right to operate, develop and change the System in any manner that is not specifically precluded by this Agreement. Whenever Company reserves or is deemed to have reserved a right, option or discretion in a particular area or where Company agrees or is deemed to be required to exercise its rights reasonably or in good faith, Company will satisfy its obligations whenever it exercises reasonable business judgment in making its decision or exercising its rights. A decision or action by Company will be deemed to be the result of reasonable business judgment, even if other reasonable or even arguably preferable alternatives are available, if Company intended, in whole or significant part, to promote or benefit the System generally even if the decision or action also promotes a financial or other interest of Company and/or is adverse to Developer's interests. Examples of items that will promote or benefit the System include enhancing the value of the Proprietary Marks, improving customer service and satisfaction, improving product quality, improving uniformity, enhancing or encouraging modernization, and improving the competitive position of the System. Company's reasonable business judgment shall not be subject to any limitation or review and neither Developer nor any third party (including a trier of fact), shall substitute its judgment for Company's reasonable business judgment. If applicable law implies a covenant of good faith and fair dealing in this Agreement, Company and Developer agree that such covenant shall not imply any rights or obligations that are inconsistent with a fair construction of the terms of this Agreement and that this Agreement grants Company the right to make decisions, take actions and/or refrain from taking actions not inconsistent with Developer's rights and obligations hereunder.

14. WARRANTIES OF DEVELOPER

14.1 Company entered into this Agreement in reliance upon the statements and information submitted to Company by Developer regarding this Agreement. Developer represents and warrants that all such statements and information submitted by Developer in connection with this Agreement are true, correct, and complete in all material respects. Developer agrees to promptly advise Company of any material changes in the information or statements submitted.

14.2 Developer represents and warrants to Company that neither Developer (including any and all of its employees, directors, officers and other representatives) nor the funding sources for either is a person or entity designated with whom Company or any of its affiliates, are prohibited by law from transacting business.

15. ENTIRE AGREEMENT

15.1 This Agreement, the attachments hereto and the documents referred to herein constitute the entire Agreement between Company and Developer concerning the subject matter hereof and supersedes any prior agreements, and no other representations have induced Developer to execute this Agreement. Except for those permitted to be made unilaterally by Company hereunder, no amendment, change or variance from this Agreement shall be binding on either party unless mutually agreed to by the parties and executed by their authorized officers or agents in writing. Any amendment, addendum, rider or modification to this Agreement shall be deemed a part of this Agreement and a default under such document shall also be a default under this Agreement.

15.2 Notwithstanding the foregoing, nothing in this Agreement shall disclaim or require Developer to waive reliance on any representation that Company made in the most recent disclosure document (including its exhibits and amendments) that Company delivered to Developer or its representative, subject to any agreed-upon changes to the contract terms and conditions described in that disclosure document and reflected in this Agreement (including any riders or addenda signed at the same time as this Agreement).

16. SEVERABILITY AND CONSTRUCTION

16.1 If, for any reason, any section, part, term, provision, and/or covenant herein is determined to be invalid and contrary to, or in conflict with, any existing or future law or regulation by a court or agency having valid jurisdiction, such determination shall not impair the operation of, or have any other effect upon, such other portions, sections, parts, terms, provisions and/or covenants of this Agreement as may remain otherwise intelligible; and the latter shall continue to be given full force and effect and bind the parties hereto; and said invalid portions, sections, parts, terms, provisions and/or covenants shall be deemed not to be a part of this Agreement.

16.2 Any provision or covenant in this Agreement which expressly or by its nature imposes obligations beyond the expiration or termination of this Agreement (regardless of cause for termination), or transfer shall survive such expiration, termination or transfer, including Sections 8, 12.3, and 17.

16.3 Except as expressly provided to the contrary herein, nothing in this Agreement is intended, nor shall be deemed, to confer upon any person or legal entity other than Developer, Company, Company's officers, directors and employees, and such of Developer's and Company's respective successors and assigns, any rights or remedies under or by reason of this Agreement.

16.4 Developer expressly agrees to be bound by any promise or covenant imposing the maximum duty permitted by law that is subsumed within the terms of any provision hereof, as though it were separately articulated in and made a part of this Agreement, that may result from striking from any of the provisions hereof any portion or portions which a court or agency having valid jurisdiction may hold to be unreasonable and unenforceable in an unappealed final decision

to which Company is a party, or from reducing the scope of any promise or covenant to the extent required to comply with such a court or agency order.

16.5 All captions in this Agreement are intended solely for the convenience of the parties, and no caption shall be deemed to affect the meaning or construction of any provision hereof. The word "including" shall be construed to include the words "without limitation." The term "Developer" is applicable to one or more persons, a corporation, limited liability company or a partnership and its owners, as the case may be. If two or more persons are at any time Developer hereunder, whether as partners, joint venturers or otherwise, their obligations and liabilities to Developer should be joint and several. All partners, shareholders, members, officers and directors of the entity that sign this Agreement as Developers acknowledge and accept the duties and obligations imposed upon each of them, individually, by the terms of this Agreement. All partners of the entity that executes this Agreement, in the event said entity is a partnership, and all shareholders, members, officers and directors of the entity that executes this Agreement, in the event said entity is a corporation or limited liability company, shall execute the guarantee provision of this Agreement which is a part hereof. Reference to a "controlling" interest in an entity shall mean more than 50% of the equity or voting control of such entity. The word "including" shall be construed to include the words "but not limited to."

17. APPLICABLE LAW

17.1 This Agreement takes effect upon its acceptance and execution by Company, and shall be interpreted and construed exclusively under the laws of the Commonwealth of Pennsylvania, which laws shall prevail in the event of any conflict of law (without regard to, and without giving effect to, the application of the choice-of-law rules of such state); provided, however, that if any provision of this Agreement, including the covenants in Section 8 of this Agreement, would not be enforceable under the laws of the Commonwealth of Pennsylvania and the Development Search Area (or any portion of the Development Search Area) is outside of the Commonwealth of Pennsylvania, then that provision shall be interpreted and construed under the laws of the state in which the Development Search Area (or any portion of the Development Search Area) is located. Nothing in this Section 17 is intended by the parties to subject this Agreement to any franchise or similar law, rule or regulation to which this Agreement would not otherwise be subject. Developer specifically agrees that this Section 17 is entered into without any fraud, duress, or undue influence on the part of Company or any agent, broker, or employee thereof.

17.2 Except as otherwise provided in this Agreement, any claim or controversy arising out of or related to this Agreement (including claims of fraud in the inducement, claims related to the applicability or validity of this Section 17, and/or any claim that this Agreement or any of its provisions is invalid, illegal or otherwise voidable or void), the relationship between Company and Developer, or Developer's development of the Shops hereunder shall be subject to the alternative dispute resolution process ("**ADR Process**"). The ADR Process shall not be required by either Company or Developer with respect to (a) any claim or dispute involving actual or threatened disclosure or misuse of the confidential information of Company, (b) any claim or dispute involving the ownership, validity or use of the Proprietary Marks, (c) any claim or dispute involving the insurance or indemnification provisions of this Agreement or (d) any action to enforce the covenants set forth in Section 8 of this Agreement.

17.3 The ADR Process under this Section 17 is not intended to alter or suspend the rights or obligations of the parties under this Agreement or to determine the validity or effect of any provision of this Agreement, but is intended to furnish the parties an opportunity to resolve disputes amicably, expeditiously and in a cost-effective manner on mutually acceptable terms.

17.3.1 The ADR Process provided for hereunder shall be commenced by a party wishing to resolve a dispute ("**Complainant**"). Complainant shall initiate negotiation proceedings by sending a certified or registered letter to the party with whom dispute resolution is sought ("**Respondent**") setting forth the particulars of the dispute, the term(s) of this Agreement (if any) that are involved, and a proposed resolution of the dispute. Except as required to be disclosed under applicable law, all aspects of the ADR Process shall be treated as confidential, shall not be disclosed to others, and shall not be offered or admissible in any other proceeding or legal action whatsoever.

17.3.2 Respondent must respond within 30 days of receipt of a letter from Complainant with a written explanation and response to the proposed resolution.

17.3.3 If the dispute is not resolved through correspondence, then Complainant and Respondent shall meet at a place determined by Company on at least one occasion within 60 days of receipt of the initial letter in an attempt to resolve the dispute.

17.3.4 If Complainant and Respondent are unable to resolve the dispute within 60 days of receipt of the initial letter (or within such extended period of time as Complainant and Respondent shall agree upon in writing), either Complainant or Respondent may submit the dispute to arbitration in accordance with this Section 17. Except as set forth in Section 17.2 above, disputes and claims relating to this Agreement (including claims of fraud in the inducement and/or any claim that this Agreement or any of its provisions are invalid, illegal or otherwise void or voidable), the rights and obligations of the parties hereto, or any other claims or causes of action relating to the making, interpretation (including claims related to the applicability or validity of this Section 17) or performance of either party under this Agreement, will be submitted to arbitration at the office of the AAA closest to Company's principal place of business at the time the arbitration is initiated in accordance with the Federal Arbitration Act and the Commercial Arbitration Rules of the AAA ("**AAA Rules**"). All proceedings will be conducted at a suitable location chosen by the arbitrator that is within 40 miles of the Company's current principal place of business. Any disputes to be resolved by arbitration shall be governed by the Federal Arbitration Act, as amended. Any dispute arising out of or in connection with this arbitration provision (including any question regarding its existence, validity, scope or termination) shall be referred to and finally resolved by arbitration. The following shall supplement the AAA Rules and, in the event of a conflict, shall govern any dispute submitted to arbitration:

(i) Within 30 days of the later of Complainant filing the arbitration demand with the office of the AAA and Complainant sending a copy of the arbitration demand to Respondent ("**Answer Due Date**"), Respondent shall deliver to Complainant its answer and any counterclaim(s), setting out the nature of such counterclaims(s) and the relief requested. A counterclaim shall mean any claim(s) arising out of the transaction or occurrence that is the subject matter of Complainant's claim that, at the time of the Answer Due Date, Respondent has against

Complainant. Any counterclaim(s) not included in the answer shall be considered waived. The parties agree that the arbitrator(s) may tender an interim ruling, including injunctive relief, and all claims of any type by either party, including counterclaims and defenses, are included in the jurisdiction of arbitration. The number of arbitrators shall be three. The arbitrators shall be selected from the AAA's large and complex case panel. Each party has 10 days from the date of mailing by the American Arbitration Association of the written list of proposed arbitrators within which to return to the American Arbitration Association the written list of proposed arbitrators with their choices of arbitrators. The arbitrator selected by Company and the arbitrator selected by Developer shall select the third arbitrator. Should either party fail to pay any fee due by the AAA in connection with any arbitration matter related to this Agreement (including any failure to participate in an arbitration that results in the non-payment of a fee), the other party may elect to reduce the number of arbitrators to one without the consent of the non-paying party. Should the number of arbitrators be reduced from three to one, the arbitrator shall be appointed in accordance with the AAA Rules. The parties further consent to the jurisdiction of any appropriate court to enforce the provisions of this Section and/or to confirm any award rendered by the panel of arbitrators or arbitrator

(ii) The arbitrator(s) shall use the laws of Pennsylvania for interpretation of this Agreement. Each party shall bear its share of the costs and fees of the arbitration in accordance with the AAA Rules. Should a party fail to pay its portion of the arbitration fees in accordance with the AAA Rules, such failure to pay shall be grounds for dismissal of the non-paying party's claims. The arbitrator(s) shall apply the Federal Rules of Evidence at the hearings. The arbitrator(s)' award shall include interest from the date of any damages incurred, and from the date of the award until paid in full, at a rate to be fixed by the arbitrator, but in no event less than 1.5% per month, or part of a month, from the date until paid. The prevailing party shall be entitled to recover from the non-prevailing party all costs of arbitration, including, without limitation, the arbitrator(s)' fee, attorneys' fees, interest and costs of investigation. The arbitration hearings shall be completed within 150 days of the filing of the arbitration demand.

(iii)The arbitrator(s) shall have no authority to amend or modify the terms of this Agreement. The parties further agree that, unless such a limitation is prohibited by applicable law, the arbitrator(s) shall have no authority to award damages precluded by Section 17.7. To the extent permitted by applicable law, no issue of fact or law shall be given preclusive or collateral estoppel effect in any arbitration hereunder, except to the extent such issue may have been determined in another proceeding between the parties. This Agreement to arbitrate shall survive any termination or expiration of this Agreement.

(iv)Any dispute arising out of or in connection with this arbitration provision, including any question regarding its existence, validity, scope, or termination, shall be decided by arbitration.

17.4 Any legal action or proceeding brought by any party against the other in any forum or court, whether federal or state, shall be brought only within the judicial district in which Company has its principal place of business at the time the action or proceeding is initiated. Any such action or proceeding shall be brought in federal court if federal court jurisdiction exists and, if it does not exist, then in state court. The parties agree that this Section 17.4 shall not be construed as preventing either party from removing an action from state to

federal court. The parties hereby waive all questions of personal jurisdiction or venue for the purpose of carrying out this provision. Any legal action or proceeding shall be conducted on an individual basis, and not as part of a consolidated, common, group, representative, or class action.

17.5 **WAIVER OF JURY TRIAL: COMPANY AND DEVELOPER IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION OR PROCEEDING WITH RESPECT TO ANY CLAIM OR ACTION (INCLUDING ANY COUNTERCLAIMS OR CLAIMS OF FRAUD IN THE INDUCEMENT) WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER OF THEM AGAINST THE OTHER, WHETHER OR NOT THERE ARE OTHER PARTIES IN SUCH ACTION OR PROCEEDING.**

17.6 Except for claims arising from (i) Developer's non-payment of amounts owed to Company and/or its affiliates, (ii) post-termination obligations under this Agreement or (iii) any violations of intellectual property rights, any and all claims and actions arising out of or relating to this Agreement, the relationship of Developer and Company, Developer's or Company's actions in connection with this Agreement or Developer's development of Shops hereunder will be barred unless a judicial or arbitration proceeding is commenced by either party hereto against the other (including actions Developer may bring against Company, its affiliates, officers, directors and employees) within 24 months from the occurrence of the facts giving rise to such claim or action.

17.7 **WAIVER OF PUNITIVE AND EXEMPLARY DAMAGES: COMPANY AND DEVELOPER HEREBY WAIVE TO THE FULLEST EXTENT PERMITTED BY LAW ANY RIGHT TO OR CLAIM OF ANY PUNITIVE OR EXEMPLARY DAMAGES AGAINST THE OTHER AND AGREE THAT IN THE EVENT OF A DISPUTE BETWEEN THEM, EACH SHALL BE LIMITED TO THE RECOVERY OF ANY ACTUAL DAMAGES SUSTAINED BY IT**.

17.8 Nothing herein contained shall bar the right of either party to obtain, without invoking the ADR Process, a writ of attachment, a temporary injunction, preliminary injunction, and/or other emergency relief available to safeguard and protect Company's or Developer's interests (including, but not limited to, those matters set forth in the second sentence of Section 17.2) under the usual equity rules, including the applicable rules for obtaining restraining orders and preliminary injunctions.

18. DEVELOPER DEFINED AND GUARANTEE

As used in this Agreement, the term "Developer" shall be deemed to include not only the individual or entity defined as "Developer" in the introductory paragraph of this Agreement but also all partners of the entity that executes this Agreement, in the event said entity is a partnership, and all shareholders, members, officers and directors of the entity that executes this Agreement, in the event said entity is a corporation or limited liability company. All partners, shareholders, members, officers and directors of the entity that signs this Agreement

as Developer (i) shall be deemed owners and (ii) acknowledge and accept the duties and obligations imposed upon each of them, individually, by the terms of this Agreement. All partners of the entity that executes this Agreement, in the event said entity is a partnership, and all shareholders, members, officers and directors of the entity that executes this Agreement, in the event said entity is a corporation or limited liability company, shall execute the guarantee provision at the end of this Agreement. Developer specifically agrees and acknowledges that claims arising out of or relating to this Agreement in any way against or by any person or entity, whether a signatory to this Agreement or not, shall be resolved through arbitration.

19. MISCELLANEOUS

19.1 Developer acknowledges that it has conducted an independent investigation of the business contemplated and recognizes that the business venture contemplated by this Agreement involves business risks and that its success will be largely dependent upon the ability of Developer (or, if Developer is a corporation or partnership, the ability of its principals) as (an) independent businessperson(s), his/her active participation in the daily affairs of the business, market conditions, area competition, availability of product, quality of services provided as well as other factors. Company expressly disclaims the making of, and Developer acknowledges that it has not received, any warranty or guarantee, express or implied, as to the potential volume, profits or success of the business venture contemplated by this Agreement.

19.2 Developer acknowledges that Developer received a copy of this Agreement, the exhibit(s) hereto and agreements relating hereto, if any, as well as a copy of Company's current FDD at such time(s) as required by the applicable federal and state franchise laws and regulations.

19.3 Developer acknowledges that it has read and understood the FDD, this Agreement and the exhibits to this Agreement, and that Company has accorded Developer ample time and opportunity to consult with advisors of Developer's own choosing about the potential benefits and risks of entering into this Agreement. Developer acknowledges that it has no knowledge of any representations by Company, or anyone purporting to act on Company's behalf, that are contrary to the statements made in the FDD or contrary to the terms of this Agreement.

19.4 The following provision applies only to franchisees and franchises that are subject to the state franchise disclosure laws in California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington or Wisconsin:

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

19.5 Except when another entity guarantees Company's obligations under this Agreement (the "**Guaranteeing Entity**") as may be provided in Company's FDD, Developer agrees that no past, present or future director, officer, employee, incorporator, member, partner, stockholder, subsidiary, affiliate, controlling party, entity under common control, ownership or management, supplier, agent, attorney or representative of Company (other than the Guaranteeing Entity, but only to the extent of the terms of the guaranty) will have any liability for (i) any of Company's obligations or liabilities relating to or arising from this Agreement, (ii) any claim against Company based on, in respect of, or by reason of, the relationship between Developer and Company or (iii) any claim against Company based on any alleged unlawful act or omission of Company.

19.6 Developer, on behalf of itself and its current and former parents, subsidiaries, and affiliates, and the respective current and former owners, members, shareholders, officers, directors, agents, limited liability company members, managers, insurers, attorneys, employees, predecessors, successors and assigns of each, and on behalf of the Developer's owners, hereby (i) forever release, acquit and discharge Company, its parents, affiliates and related entities, and their current and former predecessors and affiliates, for each of their respective current and former officers, directors, owners, shareholders, employees, agents, representatives and attorneys, and for all of their current and former heirs, executors, administrators, personal representatives, successors, assigns and all other person(s) acting on their behalf, from any and all claims, demands and causes of action, whether known or unknown, of any kind or nature, vested or contingent, at law or in equity, arising prior to or on the Effective Date and (ii) agrees that none of them will institute any litigation or other legal action or proceeding, at law or in equity, against Company, its parents, affiliates and related entities, and its current and former predecessors and affiliates, each of their respective current and former officers, directors, owners, shareholders, employees, agents, personal representatives and attorneys, and/or each of their current and former heirs, executors, administrators, personal representatives, successors, assigns and all other person(s) acting on their behalf, directly or indirectly, relating to any claim or demand released under this Section 19.6, provided, however, that this release and covenant not to sue shall not apply to any claim that arises under any applicable federal and state franchise laws, except to the extent that such claims may by law be released by this Agreement. Developer shall take whatever actions are necessary or appropriate to carry out the terms of this release and covenant not to sue upon Company's request. This Section 19.6 shall survive the expiration or termination of this Agreement.

19.7 This Agreement may be executed and delivered, including by way of electronic signature (PDF formats included) in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The parties agree not to challenge the validity, enforceability, or admissibility of this Agreement's signature process on the grounds that it is in electronic form (including, but not limited to, via Adobe Sign). By electronically signing this Agreement, the undersign represents that he/she is authorized to bind himself/herself, and/or the entity for which he/she is signing.

IN WITNESS WHEREOF, the undersigned have executed or caused their duly authorized representatives to execute this Agreement as of the Effective Date

DEVELOPER:

_____

By:_____

Name:_____

Title:_____

By:_____

Name:_____

Title:_____

COMPANY:

RITA'S FRANCHISE COMPANY, LLC

By:_____

Name:_____

Title:_____

IF DEVELOPER IS A CORPORATION, PARTNERSHIP, OR OTHER LEGAL ENTITY, ALL OWNERS MUST EXECUTE THE FOLLOWING:

GUARANTEE PROVISION

As an inducement to Company to enter this Agreement between Company and Developer, the undersigned guarantor(s) ("**Guarantor(s)**"), jointly and severally, for the term of this Agreement and any extension, renewal, continuation or successor thereof, and thereafter until all of Developer's obligations to Company have been satisfied, do hereby personally, absolutely, and unconditionally guaranty to Company and its successors and assigns that Developer shall punctually pay and perform each and every obligation, undertaking, condition and covenant set forth in (a) this Agreement, (b) any amendments to this Agreement, (c) any renewals, extensions or continuations of the rights under this Agreement and (d) any other agreements, amendments, addenda, extensions or other modifications, whenever executed, relating to this Agreement to which Company and Franchisee are parties (individually or collectively, "**Rita's Agreement(s)**") Further, Guarantor(s), individually, jointly and severally, hereby agrees to be personally bound by each and every condition and term contained in this Agreement and the Rita's Agreement(s) as though Guarantor(s) had executed an agreement containing the identical terms and conditions of this Agreement (including, but not limited to, confidentiality, non-competition and dispute resolution provisions) and the Rita's Agreement(s).

Upon demand by Company, Guarantor(s) will immediately make each contribution or payment required of Developer under this Agreement and the Rita's Agreement(s). Guarantor(s) waives: (i) all rights to payments and claims for reimbursement or subrogation that Guarantor(s) may have against Developer arising as a result of Guarantor(s)'s execution of and performance under this guarantee provision, for the express purpose that no Guarantor(s) will be deemed a "creditor" of Developer under any applicable bankruptcy law with respect to Developer's obligations to Company; (ii) all rights to require Company to proceed against Developer for any payment required under this Agreement and the Rita's Agreement(s), proceed against or exhaust any security from Developer, take any action to assist any Guarantor(s) in seeking reimbursement or subrogation in connection with this guarantee provision or pursue, enforce or exhaust any remedy, including any legal or equitable relief, against Developer; (iii) any benefit of, any right to participate in, any security now or hereafter held by Company; and (iv) acceptance and notice of acceptance by Company of his, her or its undertakings under this guarantee provision, all presentments, demands and notices of demand for payment of any indebtedness or non-performance of any obligations hereby guaranteed, protest, notices of dishonor, notices of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed, and any other notices and legal or equitable defenses to which he, she or it may be entitled. Company will have no present or future duty or obligation to Guarantor(s) under this guarantee provision, and Guarantor(s) waives any right to claim or assert any such duty or obligation, to discover or disclose to Guarantor(s) any information, financial or otherwise, concerning Developer, any other guarantor or any collateral securing any obligations of Developer to Company. Without affecting the obligations of Guarantor(s) under this guarantee provision, Company may, without notice to the undersigned, extend, modify, supplement, waive strict compliance with or release all or any provisions of this Agreement, the Rita's Agreement(s), or any indebtedness or obligation of Developer, or settle, adjust, release or compromise any claims against Developer or any other guarantor, make advances for the

purpose of performing any obligations of Developer under this Agreement and/or the Rita's Agreement(s), assign this Agreement and/or the Rita's Agreement(s) or the right to receive any sum payable under this Agreement and/or the Rita's Agreement(s), and the undersigned each hereby jointly and severally waive notice of same and agree to be bound by any and all amendments and changes to this Agreement and/or the Rita's Agreement(s). Guarantor(s) expressly acknowledges that the obligations under this guarantee provision survive the expiration or termination of this Agreement and the Rita's Agreement(s).

Guarantor(s) agrees to defend, indemnify and hold Company harmless against any and all losses, damages, liabilities, costs and expenses (including reasonable attorneys' fees, reasonable costs of investigation, court costs, and arbitration fees and expenses) ("**Claims**") resulting from, consisting of, or arising out of or in connection with any failure by Developer, its officers, directors, agents or employees to perform any obligation under this Agreement and/or the Rita's Agreement(s), any amendment thereto or any other agreement executed by Developer referred to therein.

Upon the death of any Guarantor(s), the estate of such individual shall be bound by this guarantee provision, but only for defaults and obligations hereunder existing at the time of death; and the obligations of the other Guarantor(s) will continue in full force and effect. Any and all notices required or permitted under this guarantee provision will be in writing and will be delivered in the manner provided under Section 9 of this Agreement.

Unless specifically stated otherwise, the terms used in this guarantee provision shall have the same meaning as in this Agreement, and shall be interpreted and construed in accordance with Section 17 of this Agreement. This guarantee provision shall be interpreted and construed under the laws of the Commonwealth of Pennsylvania. In the event of any conflict of law, the laws of Pennsylvania shall prevail, without regard to, and without giving effect to, the application of the Commonwealth of Pennsylvania conflict of law rules. If any provision of this guarantee provision would not be enforceable under the laws of the Commonwealth of Pennsylvania and the Development Search Area is located outside of the Commonwealth of Pennsylvania, then that provision shall be interpreted and construed under the laws of the state in which the Development Search Area is located. Nothing in this guarantee provision is intended by the parties to subject this guarantee provision to any franchise or similar law, rule or regulation of the Commonwealth of Pennsylvania or of any other state to which it would not otherwise be subject.

IN WITNESS WHEREOF, each of the undersigned has signed this guarantee provision effective the Effective Date.

GUARANTOR(S):

_____

_____

Exhibit A
to
Rita's Franchise Company, LLC Development Agreement

DEVELOPMENT SCHEDULE AND DEVELOPMENT FEE

1. Developer's principal place of business is located at:

2. Developer will develop Shops that operate:

   ☐ Year Around

   ☐ Seasonal

3. Developer shall have executed and delivered Franchise Agreements and shall have open and in operation _____ (_____) Shops, within the Development Search Area in accordance with the following Development Schedule (Section 1.1):

Cumulative Number of Executed Franchise Agreements (executed under this Agreement) for Shops Within the Development Search Area	By this Date
_____	_____, _____
_____	_____, _____
_____	_____, _____
_____	_____, _____
_____	_____, _____

Developer's Cumulative Number of Open and Operating Shops (developed Under this Agreement) Within the Development Search Area	By this Date
_____	_____, _____
_____	_____, _____
_____	_____, _____
_____	_____, _____
_____	_____, _____

4. The Development Fee is $ _____ (Section 4.2).

DEVELOPER: **COMPANY:**

Initial:_____ Date:_____ Initial:_____ Date:_____

Exhibit B
to
Rita's Franchise Company, LLC Development Agreement

DEVELOPMENT SEARCH AREA

DEVELOPER: **COMPANY:**

Initial:_____ Date:_____ Initial:_____ Date:_____

Exhibit C
to
Rita's Franchise Company, LLC Development Agreement

REFERENCED FRANCHISE AGREEMENT

Exhibit D
to
Rita's Franchise Company, LLC Development Agreement

STATE ADDENDA

CALIFORNIA

AMENDMENT TO RITA'S FRANCHISE COMPANY, LLC
DEVELOPMENT AGREEMENT
REQUIRED BY THE STATE OF CALIFORNIA

In recognition of the requirements of the California Franchise Investment Law, the parties to the attached Rita's Franchise Company, LLC Development Agreement (the "**Development Agreement**") hereby agree as follows:

1. Section 17 of the Development Agreement shall be amended by adding the following language:

THIS SECTION SHALL NOT APPLY TO CLAIMS ARISING UNDER SECTIONS 31300 THROUGH 31306 OF THE CALIFORNIA FRANCHISE INVESTMENT LAW, ALL OF WHICH SHALL BE GOVERNED BY APPLICABLE STATE STATUTES. THIS PROVISION DOES NOT LIMIT DEVELOPER'S RIGHT TO TERMINATE THIS AGREEMENT IN ANY WAY.

2. Each provision of this Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the California Franchise Investment Law are met independently without reference to this Amendment.

IN WITNESS WHEREOF, the parties hereto have duly executed this California Amendment to the Development Agreement simultaneous with the execution of the Development Agreement on the date indicated below.

COMPANY: **RITA'S FRANCHISE COMPANY, LLC**	**DEVELOPER:**
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

ILLINOIS

AMENDMENT TO RITA'S FRANCHISE COMPANY, LLC
DEVELOPMENT AGREEMENT
REQUIRED BY THE STATE OF ILLINOIS

In recognition of the requirements of the Illinois Franchise Disclosure Act of 1987, the parties to the Rita's Franchise Company, LLC Development Agreement (the "**Development Agreement**") agree as follows:

1. Section 6 of the Development Agreement, under the heading "Default and Termination," shall be amended by adding the following provision after Section 6.7:

> 6.8 If any of the provisions of this Section 6 concerning termination are inconsistent with Section 19 of the Illinois Franchise Disclosure Act of 1987, then the provisions of Section 19 of the Act shall apply.

2. Section 17 of the Development Agreement, under the heading entitled "Applicable Law," shall be supplemented by the addition of the following language at the end of the Section:

> Illinois law shall govern the Development Agreement.

3. In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in the Development Agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, the Development Agreement may provide for arbitration to take place outside of Illinois.

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

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have duly executed this Illinois Amendment to the Development Agreement simultaneous with the execution of the Development Agreement on the date indicated below.

COMPANY:
RITA'S FRANCHISE COMPANY, LLC

By: _____

Name: _____

Title: _____

Date: _____

DEVELOPER:

By: _____

Name: _____

Title: _____

Date: _____

INDIANA

AMENDMENT TO RITA'S FRANCHISE COMPANY, LLC
DEVELOPMENT AGREEMENT
REQUIRED BY THE STATE OF INDIANA

In recognition of the requirements of the Indiana Franchise Disclosure Law, Indiana Code § § 23-2-2.5-1 to 23-2-2.5-51, and the Indiana Deceptive Franchise Practices Act, Indiana Code § § 23-2-2.7-1 to 23-2-2.7-10, the parties to the attached Rita's Franchise Company, LLC Development Agreement (the "**Development Agreement**") agree as follows:

1. Section 1.2 of the Development Agreement, under the heading "Grant," shall be amended by adding the following language after Section 1.2.6:

> Company is required by this Agreement to agree not to compete unfairly with Developer within the Development Area. To the extent required by Indiana Code Sections 23-2-2.7-1(2) and 23-2-2.7-2(4), Company shall not operate a business which is substantially identical to the Franchised Business within the Development Area regardless of trade name.

2. Section 6 of the Development Agreement, under the heading "Default and Termination," shall be amended by adding the following provision after Section 6.7:

> 6.8 Indiana Law provides that unilateral termination of this Agreement must be for good cause. Good cause includes, among other things, any material violation of this Agreement.

3. Section 12 of the Development Agreement, under the heading "Independent Contractor and Indemnification," shall be amended by the addition of the following language to the end of the section:

> To the extent required by Indiana Code Section 23-2-2.7-2(10), Developer shall not be obligated to indemnify Company as provided herein for any liability caused by Developer's reasonable and proper reliance on or use of procedures and materials provided by Company or arising out of Company's negligence.

4. Section 17 of the Development Agreement, under the heading "Applicable Law," shall be amended by adding the following language at the end of the Section:

> To the extent required by either the Indiana Franchise Disclosure Law or Indiana Deceptive Franchise Practices Act, Indiana law shall be applied in construing this Agreement.
>
> To the extent required by either the Indiana Franchise Disclosure Law or Indiana Deceptive Franchise Practices Act, a developer who operates a franchised office in Indiana may require, at the developer's option, that litigation or arbitration concerning such franchise take place in Indiana.

5. Section 19.6 of the Development Agreement, under the heading "Miscellaneous", shall be amended by adding the following language at the end of the Section:

> To the extent required by Indiana Code Section 23-2-2.7-1(5) no general release executed pursuant to this Section shall be deemed a release, assignment, novation, waiver or estoppel which purports, or is intended to relieve Company from any liability imposed by the Indiana Deceptive Franchise Practices Act.

6. Each provision of this Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Indiana Franchise Disclosure Law and the Indiana, Indiana Code § § 23-2-2.5-1 to 23-2-2.5-51, and the Indiana Deceptive Franchise Practice Act, Indiana Code § § 23-2-2.7-1 to 23-2-2.7-10, are met independently without reference to this Amendment.

IN WITNESS WHEREOF, the parties hereto have duly executed this Indiana Amendment to the Development Agreement simultaneous with the execution of the Development Agreement on the date indicated below.

COMPANY: **RITA'S FRANCHISE COMPANY, LLC**	**DEVELOPER:**
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

MARYLAND

AMENDMENT TO RITA'S FRANCHISE COMPANY, LLC
DEVELOPMENT AGREEMENT
REQUIRED BY THE STATE OF MARYLAND

In recognition of the requirements of the Maryland Franchise Registration and Disclosure Law, the parties to the attached Rita's Franchise Company, LLC Development Agreement ("**Development Agreement**") agree as follows:

1. Section 17 of the Development Agreement, under the heading "Applicable Law," shall be supplemented by the addition of the following language at the end of the section:

   > Notwithstanding the above, any claim Developer may have under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years of the execution of this Agreement.

2. Section 17 of the Development Agreement, under the heading "Applicable Law," shall be supplemented by the following:

   > Maryland franchisees are permitted to bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

3. Sections 19.1 and 19.3 of the Development Agreement, under the heading "Miscellaneous," shall be deleted in their entirety.

4. Section 19.6 of the Development Agreement, under the heading "Miscellaneous," shall be supplemented by the following:

   > The foregoing acknowledgments shall not be construed as a waiver or release by Developer of any claims arising under the Maryland Franchise Registration and Disclosure Law.

5. Each provision of this Amendment shall be effective only to the extent that the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law, with respect to each such provision, are met independent of the Amendment. This Amendment shall have no force or effect if such jurisdictional requirements are not met.

IN WITNESS WHEREOF, the parties hereto have duly executed this Maryland Amendment to the Development Agreement simultaneous with the execution of the Development Agreement on the date indicated below.

COMPANY: **RITA'S FRANCHISE COMPANY, LLC**	**DEVELOPER:**
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

MINNESOTA

AMENDMENT TO RITA'S FRANCHISE COMPANY, LLC
DEVELOPMENT AGREEMENT
REQUIRED BY THE STATE OF MINNESOTA

In recognition of the requirements of the Minnesota Franchises Law, Minn. Stat. §§ 80C.01 through 80C.22, and of the Rules and Regulations promulgated thereunder by the Minnesota Commissioner of Commerce, Minn. Rules §§ 2860.0100 through 2860.9930, the parties to the attached Rita's Franchise Company, LLC Development Agreement ("**Development Agreement**") agree as follows:

1. Section 6 of the Development Agreement shall be supplemented by adding the following as Section 6.8:

> Insofar as the Development Agreement is governed by the State of Minnesota, Company shall comply with Minn. Stat. § 80C.214, Subds. 3, 4, and 5 which require, except in certain specified cases, that Company give Franchisee 90 days' notice of termination (with 60 days to cure) and 180 days' notice of non-renewal of the Development Agreement.

2. Section 17.6 of the Development Agreement shall be supplemented by the following:

> Notwithstanding the above, any claim Developer may have under the Minnesota Franchise Act must be brought within 3 years of the execution of this Agreement.

3. Section 19 of the Development Agreement shall be supplemented by adding the following sections:

> 19.8 The general release language contained in this Agreement shall not relieve Company or any other person, directly or indirectly, from liability imposed by Minn. Stat. §§ 80C.01 through 80C.22.
>
> 19.9 Minn. Stat. § 80C.21 and Minn. Rule 2860.4400J prohibit Company from requiring litigation to be conducted outside Minnesota. Nothing in the FDD (as defined in this Agreement) or this Agreement can abrogate or reduce any of Developer's rights provided for in Minnesota Statutes, Chapter 80C, or Developer's rights to any procedure, forum or remedies provided for by the laws of the jurisdiction.

4. Each provision of this Amendment shall be effective only to the extent that the jurisdictional requirements of the Minnesota Franchise Act, with respect to each such provision, are met independent of the Amendment. This Amendment shall have no force or effect if such jurisdictional requirements are not met.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have duly executed this Minnesota Amendment to the Development Agreement simultaneous with the execution of the Development Agreement on the date indicated below.

COMPANY:
RITA'S FRANCHISE COMPANY, LLC

By: _____

Name: _____

Title: _____

Date: _____

DEVELOPER:

By: _____

Name: _____

Title: _____

Date: _____

NEW YORK

AMENDMENT TO RITA'S FRANCHISE COMPANY, LLC
DEVELOPMENT AGREEMENT
REQUIRED BY THE STATE OF NEW YORK

In recognition of the requirements of the New York General Business Law, Article 33, the parties to the attached Rita's Franchise Company, LLC Development Agreement (the "**Development Agreement**") agree as follows:

1. Paragraph 7.1 of the Development Agreement shall be supplemented to include the following language, which shall be considered an integral part of the Development Agreement:

> In the event of any assignment of this Agreement by Company, Company will ascertain that its assignee, in Company's reasonable judgment, possesses the economic resources to fulfill Company's obligations to its licensees.

2. Paragraph 17.1 of the Development Agreement shall be supplemented to include the following language, which shall be considered an integral part of the Development Agreement:

> However, the foregoing choice of law shall not be considered a waiver of any right conferred upon Licensee by the provisions of Article 33 of the New York State General Business Law.

3. Each provision of this Amendment shall be effective only to the extent that the jurisdictional requirements of the General Business Law of New York State, Sections 680-695, with respect to each such provision, are met independent of this Amendment. This Amendment shall have no force or effect if such jurisdictional requirements are not met.

IN WITNESS WHEREOF, the parties hereto have duly executed this New York Amendment to the Development Agreement simultaneous with the execution of the Development Agreement on the date indicated below.

COMPANY: **RITA'S FRANCHISE COMPANY, LLC**	**DEVELOPER:**
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

NORTH DAKOTA

AMENDMENT TO RITA'S FRANCHISE COMPANY, LLC
DEVELOPMENT AGREEMENT
REQUIRED BY THE STATE OF NORTH DAKOTA

In recognition of the requirements of the North Dakota Franchise Investment Law, N.D. Cent. Code, §§ 51-19-01 through 51-19-18, and the policies of the office of the State of North Dakota Securities Commission, the parties to the attached Rita's Franchise Company, LLC Development Agreement (the "**Development Agreement**") agree to as follows:

1. The Development Agreement shall be amended by the addition of the following Section 20.

20. The parties acknowledge and agree that they have been advised that the North Dakota Securities Commissioner has determined the following agreement provisions are unfair, unjust or inequitable to North Dakota franchisees:

A. Restrictive Covenants: Any provision which discloses the existence of covenants restricting competition contrary to Section 9-08-06, N.D.C.C., without further disclosing that such covenants will be subject to this statute.

B. Situs of Arbitration Proceedings: Any provision requiring that the parties must agree to arbitrate disputes at a location that is remote from the site of the franchisee's business.

C. Restriction on Forum: Any provision requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota.

D. Liquidated Damages and Termination Penalties: Any provision requiring North Dakota franchisees to consent to liquidated damages or termination penalties.

E. Applicable Laws: Any provision which specifies that any claims arising under the North Dakota franchise law will be governed by the laws of a state other than North Dakota.

F. Waiver of Trial by Jury: Any provision requiring North Dakota franchisees to consent to the waiver of a trial by jury.

G. Waiver of Exemplary and Punitive Damages: Any provision requiring North Dakota franchisees to consent to a waiver of exemplary and punitive damages.

H. General Release: Any provision requiring North Dakota franchisees to execute a general release of claims as a condition of renewal or transfer of a franchise.

A. I. Limitation of Claims: Any provision requiring North Dakota franchisees to consent to a limitation of claims. The statute of limitations under North Dakota law applies.

2. Each provision of this Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the North Dakota Franchise Investment Law, N.D. Cent. Code §§ 51-19-01 through 51-19-18, are met independently without reference to this Amendment. This Amendment shall have no force or effect if such jurisdictional requirements are not met.

IN WITNESS WHEREOF, the parties hereto have duly executed this North Dakota Amendment to the Development Agreement simultaneous with the execution of the Development Agreement on the date indicated below.

COMPANY: **RITA'S FRANCHISE COMPANY, LLC**	**DEVELOPER:**
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

RHODE ISLAND

AMENDMENT TO RITA'S FRANCHISE COMPANY, LLC
DEVELOPMENT AGREEMENT
REQUIRED BY THE STATE OF RHODE ISLAND

In recognition of the requirements of the Rhode Island Franchise Investment Act, the parties to the attached Rita's Franchise Company, LLC Development Agreement (the "**Development Agreement**") agree as follows:

1. The following section shall be added at the end of Section 17 of the Development Agreement:

> 17.9 Notwithstanding the above, Rhode Island developers are permitted to bring a lawsuit in Rhode Island for claims arising under the Rhode Island Franchise Investment Act.

2. Each provision of this Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Rhode Island Franchise Investment Act are met independently without reference to this Amendment.

IN WITNESS WHEREOF, the parties hereto have duly executed this Rhode Island Amendment to the Development Agreement simultaneous with the execution of the Development Agreement on the date indicated below.

COMPANY: **RITA'S FRANCHISE COMPANY, LLC**	**DEVELOPER:**
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

EXHIBIT E TO

FRANCHISE DISCLOSURE DOCUMENT

NEW SHOP MARKETING PROGRAM ADDENDUM

New Shop Marketing Program Agreement

Date:

Shop Number: #«Ritas_ID»

Franchisee: «First_1» «Last_1», «First_2» «Last_2»

Franchisee Email: «Email_1» «Email_2»

Rita's Marketing Contact: _____, Director of Regional Marketing

This new shop marketing program agreement (this "Agreement") outlines the (i) Rita's Franchise Company, LLC ("RFC," "we," or "us") New Shop Marketing Program (the "Program" and formerly known as the "Grand Opening Program"), and (ii) Program requirements that will be implemented for your shop (the "Shop") during the new store opening process. This Agreement will be interpreted in accordance with your franchise agreement with RFC. Should you have any questions regarding this Agreement or the Program, please reach out directly to your RFC marketing contact. We look forward to supporting you throughout the Program process and are very excited to help you successfully launch the Shop!

Program Requirements: Under the Program, you shall be responsible for executing the local store marketing tactics and activities as outlined in the Program Execution section of the New Shop Marketing Program Guide. In general, the Program requirements are to help maximize community outreach and set the Shop up for a successful launch.

Advertising and Funding: You shall fund the Program with at least «NSMP_Amount» (the "Program Expenditure Funds"). The Program Expenditure Funds are used for the paid advertising strategy for the Program as outlined in the New Shop Marketing Program Guide. We will develop, with your input, a customized media plan for the Shop and will use the Program Expenditure Funds for approved media for the Shop after the media plan has been reviewed and approved by both RFC and you. No later than 120 days prior to the expected opening date of the Shop, the Program Expenditure Funds must be funded by you by making the «NSMP_Amount» payment to "Rita's Franchise Company, LLC" for the Program.

Program Agreement Sign-Off: By executing this Agreement, you agree to perform the above responsibilities and requirements related to the Program (in accordance with your franchise agreement). This Agreement shall be deemed to supplement, but not supersede, your franchise agreement.

Print First and Last Name	Title	Signature	Date
Print First and Last Name	Title	Signature	Date

EXHIBIT F TO

FRANCHISE DISCLOSURE DOCUMENT

SAMPLE GENERAL RELEASE AGREEMENT

EXHIBIT F
RITA'S FRANCHISE COMPANY, LLC

GENERAL RELEASE AGREEMENT

This Release Agreement (this "Agreement") is made and entered into on _____ (the "Effective Date") by and between Rita's Franchise Company, LLC (as successor-in-interest to Rita's Water Ice Franchise Company, LLC) ("Company"); _____ _____ ("Franchisee"); and undersigned parties that are owners or guarantors (individually and collectively, "Undersigned Parties")

WITNESSETH:

WHEREAS, Company and Franchisee are parties to a Rita's Franchise Agreement dated _____ (the "Franchise Agreement") granting Franchisee the right to operate a Rita's franchised business under Franchisor's proprietary marks and system at the following location: _____ (the "Franchised Business").

WHEREAS, Undersigned Parties are beneficiaries of the Franchise Agreement.

WHEREAS, Franchisee seeks to **[transfer the Franchise Business] [renew the Franchise Agreement] [other]**.

WHEREAS, Franchisee and Undersigned Parties shall collectively be referred to as the "Franchisee Parties" in this Agreement.

NOW THEREFORE, in consideration of the mutual covenants and conditions contained in this Agreement, and other good and valuable consideration, receipt of which is hereby acknowledged by each of the parties hereto, the parties hereto agree as follows:

The Franchisee Parties, and each of them, on behalf of themselves and their current and former parents, subsidiaries, and affiliates, and the respective current and former owners, members, officers, directors, employees, managers, agents, representatives, insurers, attorneys, predecessors, successors and assigns of each (the "Releasing Parties"), hereby forever release, acquit and discharge Company, and its current and former predecessors and affiliates, for each of their respective partners, owners, shareholders, agents, attorneys, employees, officers, directors and representatives, and for all of their respective current and former heirs, executors, administrators, personal representatives, successor, assigns and all other person acting on their behalf ("Company Parties") from any and all suits, claims, damages, controversies, rights, promises, debts, liabilities, demands, duties, obligations, costs expenses, actions and causes of action of every nature, character, description and kind, in law or in equity, whether presently known or unknown, vested or contingent, suspected or unsuspected, related or unrelated to the Franchise Agreement, the Franchised Business, and/or any other agreement between any of Company Parties and any of the Releasing Parties, as to law and/or facts, which any of the Releasing Parties now owns or holds or has at any time heretofore owned or held, or may at any time own or hold against any of Company Parties, arising prior to, up to and including the Effective

Date. The Releasing Parties, and each of them, also covenant not to sue any Company Parties regarding any of the claims being released under this Agreement.

The Parties agree that, with respect to the release of claims as set forth above, all rights under Section 1542 of the California Civil Code and any similar law of any state or territory of the United States are expressly waived. Section 1542 reads as follows:

> **Section 1542. Certain Claims not affected by general release.** A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

Franchisee represents that it has carefully and fully read this Agreement, has had ample opportunity to review it with an attorney of its choosing, and understands its content and consequences. The parties agree not to challenge the validity, enforceability, or admissibility of this Agreement's signature process on the grounds that it is in an electronic form (including, but not limited to, via Adobe Sign). By electronically signing this Agreement, the undersigned represents that he/she is authorized to bind himself/herself, and/or the entity for which he/she is signing.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement effective as of the Effective Date.

COMPANY:
Rita's Franchise Company, LLC

_____

FRANCHISEE:

_____

_____

UNDERSIGNED PARTIES

_____

_____

EXHIBIT G TO
FRANCHISE DISCLOSURE DOCUMENT
TABLE OF CONTENTS
OF SYSTEM MANUALS

Operations Manual

Welcome		2 pages
Table of Contents		8 pages
Acknowledgement of Receipt		2 pages
1. Introduction		14 pages
2. Business Management		28 pages
3. Store Operations		74 pages
4. Risk Management		20 pages
5. Personnel Management		36 pages
6. Marketing		52 pages
7. Leveraging the Advantages of the Franchise System		7 pages
	TOTAL	243 pages

Products and Procedures Manual

Manual Overview		1 page
Table of Contents		9 pages
1. Food Safety		49 pages
2. Production Guidelines		56 pages
3. Maintaining Product Quality		13 pages
4. Product Presentation		89 pages
5. Equipment and Maintenance		88 pages
6. Surface Care and Maintenance		8 pages
	TOTAL	313 pages

Product Recipes Manual

Electro Freeze Equipment

Welcome		3 pages
1. Double Container Recipes		92 pages
2. Single Container Recipes		88 pages
4. Half Container Recipes		83 pages
5. Quarter Container Recipes		86 pages
	TOTAL	352 pages

EXHIBIT H TO

FRANCHISE DISCLOSURE DOCUMENT

LIST OF CURRENT AND FORMER FRANCHISE AND CURRENT AND FORMER DEVELOPERS

SHOPS OPEN AS OF SEPTEMBER 30, 2025

COMPANY	CONTACT	SHOP ADDRESS 1	SHOP ADDRESS 2	CITY	STATE	ZIP	PHONE
BGCT, LLC	Stacey Gelband	8469 Hwy. 63 S.		Alexander City	AL	35010	256-587-2001
	Magnesh R. Patel	621 Boll Weevil Cr.	#2	Enterprise	AL	36330	334-699-7003
Frozen Custard and Italian Ice Foley OB LLC	Bradley D. Wilson	2654 S McKenzie Street		Foley	AL	36535	251-943-1839
Legacy Brands, LLC	Cheri F. McCall	8046 Highway 72 W		Madison	AL	35758	256-970-4848
ARMELLINO ITALIAN ICES CORP	William P. Getchell	1201 University Blvd		Tuscaloosa	AL	35401	205-764-1640
JT Sweets, Treats, and ICE, L.L.C.	James J. Torrence	5940 W Union Hills Dr	Bldg C	Glendale	AZ	85308	623-866-9676
JT Sweets, Treats, and ICE L.L.C.	James J. Torrence	4727 E. Bell Road	Tatum Point Shopping Center	Phoenix	AZ	85032	602-703-1484
RSSpurgeon LLC	Raymond J. Spurgeon III	4210 N. 1st Avenue	Suite 4210-100	Tucson	AZ	85719	520-638-5137
Surgelati Treats Inc.	Esmeralda Arrizon	417 S Shore Ctr		Alameda	CA	94501	510-397-4597
Mom's JCM3 Sweets, LLC	Melissa N. Patterson	649 W Imperial Hwy	Suite J	Brea	CA	92821	714-784-6786
M. MCCLAIN LLC.	Myles L. McClain	3200 Castro Valley Blvd.		Castro Valley	CA	94546	510-876-5217
	John F. Conley	24845 Del Prado		Dana Point	CA	92629	949-443-2423
AWAN SCRUB TECHNOLOGY	Nasir Awan	11134 Palms Blvd.		Los Angeles	CA	90034	310-439-1582
Jamieson Family Ice	Aaron W. Jamieson	23811 Washington Ave		Murrieta	CA	92562	951-240-5526
Newbur, Inc.	Meenu Sandhu	2290 Borchard Road	Chevron ExtraMile	Newbury Park	CA	91320	805-499-1072
RITA'S BAY AREA, LLC	Matthew H. Levy	740 El Camino Real		San Carlos	CA	94070	650-596-5144
HAT ICE LLC	Hieu Luu	1801 Pruneridge Avenue		Santa Clara	CA	95050	408-217-8332
RT Ice, LLC	Taryn S. Bulko	26773 Bouquet Canyon Rd		Santa Clarita	CA	91350	661-414-3734
	Katharine D. Gehauf	7866 N Academy Blvd		Colorado Springs	CO	80920	719-465-2867
J&K Frozen Treats, Inc.	Jonathan L. Tatum	7715 Dublin Blvd		East Colorado Springs	CO	80923	719-445-0912
Italian Ice of Parker, Inc.	Cameron Nuss	19250 East Lincoln Ave	Suite 120	Parker	CO	80138	720-549-4059
CT Scoops LLC	Adam R. Brothwell	358 Scott Swamp Road		Farmington	CT	06032	860-404-2680
Quarry Ice Inc.	Edward S. Papacoda	900 Straits Tpke		Middlebury	CT	06762	203-758-2888
Dendrite Down Ventures, LLC	William J. Baldasty III	361 Colman St		New London	CT	06320	860-444-1600
TWICE ICE, LLC	James F. Hunter III	378 Kelly Road		Vernon	CT	06066	860-648-1833
IKE'S ICE, LLC	Ashley P. Fulton	1134 New Britain Avenue		West Hartford	CT	06110	860-986-7717
District Ice LLC	Andrew C. vonBank	Nationals Park	1500 South Capitol Street SE	Washington	DC	20003	717-887-4486
BAC 10, LLC	Angela Y. Brock	2318 Rhode Island Ave NE		Washington	DC	20018	202-636-7482
FIGFOG L.L.C.	Julia J. Irving	3109 MLK Avenue SE	Suite D	Washington	DC	20032	202-209-5811
Brandywine Valley Ices, LLC	Michelle Wojciechowski	1673 Pulaski Hwy.		Bear	DE	19701	302-834-3390
Red Hot Ices INC.	Tyler D. Hearn	722 Philadelphia Pike		Bellefonte	DE	19809	610-321-3983
Bethany Beach Cool Treats, LLC	Barry E. Kitchen	765 Garfield Pkwy		Bethany	DE	19930	302-539-3880
D & H ICES, INC.	Janene Leonard	191 N Dupont Hwy		Dover	DE	19901	302-674-9473
D & K ICES, LLC	Daniel A. Komdat	7313 Lancaster Pike		Hockessin	DE	19707	302-235-0520
Cups & Cones, LLC	Dominic E. Campese	5246 Summit Bridge Rd		Middletown	DE	19709	302-464-1277
deez-treatz LLC	Katrina Ann Brown	937 N Dupont Blvd.		Milford	DE	19963	302-265-2555
LONG NECK TREATS LLC	Carmine T. Minio Jr.	24808 John J Williams Hwy.		Millsboro	DE	19966	302-990-3999
The Icemen, Inc.	Jason Yancoski	287 Christiana Road	Suite 19	New Castle	DE	19720	302-325-0999
3D, INC.	Robert M. Paulus	600 Newark Shopping Center		Newark	DE	19711	302-368-4885
Kool Treats LLC	Carmine T. Minio Jr.	18701 Coastal Hwy	Midway Galleria Unit #5	Rehoboth Beach	DE	19971	302-645-4501

SHOPS OPEN AS OF SEPTEMBER 30, 2025

COMPANY	CONTACT	SHOP ADDRESS 1	SHOP ADDRESS 2	CITY	STATE	ZIP	PHONE
Rehoboth Water Ice, LLC	Thomas M. Reardon	47B Rehoboth Ave		Rehoboth Beach	DE	19971	302-567-2658
deez-treatz LLC	Katrina Ann Brown	1250 Norman Eskridge Hwy.	Unit 1	Seaford	DE	19973	302-536-1930
Fenwick Treats LLC	Carmine T. Minio Jr.	38016 Fenwick Shoals Blvd.		Selbyville	DE	19975	302-988-2929
KCNR, LLC	Cindy Jung	124 N Dupont Blvd		Smyrna	DE	19977	302-659-2959
CAAB, LLC	Christopher J. Hesek	317 N. Maryland Ave		Wilmington	DE	19804	302-256-0094
D & K ICES, LLC	Daniel A. Komdat	2909 Concord Pike		Wilmington	DE	19803	302-478-7383
The Ice Devils, Inc.	Mario Nino Perilli	3730 Kirkwood Hwy.		Wilmington	DE	19808	302-995-9501
SILVERSIDE WATER ICE, INC.	Nancy Schmidt	2222 Silverside Rd		Wilmington	DE	19810	302-477-1572
KC SUNSHINE DEVELOPING LLC	Charles J. Wright, IV	1731 Lakewood Ranch Blvd.	Lakewood Ranch Gateway Shopping Cnt.	Bradenton	FL	34211	941-744-2375
R & S Treats LLC	Derek E. Ruberti	1010 Court Street		Clearwater	FL	33756	727-446-3023
JET ICE, LLC	Peter A. Bonanni	2510 N McMullen Booth Rd	Suite A	Clearwater	FL	33761	727-796-7482
SWEET BROS LLC	Andre P. Davis	1305 S. Military Trail		Deerfield Beach	FL	33442	954-531-6464
MIAMI WATER ICE LLC	Nathan Zelikovitz	3011 E. Las Olas Blvd.		Fort Lauderdale	FL	33316	954-231-5339
ICE SISTERS, LLC	Derik S. Fay	4666 S Cleveland Ave		Fort Myers	FL	33907	239-275-7808
MIAMI WATER ICE LLC	Nathan Zelikovitz	5650 Stirling Road	KC Market	Hollywood	FL	33021	954-569-6453
MIAMI WATER ICE LLC	Nathan Zelikovitz	313 Johnson Street		Hollywood	FL	33019	754-203-6057
MOOSE N MOUSE LLC	Leonardo Savella	393 3rd St N		Jacksonville Beach	FL	32250	904-372-9634
RADHAKISHAN INC	Rajendrabhai P. Panchal	847 Cypress Pkwy.		Kissimmee	FL	34759	407-350-3112
JET ICE, LLC	Peter A. Bonanni	3115 US Hwy 98 N		Lakeland	FL	33805	863-606-5822
TKB ICE, INC	Anthony E. Berk	5648 Circa Fishhawk Blvd.		Lithia	FL	33547	813-657-3024
Brevard Ice, LLC	Joseph C. Di Pinto	620 W New Haven Ave		Melbourne	FL	32901	321-586-5818
MIAMI WATER ICE LLC	Nathan Zelikovitz	1631 Collins Avenue		Miami	FL	33139	305-909-8887
MIAMI WATER ICE LLC	Nathan Zelikovitz	6782 Collins Ave		Miami Beach	FL	33141	305-677-1788
THE OLIVERI ENTERPRISES INCORPORATED	Nicholas W. Oliveri	160 Malabar Road SW	Palm Bay West 113	Palm Bay	FL	32907	321-607-4827
Rita's Italian Ice of Naples, Inc.	Jason L. Gibson	1575 Pine Ridge Rd	Suite 1	Naples	FL	34109	239-417-4827
HD&SM ITALIAN ICE LLC	Hieu T. Doan	12496 Lake Underhill Road	Suite 150	Orlando	FL	32828	321-400-5958
PALM HARBOR ICE, LLC	Thomas F. Coleman	32836 US Highway 19	Palm Lake II Shopping Center	Palm Harbor	FL	34684	813-461-3281
ICE SCRAPERS INC.	Scott W. McLaughlin	840 A1A N.		Ponte Vedra Beach	FL	32082	904-686-1495
ICE SISTERS PC, LLC	Derik S. Fay	4255 Tamiami Trail		Port Charlotte	FL	33980	941-764-6273
AHW INC	Kenneth Weiner	11071 Southern Blvd	Southern Palm Crossing Suite 130	Royal Palm Beach	FL	33411	561-795-4333
BEAR BITES LLC	Andrew M. Bell	5030 West State Road 46	Unit #1030	Sanford	FL	32771	407-499-5424
SOFO ICE LLC	Brett E. Moore	2881 Clark Road		Sarasota	FL	34231	941-217-6643
	Anthony J. Coppola	13147 86th Ave		Seminole	FL	33776	727-393-6740
TIFFTAFF LLC	Craig S. Stowers, Jr.	70 Silver Forest Drive		St. Augustine	FL	32092	904-342-5779
M&K ROBISON LLC.	Kerri N. Robison	380 A1A Beach Blvd.		St. Augustine	FL	32080	904-461-0977
VLM CONFECTIONS LLC	Frank A. Brown	2141 66th Street N.		St. Petersburg	FL	33710	727-350-8580
MIAMI WATER ICE LLC	Nathan Zelikovitz	9461 Harding Avenue		Surfside	FL	33154	305-614-5355
WRIGHT DEVELOPING, LLC	Kelsey A. Wright	8523 Cooper Creek Blvd.		University Park	FL	34201	941-373-0702
Lucro Group, LLC	Antoine D. Stokes	2511 FL 60 East		Valrico	FL	33594	813-657-0178
J & R COOLTREATS OF VERO LLC	Rita K. Goodling	6200 20th Street, Unit 486	Indian River Mall	Vero Beach	FL	32966	772-770-0100

SHOPS OPEN AS OF SEPTEMBER 30, 2025

COMPANY	CONTACT	SHOP ADDRESS 1	SHOP ADDRESS 2	CITY	STATE	ZIP	PHONE
Yahweh Group LLC	Antoine D. Stokes	4424 Friendly Way	Suite 120	Wesley Chapel	FL	33543	813-355-4261
AHW, INC	Kenneth Weiner	4587 Okeechobee Blvd.	Suite 130	West Palm Beach	FL	33417	561-223-2603
R & S TREATS LLC	Krista M. Ruberti	14337 S. US Highway 301		Wimauma	FL	33598	813-260-3226
Ice Ice Bebe, Inc.	Barbara A. Krieger	76020 William Burgess Blvd.	Unit #6	Yulee	FL	32097	904-849-1638
	Brijesh P. Patel	2400 Dawson Road		Albany	GA	31707	229-518-1802
HJS INVESTMENTS LLC	Jennifer E. Hong	3530 Ashford Dunwoody Rd NE		Atlanta	GA	30319	470-365-2396
	Mark S. Ross	3763 Martinez Blvd.		Martinez	GA	30907	706-868-0083
Awesome Ice, LLC	Barbara B. Bartow	340 Town Center Ave	Unit A-4	Suwanee	GA	30024	678-765-2889
ICE VENTURES, LLC	Meir S. Gluck	5940 North Lincoln Avenue		Chicago	IL	60659	773-234-2515
C & R'S DELIGHTS LLC	Cathleen A. Levatino	3319 West Elm Street		McHenry	IL	60050	815-322-2683
FROZEN TREATS OF OAK LAWN LLC	Ahmed K. Masad	5136 W. 95th Street		Oak Lawn	IL	60453	708-725-1375
WHAT'S THE SCOOP, LLC	James M. Haran	157 North Northwest Hwy.		Park Ridge	IL	60068	847-696-7189
WILKI BOYZ TREATS II, LLC	Steven L. Wilkos	430 East Kirkwood Avenue		Bloomington	IN	47408	812-964-4053
WILKI BOYZ TREATS, LLC	Steven L. Wilkos	110 W. Main Street	Suite #127	Carmel	IN	46032	317-671-6878
WILKI BOYZ TREATS III, LLC	Steven L. Wilkos	8789 North Street	Suite 120	Fishers	IN	46038	317-288-5012
GHIACCIO, LLC	Michael T. Casini	6312 Covington Road		Fort Wayne	IN	46804	260-434-1332
TARGARYEN HOLDINGS, LLC	Zaire N. Franklin	5817 Main Street		McCordsville	IN	46055	317-747-3709
CED Cool Ventures, LLC	David M. Smith	1840 Christian Care Way	Suite C	Bowling Green	KY	42104	270-715-1188
S5 FROZEN TREATS LLC	Ashante' B. Shivers	1951 Gause Blvd. East	Unit A	Slidell	LA	70461	985-201-7658
SOMETHING REFRESHING, LLC	Cynthia Q. Beckwith	1337 Main Street		Walpole	MA	02081	508-980-7600
That's Ice, Inc.	Nancy Gealy	772 W. Bel Air Avenue		Aberdeen	MD	21001	410-272-4413
TRAVICE, LLC	Travis Bundick	3007 Emmorton Road		Abingdon	MD	21009	410-569-6007
PURPLE LORRY, LLC	Christina D. Schwab	1396 Cape St. Claire Road		Annapolis	MD	21409	410-757-0722
RED LORRY, LLC	Christina D. Schwab	911 Bay Ridge Road	#B	Annapolis	MD	21403	410-216-9458
N&A HOLLEY LIMITED	Albert D. Holley III	419 W. Baltimore Street		Baltimore	MD	21201	443-680-1358
M & A Holley, LLC	Albert D. Holley III	301 Light Street		Baltimore	MD	21202	443-468-1685
CAMDEN YARDS ICE, LLC	Brian D. Hartlieb	Oriole Park at Camden Yards	333 W. Camden Street	Baltimore	MD	21201	443-506-2003
J&E ICE, LLC	Casteel Johnson	7698 Belair Road	Suite 105	Baltimore	MD	21236	410-874-9618
D&M FROZEN TREATS, LLC	Michael A. Bailey	The Shops at Quarry Lake	2550 Quarry Lake Drive	Baltimore	MD	21209	443-334-5139
FROZEN FUTURES, LLC	Michelle Hoover	6305 Kenwood Avenue		Baltimore	MD	21237	410-866-2663
Icon Foods Inc	Tisha M. Skinner	7050 Friendship Road	Terminal C, C200E1	Baltimore	MD	21240	443-938-8888
Kramlick Hospitality Group LLC	Tyler G. Kramlick	3724 Boston Street		Baltimore	MD	21224	443-897-3799
Yahu Blackwell Icy Treats LLC	Yahu G. Blackwell	711 West 40th Street		Baltimore	MD	21211	667-429-5172
That's Ice, Inc.	Nancy Gealy	223 Brierhill Drive		Bel Air	MD	21015	410-977-4435
DELTA ICE INC.	Beenish Bhatia	3329 Superior Lane		Bowie	MD	20715	301-464-9690
VICTORIA ICE, INC	Michael Tchou	15430 Old Columbia Pike		Burtonsville	MD	20866	301-421-0013
ICE DOG LLC	Jeffrey S. Burroughs	22618 Three Notch Road		California	MD	20619	240-237-8089
HIS & HER ICE, LLC	Ed Simonson	2201 E. Joppa Road		Carney	MD	21234	443-207-1317
MME, LLC	Paul B. Eberle	30135 Three Notch Rd		Charlotte Hall	MD	20622	301-884-6002
IT'S ALL REAL GOOD, INC.	Jacquelyn Foster	9101 Kinney Place		Clinton	MD	20735	301-877-2422

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COMPANY	CONTACT	SHOP ADDRESS 1	SHOP ADDRESS 2	CITY	STATE	ZIP	PHONE
CPark Dev LLC	Muhammad U. Sohail	8900 Baltimore Avenue		College Park	MD	20740	301-345-5445
	Wm. Alan Webb	Harpers Choice Village Center	5485 Harpers Farm Road	Columbia	MD	21044	410-992-3721
	Wm. Alan Webb	Kings Contrivance Village Center	8640 Guilford Road, Suite B-1	Columbia	MD	21046	443-864-5509
GAMMA ICE INC.	Beenish Bhatia	2163 Defense Hwy		Crofton	MD	21114	410-721-7752
Sixth Inning Ventures, LLC	Gary C. Raphael	7211 Muncaster Mill Road		Derwood	MD	20850	240-690-4998
LUCID DELUSIONZ, LLC	Michelle Hoover	1099 Merritt Blvd		Dundalk	MD	21222	410-282-0080
ICE DOG LLC	Jeffrey S. Burroughs	10331 Southern Maryland Blvd	Suite 101	Dunkirk	MD	20754	410-286-7114
Easton Cool Treats, LLC	Barry E. Kitchen	106 Marlboro Avenue		Easton	MD	21601	410-770-4439
ALPHA ICE, INC.	Beenish Bhatia	120 Mayo Road		Edgewater	MD	21037	410-956-7444
Prodigy Ice Corp.	Heather K. McGarity	1213 Liberty Road	Princess Shopping Center	Eldersburg	MD	21784	410-795-6969
PETA'S JAMAICAN ICE, INC.	Michael E. Chesnutis	6050 Meadowridge Center Dr		Elkridge	MD	21075	443-776-3749
HIS & HER ICE, LLC	Ed Simonson	403 E Pulaski Hwy		Elkton	MD	21921	410-620-1516
Summer Fusion Corporation	Erik Lipton	9095 Frederick Rd		Ellicott City	MD	21042	410-203-1756
ICE GODDESS, LLC	Tawnee N. Taylor	1410 Eastern Blvd.	Suite A	Essex	MD	21221	410-777-9585
	Brian D. Hartlieb	220 Mountain Rd		Fallston	MD	21047	410-877-9300
That's Ice, Inc.	Nancy Gealy	1510 Rock Spring Road		Forest Hill	MD	21050	410-836-0611
The Prosumer Group L.L.C.	Wilbert McCrae	2950 Donnell Drive		Forestville	MD	20747	301-669-7399
	Ilaben J. Patel	3544 Worthington Blvd.	#101	Frederick	MD	21704	240-831-5022
Blazin' Ice LLC	Keila C. Trace	538 W South Street		Frederick	MD	21701	301-694-3270
BETA ICE INC.	Beenish Bhatia	12801 Wisteria Drive		Germantown	MD	20874	301-515-4114
Junique Enterprises, LLC	June F. Macon	7381 Baltimore Annapolis Blvd	#A	Glen Burnie	MD	21061	410-590-3900
COOL TREATS LLC	Joshua S. Tinelli	1313 Pennsylvania Avenue		Hagerstown	MD	21742	240-513-8013
Chesapeake Ice, Inc.	Michael D. McGarity	907 S Main St	Ste E	Hampstead	MD	21074	443-639-2534
MAHEEN TAHIR LLC	Muhammad T. Ayub	2659 Annapolis Road	Unit D	Hanover	MD	21076	410-441-3966
Futures, LLC	Deborah A. Zimmermann	11307 York Rd		Hunt Valley	MD	21030	410-568-5008
FROZEN ICE QUEENS LLC	Michelle Hoover	523 Pulaski Hwy.		Joppatowne	MD	21085	410-304-3419
Boogs' Properties LLC	Robert J. Brown, II	6360 Crain Highway		La Plata	MD	20646	301-576-8286
BAC 10, LLC	Angela Y. Brock	1600 Ring Road		Landover	MD	20785	202-636-7482
JNH, Inc.	Wm. Alan Webb	3353 Laurel Fort Meade Rd	Corridor Marketplace # 100	Laurel	MD	20724	301-776-8585
J&R COOL TREATS, LLC	Robert M. Umoh	810 Nursery Rd	Ste A	Linthicum	MD	21090	410-589-3791
TRAVICE, LLC	Travis Bundick	162 Carroll Island Road	Suite 158	Middle River	MD	21220	410-335-7482
SIX FLAGS ENTERTAINMENT CORPORATION	Ramar Vaughan	13710 Central Avenue		Mitchellville	MD	20721	
Carroll County Water Ice, LLC	Michael Tchou	1603 Ridgeside Drive		Mt. Airy	MD	21771	301-703-8214
HIS & HER ICE, LLC	Ed Simonson	2328 Pulaski Hwy	Unit 1	North East	MD	21901	410-287-0875
WEST OC TREATS LLC	Carmine T. Minio Jr.	12630 Ocean Gateway		Ocean City	MD	21842	410-390-3027
City-ice LLC	Katrina Ann Brown	4101 Coastal Hwy		Ocean City	MD	21842	443-664-6520
City-ice LLC	Katrina Ann Brown	6 South Atlantic Ave	Unit 2C	Ocean City	MD	21842	410-524-2875
BLUE LORRY, LLC	Christina D. Schwab	1111 Odenton Rd		Odenton	MD	21113	410-672-0900
	Tune Cheng	9103 Reisterstown Road		Owings Mills	MD	21117	410-363-7073
KARAM 2020 INC	Ziad M. Bader	9700 Groffs Mill Drive	Suite 9708A	Owings Mills	MD	21117	410-654-0711

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COMPANY	CONTACT	SHOP ADDRESS 1	SHOP ADDRESS 2	CITY	STATE	ZIP	PHONE
Chilled Delights LLC	Keisha N. M. Hawkins	6243 Livingston Road		Oxon Hill	MD	20745	301-686-0044
C & A SISTER, INC.	Amanda Lam	3013A Mountain Rd		Pasadena	MD	21122	443-817-7482
PERRY HALL ICE, L.L.C.	Brian D. Hartlieb	9648 Belair Rd		Perry Hall	MD	21236	410-970-2727
HOPE ENDEAVORS, LLC	Melody D. Hicks	224 Reisterstown Road	Colby Center	Pikesville	MD	21208	410-484-8090
MME, LLC	Paul B. Eberle	738 Prince Frederick Blvd.		Prince Frederick	MD	20678	410-414-9200
JH MD ITALIAN ICE, INC.	Husam K. Mutawe	8615 Liberty Road		Randallstown	MD	21133	609-432-3276
Cornerstone Ice Cream, Inc.	Donna L. Pinzhoffer	831 S Salisbury Blvd		Salisbury	MD	21801	410-251-3666
SAM 2025 INC.	Ziad M. Bader	567 Baltimore Annapolis Blvd		Severna Park	MD	21146	410-647-1265
WASEEM 2020 INC	Ziad M. Bader	13621 Georgia Avenue		Silver Spring	MD	20906	240-669-8208
JC DIVINE ICE, LLC	Mary Bishop	13450 HG Trueman Rd		Solomons	MD	20688	410-394-3707
K & L Ice Ventures, LLC	Linda L. Austin	210 Kent Landing		Stevensville	MD	21666	410-604-6350
Irish Ice LLC	Keith S. Kormanik	1407 York Road		Timonium	MD	21093	410- 494-8900
DAD'S ICES, INC.	Daniel MacKerchar III	7206 York Rd	Ste A	Towson	MD	21212	410-583-8808
EPSILON ICE INC.	Beenish Bhatia	3312 Leonardtown Rd		Waldorf	MD	20601	301-645-4091
Chesapeake Ice, Inc.	Michael D. McGarity	410 Meadow Creek Drive		Westminster	MD	21158	410-861-5233
M & A HOLLEY, LLC	Albert D. Holley III	7171 Security Blvd	Ste 100	Windsor Mill	MD	21244	443-418-0331
Araya Enterprises, LLC	Artesia McNeal Washington	25836 Middlebelt Rd		Farmington Hills	MI	48336	248-893-7557
GB GROUP LLC	Brian C. Holt	2457 Burton Street SE		Grand Rapids	MI	49546	616-284-8654
JBW RESTAURANT, LLC	Artesia McNeal Washington	27601 Southfield Road		Lathrup Village	MI	48076	248-728-4905
TRAILSIDE CUSTARD LLC	Humberto I. Jones	44809 Hayes Road		Sterling Heights	MI	48313	586-488-3764
KHALNASS LLC	Hussein A. Khalil	9895 Telegraph Road		Taylor	MI	48180	313-633-1763
Hostetter Ices of Apple Valley LLC	Nathanael J. Hostetter	15594 Pilot Knob Rd	Cobblestone Lake Commercial Suite #400	Apple Valley	MN	55124	952-232-6837
Happy Bee Limited Liability Company	Siraj A. Mirza	1016 Diffley Road	Diffley Marketplace Suite 300	Eagan	MN	55123	651-207-5727
JP Delights, LLC	Justine A. Postorino	2100 West Republic Road	Suite 112	Springfield	MO	65807	417-487-4827
One Bite at a Time LLC	Jill K. Brega	921 N. Harrison Avenue		Cary	NC	27513	919-234-1509
Apex Iceworks, Inc.	Beth A. Fegley	Carowinds Amusement Park	14523 Carowinds Blvd.	Charlotte	NC	28273	919-302-1292
8 Treats, LLC	Brett Hrovat	16631 Lancaster Hwy	Unit 106	Charlotte	NC	28277	704-542-2258
L & L Ice, LLC	Leroy Fisher III	The Arbors	2015 E. Arbors Drive	Charlotte	NC	28262	704-971-5319
TRICOLOR ICE L.L.C.	Ya ai Zheng	409 Blackwell Street		Durham	NC	27701	919-673-8350
NORTH 2 SOUTH ICE COMPANY, LLC	Chun Y. Wang	345 Western Blvd	Ste D	Jacksonville	NC	28541	910-219-1300
The Family Ice Business, LLC	Randy J. Miara	243 Singleton Road	Suite #D4	Mooresville	NC	28117	704-360-4829
ICONIC SCOOPS LLC	Madison L. Restle	453 White Horse Pike		Absecon	NJ	08201	609-677-8866
MSA DESSERTS INC.	Maria Froio	1515 Boardwalk		Atlantic City	NJ	08401	609-246-6808
R&A Food Services, LLC	Ashraf Ashamalla	1347 Kennedy Blvd		Bayonne	NJ	07002	201-520-4519
BRIDEGE ITALIAN ICES, LLC	David Neigel	412 Springfield Ave		Berkeley Hts.	NJ	07922	908-464-0200
McPEAK ENTERPRISES, LIMITED LIABILITY COMPANY	David McPeak	252 S White Horse Pike		Berlin	NJ	08009	856-767-2711
TMN, LLC	Thomas DeAngelo	1066 Broad St		Bloomfield	NJ	07003	973-338-7482
	Jeffrey T. Henke	5 Mission Rd	Hillview Plaza #4	Bordentown Twp	NJ	08505	609 372-4669
KOOL ICES, L.L.C.	John H. Mouradian	628 Mantoloking Road		Brick	NJ	08723	732-262-1700
LAFS ICES, INC.	Anthony Sbarra	73 Landis Avenue		Bridgeton	NJ	08302	856-459-2211

SHOPS OPEN AS OF SEPTEMBER 30, 2025

COMPANY	CONTACT	SHOP ADDRESS 1	SHOP ADDRESS 2	CITY	STATE	ZIP	PHONE
GRK ICE LLC	Melissa A. Vernon	TD Bank Ballpark	860 E Main Street	Bridgewater	NJ	08807	908-281-7482
JazMaz Enterprises, LLC	Stephen Zampella	1359 Prince Rodgers Avenue		Bridgewater	NJ	08807	908-707-9090
JazMaz Enterprises, LLC	Stephen Zampella	726 Route 202	#300	Bridgewater	NJ	08807	908 448-9216
WOODER ICE B LLC	Christopher R. Tate	1301 West Brigantine Avenue	Unit #1301 Front	Brigantine	NJ	08203	609-266-0006
	Deepak Verma	21 Juliustown Rd		Browns Mills	NJ	08015	609-893-3000
NSGR Ices, LLC	Nishan Singh	1205 T High Street		Burlington	NJ	08016	609-387-5535
MnM Ices, LLC	Michele Angelo	707 Beach Ave		Cape May	NJ	08204	609-884-0229
RDP Enterprises LLC	Dhaval N. Patel	877 Cooper Landing Road	Crossroads Plaza, Store 4	Cherry Hill	NJ	08002	856-244-6932
THE SWEET CLUB LLC	Siva S. Dhandu	Ellisburg Circle Shopping Center	1648 Kings Hwy. N.	Cherry Hill	NJ	08034	856-428-8888
Sweet Tula's, Inc.	Yvette Xenakis	1811 Cinnaminson Ave		Cinnaminson	NJ	08077	856-829-8850
PRESTON AND DODD LIMITED LIABILITY COMPANY	Thomas J. Kowal	2009 Route 31 South		Clinton	NJ	08809	908-638-8230
	Balan N. Balasingham	Midstate Mall	314 NJ-18	East Brunswick	NJ	08816	732-353-6340
C and H United Corp	Robert Campbell Jr.	560 Main Street	Suite 8	East Orange	NJ	07018	973-395-9040
DPRRR LLC	Dipak N. Patel	9 Princeton Hightstown Road		East Windsor	NJ	08520	609-443-7482
NAUGHTY OR ICE, LLC	Keith F. Eyerman	76C Highway 35		Eatontown	NJ	07724	732-460-0075
Tastee Family Ice of NJ LLC	Lake Maynor	2303 Woodbridge Ave		Edison	NJ	08817	732-777-0088
Good Day Treats, LLC	Kelly Ho	4 W Palisade Ave		Englewood	NJ	07631	201-731-3219
JV ICES, INC.	John R. Vanore	125 N Maple Ave		Evesham	NJ	08053	856-596-3230
M&J Ice Works LLC	Matthew J. Canulli	1400 Parkway Avenue	Suite 1	Ewing	NJ	08628	609-791-7989
EAB INNOVATIVE SOLUTIONS, LLC	Christine M. Connelly	30 International Dr. South		Flanders	NJ	07836	973-647-7691
PRESTON AND DODD LIMITED LIABILITY COMPANY	Thomas J. Kowal	23 State Route 12		Flemington	NJ	08822	908-284-1618
MANDIP, INC.	Dipak N. Patel	3175 Route 27	Unit 2	Franklin Park	NJ	08823	732-325-3356
HOOKED ON ICES, LLC	John H. Mouradian	47 W Main Street		Freehold	NJ	07728	732-409-7482
KENT VERDE, INC	Katie L. Loesch	109 Delsea Dr S		Glassboro	NJ	08028	856-863-1886
BERGEN ICE, LLC	John A. Sekulski	1020 S Maple Ave		Glen Rock	NJ	07452	201-447-4827
3 KOOL GIRLZ ICE LIMITED LIABILITY COMPANY	Beth A. Johnson	470 Schooleys Mountain Rd		Hackettstown	NJ	07840	908-979-3560
J & D ICES INC.	Daniel MacKerchar III	1715 Greenwood Ave		Hamilton	NJ	08609	609-587-3777
Henke Enterprises, LLC	Jeffrey T. Henke	Independence Plaza Shopping Center	2465 S Broad Street, Unit F5	Hamilton	NJ	08610	609-888-0800
JDC ICE WORKS, L.P.	Joseph K. Conner	Nottingham & George Dye Rds		Hamilton Square	NJ	08690	609-587-9607
Ice Men, LLC	Kelly Costello	10 N White Horse Pike		Hammonton	NJ	08037	609-567-8464
GRK ICE LLC	Melissa A. Vernon	381 Triangle Road	Bldg F	Hillsborough	NJ	08844	908-281-7482
BERGEN ICE, LLC	John A. Sekulski	121 Washington Street		Hoboken	NJ	07030	201-683-5344
TASTEE GROUP LLC	Clarence H. Street	201-205 New Brunswick Avenue	Unit 1 Hopelawn	Hopelawn	NJ	08861	908-565-2388
Humble Ices LLC	Elliot Bohm	4502 Route 9 South		Howell	NJ	07731	848-777-4827
MEAK GROUP LLC	Marie D. Elmera	693 Lyons Ave		Irvington	NJ	07111	973-399-9898
Humble Ices LLC	Elliot Bohm	2105 W County Line Rd		Jackson	NJ	08527	848-777-4827
SIX FLAGS ENTERTAINMENT CORPORATION	John Heitzenroeder	1 Six Flags Blvd.		Jackson	NJ	08527	
Humble Ices LLC	Elliot Bohm	681 River Ave	Suite D	Lakewood	NJ	08701	848-777-4827
BMC Ice Works, L.P.	Joseph K. Conner	2070 Brunswick Avenue		Lawrenceville	NJ	08648	609-989-7779
Vanore Enterprises of NJ Inc.	John R. Vanore	825 Blackwood Clementon Road		Lindenwold	NJ	08021	856-258-4885

SHOPS OPEN AS OF SEPTEMBER 30, 2025

COMPANY	CONTACT	SHOP ADDRESS 1	SHOP ADDRESS 2	CITY	STATE	ZIP	PHONE
BRENNAN'S FAMILY ICES INC.	James M. Brennan	695 Route 9 S.		Little Egg Harbor	NJ	08087	609-879-5517
njrita's, LLC	Thomas DeAngelo	66 E Main Street		Little Falls	NJ	07424	973-826-7676
BERGEN ICE, LLC	John A. Sekulski	184 Essex St	Spc D-2	Lodi	NJ	07644	201-843-0882
Frog Spring Holding, LLC	Charles J. Walters	525 Beckett Road	Suite 12	Logan Township	NJ	08085	856-467-1500
COUNTY CLARE AMERICAN DESSERTS NJ, LLC	Mark A. Pavlicek	3 Miller Road		Mahwah	NJ	07430	201-529-4237
EMA ENTERPRISES, LLC	Kristin L. DiPietro	50 W Bay Avenue		Manahawkin	NJ	08050	609-978-0587
FROSTY THE ICEMAN, LLC	John H. Mouradian	342 US Highway 9		Manalapan	NJ	07726	732-617-8088
KENT ROJO, INC.	Katie L. Loesch	570 Bridgeton Pike		Mantua	NJ	08051	856-468-0404
VANORE ICES OF SJ INC.	John R. Vanore	194 Route 70		Medford	NJ	08055	609-714-9662
MRC Ice Works, L.P.	Joseph K. Conner	84 Flock Rd	University Plaza Shopping Center	Mercerville	NJ	08619	609-207-7429
TASTEE TREATZ LLC	Lake Maynor	640 Middlesex Avenue	Unit #3	Metuchen	NJ	08840	848-336-1242
	Dipak N. Patel	1250 Bound Brook Road		Middlesex	NJ	08846	732-289-2335
MANDIP, INC.	Dipak N. Patel	4180 Route 1 North	200 B	Monmouth Junction	NJ	08852	848-213-2525
D4 Frozen, LLC	Darnell A. Dickerson	250 W Camden Ave		Moorestown	NJ	08057	856-222-0525
Ice Brothers LLC	Strati N. Xenakis	400 W. Route 38	Unit 1660	Moorestown	NJ	08057	856-242-9575
UK BROTHERS 31 LLC	Utkarsh S. Patel	50 Mill Street		Mount Holly	NJ	08060	609-845-3428
	Utkarsh S. Patel	3131 Route 38	Suite 15	Mount Laurel	NJ	08054	856-234-7482
COOL CATS, L.L.C.	John H. Mouradian	2460 State Route 33		Neptune	NJ	07753	732-922-1912
KARMEL CREAMARY LLC	Walid Muhtaseb	50 River Road		North Arlington	NJ	07031	201-428-1356
BTSBD Enterprise, LLC	Thushyanthy R. Balasingham	574 Milltown Rd		North Brunswick	NJ	08902	732-543-0030
TJA ICES LLC	Michele Angelo	North Cape May Shopping Center	3860 Bayshore Road	North Cape May	NJ	08204	609-849-9590
TWICE AS COOL, LIMITED LIABILITY COMPANY	Todd E. Murphy	1200 Tilton Rd		Northfield	NJ	08225	609-485-2311
GHIACCIO, LLC	Thomas DeAngelo	401 Centre St		Nutley	NJ	07110	973-826-0676
WOODER ICE B LLC	Christopher R. Tate	902 Boardwalk		Ocean City	NJ	08226	609-938-2456
ICEWORKS, INC.	Richard C. Salowe	2535 Highway 516		Old Bridge	NJ	08857	732-679-1700
SUGAR AND ICE LLC	John H. Mouradian	3310 Washington Road		Parlin	NJ	08859	732-721-7482
PLAGGE ENTERPRISES, L.L.C.	Arthur Plagge	277 N Broadway		Pennsville	NJ	08070	856-678-5200
HAPPY CONES LLC	Dhavalkum G. Patel	225 Newark Pompton Tpke.	Unit C-2	Pequannock	NJ	07440	973-694-0900
SDM ICE LOVERS LLC	Michael A. DeLozier	511 Erial Road		Pine Hill	NJ	08021	856-346-1441
	Lake Maynor	1297 Centennial Avenue		Piscataway	NJ	08854	732-529-6140
RIICH N' CREAMY LLC	Jasmine N. Giles	111 Terrill Rd		Plainfield	NJ	07062	908-322-3314
OCEAN FOOD ENTERPRISES INC.	Martin Mascia	3009 Route 88		Point Pleasant	NJ	08742	732-892-2244
Princeton Ice and Custard, LLC	Jeffrey Antell	Princeton Shopping Center	301 N. Harrison Street	Princeton	NJ	08540	609-285-5159
Captain Ice, Inc.	Keith P. Kaminskas	1111 Westfield Ave		Rahway	NJ	07065	732-381-9808
GRARUFF ICE, LLC	Vanessa Grant	1176 Sussex Turnpike	Unit 2	Randolph	NJ	07869	973-584-7482
Bird's of Joy, LLC	Lance E. Jamison	19 W. Front Street		Red Bank	NJ	07701	732-383-8062
Salty Sweet LLC	Tanja A. Baxter	3905 Route 9 South		Rio Grande	NJ	08242	609-889-7482
OFF Management LLC	Adelaide Sabb	108 Chestnut St		Roselle	NJ	07203	908-245-2112
MCPEAK ENTERPRISES II, LLC	David McPeak	123 W Clements Bridge Road	JMD Plaza Unit 113A	Runnemede	NJ	08078	856-312-8747
MAF WATER ICES LLC	Michele Angelo	4109 Landis Avenue	First Floor-Northside	Sea Isle City	NJ	08243	609-478-3078

SHOPS OPEN AS OF SEPTEMBER 30, 2025

COMPANY	CONTACT	SHOP ADDRESS 1	SHOP ADDRESS 2	CITY	STATE	ZIP	PHONE
CoCo Ice LLC	Colette M. Bachich	288 Egg Harbor Road		Sewell	NJ	08080	856-589-9299
THIS IS ICE, LLC	Shannon M. McClure	3321 South Blackhorse Pike	Ardmore Shopping Ct Unit # 3	Sicklerville	NJ	08081	856-875-9533
ESCALERA ENTERPRISES, INC	Mary Ann Hendri	1901 Park Avenue		South Plainfield	NJ	07080	908-755-7765
Warren Ices, LLC	Thomas J. Kowal	450 County Road 519	Unit 450-B	Stewartsville	NJ	08886	908-387-9300
Two M Ices, LLC	Michele Angelo	1801 Long Beach Blvd		Surf City	NJ	08008	609-207-6494
OCEAN FOOD ENTERPRISES INC.	Martin Mascia	1 Premium Outlet Blvd.	Jersey Shore Premium Outlets	Tinton Falls	NJ	07753	732-892-2244
Hezrron LLC	Hezrron E. Gonzales	938 Fischer Blvd.		Toms River	NJ	08753	732-929-1030
Daybreak Foods, Inc.	Martin Mascia	1201 Hooper Ave	Kiosk Tk15	Toms River	NJ	08753	732-349-4879
Humble Ices LLC	Yaakov Y. Skorski	1687 Route 9		Toms River	NJ	08755	848-777-4827
ICEWORKS, INC.	Richard C. Salowe	1353 Stuyvesant Ave		Union	NJ	07083	908-688-9060
Zorti Ice, LLC	John Stratis	865 State Route 36		Union Beach	NJ	07735	732-888-9005
WHEATON ICE LLC	Clifford C. Wheaton	3470 S. Delsea Drive		Vineland	NJ	08360	856-293-8775
Be Cool, LLC	Stephanie L. Keifrider	3638 E Landis Avenue		Vineland	NJ	08360	856-212-3020
THIS IS ICE 254, LLC	Shannon M. McClure	106 Haddonfield Berlin Road		Voorhees	NJ	08043	856-429-4452
GRK ICE LLC	Melissa A. Vernon	53 Mountain Blvd.	Unit 103	Warren	NJ	07059	908-251-5407
Red 7 ENTERPRISES, LLC	Thomas J. Kowal	547 Route 22		Whitehouse	NJ	08889	908-534-0152
SHANKER FOODS LLC	Nevin J. Shanker	4364 J Town Center		Willingboro	NJ	08046	856-398-3725
Sabores, LLC	Hilda Alfano	755 Saint George Avenue		Woodbridge	NJ	07095	732-602-9874
KENT AZUL, INC.	Katie L. Loesch	245 S Broad St		Woodbury	NJ	08096	856-853-1937
HEBRON CREAMERY LLC	Walid Muhtaseb	191-2 Hackensack Street		Wood-Ridge	NJ	07075	201-728-4033
Qawasmi Bader Acquisitions, Inc.	Amer F. Qawasmi	850 Bronx River Road		Bronxville	NY	10708	914-207-0794
M&H Ices of Coney Island, LLC	Howard J. Klotzkin	1243 Surf Avenue		Brooklyn	NY	11224	908-265-8307
KINGZ ICE LLC	Jack J. Rand	1317 E. 17th Street		Brooklyn	NY	11230	718-684-9764
RDP ICES INC.	Anne M. Gentile	2158 Deer Park Ave		Deer Park	NY	11729	631-242-8605
ANNE'S ITALIAN ICE CORP.	Anne M. Gentile	887 Hempstead Tpke		Franklin Square	NY	11010	516-455-3938
AGAI ICE LLC	Michael Brandsdorfer	529 Middle Neck Road		Great Neck	NY	11023	516-758-3088
KJCSQUARED LLC	Kelly A. Cook	2614 Corning Road		Horseheads	NY	14845	607-398-2150
LONG ISLAND ICED LLC	Jack J. Rand	296 Central Avenue		Lawrence	NY	11559	929-933-7665
ICE TWICE LLC	Jack J. Rand	92 Dolson Avenue		Middletown	NY	10940	845-343-7482
Icy Summit Treats, Inc.	Jacob E. Mytelka	421 NY 59	Suite 8	Monsey	NY	10952	845-406-6785
COUNTRY COOL DESSERTS LLC	Jack J. Rand	287 E. Broadway #3		Monticello	NY	12701	845-796-3000
VARDAN VENTURES INC.	Deepak Verma	4 South Street	LL Space 206	New York	NY	10004	212-943-1800
LBR ICES, INC	Anne M. Gentile	2791 Long Beach Rd		Oceanside	NY	11572	516-415-7330
LINLEY ICE LLC	Joe Petralia	1900 Clinton Avenue S		Rochester	NY	14618	585-360-2891
5 BRAVO INC.	Serafina Bravo	1881a Commerce Street		Yorktown Heights	NY	10598	914-302-7711
	John J. Sarandrea	6006 Mahoning Avenue		Austintown	OH	44515	330-953-3644
RENGEL BROTHERS ICE CO.	Patrick Rengel	2116 Henderson Rd		Columbus	OH	43220	614-457-7290
MICASIXATE, LLC	Elaine M. Seguin	38535 Chestnut Ridge Road		Elyria	OH	44035	440-406-8016
	Frank J. Hunter	200 Granville St		Gahanna	OH	43230	614-476-2568
Hart Happiness, LLC	Janice M. Bell	5254 Franklin Street		Hilliard	OH	43026	614-971-9161

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COMPANY	CONTACT	SHOP ADDRESS 1	SHOP ADDRESS 2	CITY	STATE	ZIP	PHONE
J & H I ENTERPRISES, LLC	Roni C. Jamison	3371 E Stroop Road		Kettering	OH	45440	937-296-0822
	Amarkumar Barot	726 N. Heinicke Road		Miamisburg	OH	45342	937-247-5244
MICASIXATE II, LLC	Elaine M. Seguin	River Plaza	21960 Center Ridge Road	Rocky River	OH	44116	216-712-4139
CHILLIN' WITH PAM LLC	Aaron M. Siebzener	1976 Warrensville Center Road		South Euclid	OH	44121	216-634-9036
SCARLET & GRAY CONFECTIONS LLC	James W. Myers	9292 SR 14		Streetsboro	OH	44241	330-968-3030
CSCC ENTERPRISE LLC	Stephanie D. Kynard	3015 Holland Sylvania Road	Suite 1	Toledo	OH	43615	419-214-1641
J & H III ENTERPRISES, LLC	Roni C. Jamison	520 S State St	Suite A	Westerville	OH	43081	614-714-0980
	Robert M. Deily	1333 N. Santa Fe Avenue	Unit 111	Edmond	OK	73012	405-216-3225
EP Ices LLC	Richard J. Gaglianese	1700 Old York Road		Abington	PA	19001	610-332-0281
NTEX LLC	Bao M. Nguyen	4000 Dorney Park Road		Allentown	PA	18104	610-973-4685
NTEX LLC	Bao M. Nguyen	4000 Dorney Park Road		Allentown	PA	18104	610-973-4685
Kool Beans, Inc.	Gregory J. Rhoads	Coca-Cola Park	1050 Ironpigs Way	Allentown	PA	18109	610-973-4685
GJD Enterprises, LLC	Jack Daryanani	701 Hamilton Street		Allentown	PA	18101	610-435-4501
GJD Enterprises, LLC	Jack Daryanani	1912-18 Tilghman Street		Allentown	PA	18104	610-435-4501
GJD Enterprises, LLC	Jack Daryanani	1052 W Emaus Ave		Allentown	PA	18103	610-797-6666
GJD Enterprises, LLC	Jack Daryanani	1905 Union Blvd.		Allentown	PA	18109	610-434-1010
NTEX LLC	Bao M. Nguyen	4000 Dorney Park Road		Allentown	PA	18104	610-973-4685
Bedford Candies Ice, LLC	Tammy L. Wiley	3415 Pleasant Valley Blvd.		Altoona	PA	16602	814-623-1545
LJ4 INC.	Lee M. Lising	100 E Butler Ave		Ambler	PA	19002	215-367-5977
NONNA'S ICES, INC.	Annmarie Brown	1227 Bristol Pike		Andalusia	PA	19020	215-245-1782
Brandywine Valley Ices, LLC	Michelle Wojciechowski	5004 Pennell Rd		Aston	PA	19014	610-497-9588
Bedford Candies Ice, LLC	Tammy L. Wiley	135 West Pitt Street		Bedford	PA	15522	814-623-1545
POST K LLC	Kenneth M. Ott	3610 Bristol Rd		Bensalem	PA	19020	215-757-5333
BERWICK ITALIAN ICE Corporation	Jignesh S. Patel	125 E 9th St	Unit C	Berwick	PA	18603	570-520-4066
RJ NAVARRO, LLC	Ray Navarro	5029 Library Rd		Bethel Park	PA	15102	412-854-5299
Lehigh Valley Franchise Corporation	Jason Geake	1907 Stefko Blvd		Bethlehem	PA	18017	610-419-9814
Callahan Creameries LLC	Ryan S. Callahan	101 E Main Street		Birdsboro	PA	19508	610-621-1159
Calpino Desserts LLC	Heather C. Calpino	850 Golden Drive		Blandon	PA	19510	484-578-2478
MYR Ice, Inc.	Matthew S. Reichard	1901 Columbia Blvd.	Unit #4	Bloomsburg	PA	17815	570-380-7515
Blue Bell Ice Treats, LLC	Louis A. Gioia Jr.	1188 Dekalb Pk		Blue Bell	PA	19422	610-279-5505
Ice to Meet You, LLC	Brian D. Schlegel	309 E. Philadelphia Avenue		Boyertown	PA	19512	610-473-0074
BRIDGEPORT ICE LLC	Louis A. Gioia Jr.	51 E 4th Street		Bridgeport	PA	19405	484-684-6535
Brandywine Valley Ices, LLC	Michelle Wojciechowski	4420 Edgmont Ave		Brookhaven	PA	19015	610-876-7633
MJC ICES, LLC	Jennifer Cheeseman	2105 Sproul Road		Broomall	PA	19008	610-355-0340
TT Ice, Inc.	Tommy Tran	958 County Line Road		Bryn Mawr	PA	19010	484-380-3813
Leitzels Ice, LLC	Stephen R. Leitzel	301 South Logan Blvd		Burnham	PA	17009	717-953-9852
J & R Cool Treats, LLC	Rita K. Goodling	500 S. Hanover Street		Carlisle	PA	17013	717-241-6300
3 Men & A Gelati LLC	Jonathan J. Petrones	220 Wilmington-West Chester Pike	Suite 102	Chadds Ford	PA	19317	610-459-8249
CHALFONT ICE, LLC	Matt Gleave	178 E Butler Ave		Chalfont	PA	18914	215-822-5094
Just Ice, LLC	William J. Steinke Jr.	3322 Limekiln Pike		Chalfont	PA	18914	215-419-7976

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COMPANY	CONTACT	SHOP ADDRESS 1	SHOP ADDRESS 2	CITY	STATE	ZIP	PHONE
Blazin' Ice LLC	Keila C. Trace	731 Wayne Avenue		Chambersburg	PA	17201	717-552-2806
BKT Venue Treats, LLC	John Thain	2501 Seaport Drive		Chester	PA	19013	215-796-1935
IC JOYS LLC	David J. Cozzi	640 E. Penn Avenue		Cleona	PA	17042	717-306-4217
COLLEGEVILLE ICE LLC	Louis A. Gioia Jr.	222 E Main Street	Collegeville S. C.	Collegeville	PA	19426	610-489-5804
S&J Ices, Inc.	John R. Vanore	445 MacDade Blvd		Collingdale	PA	19023	610-461-1455
PLYMOUTH ICE LLC	Louis A. Gioia Jr.	201 W Ridge Pike		Conshohocken	PA	19428	610-940-1505
JIMMY LEE LLC	Humberto Ortiz, Jr.	7001 N. Route 309	Store #5	Coopersburg	PA	18036	610-214-2998
SCARLET & GRAY CONFECTIONS LLC	James W. Myers	214 Moon Clinton Road		Coraopolis	PA	15108	412-505-0111
Cranberry Ice LLC	Daniel J. Schwartzbauer, II	1302 Freedom Road	Suite 200	Cranberry Twp.	PA	16066	724-776-1966
Okay-Dokay, Inc.	Jennifer J. Root	409 Bristol Pike		Croydon	PA	19021	215-788-4423
JKJM, LLC	James M. Young Jr.	105 Northumberland St		Danville	PA	17821	570-275-7515
Angeluccis Frozen Desserts Inc.	Danilo Angelucci	84 W Lancaster Ave		Downingtown	PA	19335	610-269-6783
DOYLESTOWN ICES LLC	Brandon R. Cove	4331 W. Swamp Road		Doylestown	PA	18902	215-340-9913
Calvy Sherer Ices, Inc.	Ronald Calvy	5060 Township Line Rd		Drexel Hill	PA	19026	610-446-0209
SM Ice, Inc.	Susan Motyka	139 S Blakely St		Dunmore	PA	18512	570-504-5948
Palmer Water Ice Limited Liability Company	Jestie H. Higgins	3730 William Penn Hwy		Easton	PA	18045	610-250-9110
Famak Group LLC	Akram F. Abdelrahman	1435 Chester Pike		Eddystone	PA	19022	484-487-3191
RHR Enterprises, LLC	Robert A. Ruprecht	4815 West Chester Pike		Edgmont	PA	19073	484-420-6172
IC JONES, LLC	David J. Cozzi	30 N Market Street		Elizabethtown	PA	17022	717-367-9985
EP Ices LLC	Richard J. Gaglianese	110 Yorktown Plaza		Elkins Park	PA	19027	215-886-7482
Lehigh Valley Franchise Corporation	Joel A. Tilli	1458 Chestnut Street	Unit 1	Emmaus	PA	18049	610-965-6899
MSMD, LLC	David Lewes Metzler	290 S Reading Rd		Ephrata	PA	17522	717-466-6161
Enz 5 Ice, LLC	Deborah A. Enzbrenner	1406 W Gore Road	Millcreek Twp.	Erie	PA	16509	814-868-8621
LIZ BROWN ENTERPRISES, LLC	Elizabeth A. Brown	427 State Street		Erie	PA	16501	814-413-7482
Arctic Eagle LLC	Shawn D. Burke	543 Wellington Square	Eagleview Town Center Retail Building I	Exton	PA	19341	610-458-1974
Main Ice, Inc.	Stacy P. McGavin	101 Woodcutter Street		Exton	PA	19341	484-874-2107
CHERRY ICES, INC.	Jackie Liczbinski	1401 Bridgetown Pike		Feasterville	PA	19053	215-322-8774
1527 BETHLEHEM, LLC	Jason Klotkowski	1527 Bethlehem Pike		Flourtown	PA	19031	267-422-3486
NTEX LLC	Bao M. Nguyen	7525 Tilghman Street		Fogelsville	PA	18051	484-460-2692
VANORE ENTERPRISES, INC.	John R. Vanore	1550 Macdade Blvd		Folsom	PA	19033	610-586-7330
Doylestown Ice Downtown, Inc.	Mike Sodi	790 Edison Furlong Road		Furlong	PA	18925	215-794-8388
Baby's Nice Ice, Inc.	Thomas C. Evans	5351 Lincoln Hwy.		Gap	PA	17527	717-442-7977
523 Ices, Inc.	Anne J. Knox	523 Baltimore St		Gettysburg	PA	17325	717-338-9090
FJ ICE, LLC	Jason Geake	1268 Route 209	Ste A	Gilbert	PA	18331	610-951-6040
EP Ices LLC	Richard J. Gaglianese	520 N Easton Road		Glenside	PA	19038	215-690-4329
UDELICIOUS ICE, INC.	Dennis J. Udicious	400 S. Fourth Street		Hamburg	PA	19526	484-660-3764
HICKORY FALLS FAMILY ENTERTAINMENT CENTER, INC.	Rick A. Martz	110 Hickory Ln		Hanover	PA	17331	717-632-9907
3 shore things LLC	Nicolas L. Shore	329 Main Street		Harleysville	PA	19438	215-256-4606
Captain Jack's Snacks, LLC	John C. Taylor	3884 Union Deposit Rd		Harrisburg	PA	17109	717-671-0888
Captain Jack's Snacks, LLC	John C. Taylor	4151 Linglestown Road	#A	Harrisburg	PA	17112	717-671-8772

SHOPS OPEN AS OF SEPTEMBER 30, 2025

COMPANY	CONTACT	SHOP ADDRESS 1	SHOP ADDRESS 2	CITY	STATE	ZIP	PHONE
RC-Ice LLC	Richard D. Falco	500 West Chester Pike		Havertown	PA	19083	484-453-8537
Scooping For a Living, LLC	Thomas P. Esposito	55 W Eagle Rd		Havertown	PA	19083	610-789-8808
BENNI'S ICE LLC	Roy J. Benninghoff	2575 Route 6		Hawley	PA	18428	570-390-3090
	Thomas C. Boock	741 Airport Rd		Hazleton	PA	18202	570-459-2955
Noble Frey LLC	Anthony C. Frey	1130 Main Street		Hellertown	PA	18055	610-838-2000
J S Hometown Sports, LLC	John J. Sarandrea	2393 E. State Street		Hermitage	PA	16148	724-308-7713
Johnson Kramlick Hospitality LLC	Tyler G. Kramlick	100 W. Hersheypark Drive		Hershey	PA	17033	717-332-5639
Dottie & Dugan LLC	Stephanie Simmons	246 2nd Street		Highspire	PA	17034	717-982-6059
FROZEN SIX PACK LLC	Christopher P. DeMeester	Village Shires Shopping Center	1468 Buck Road	Holland	PA	18966	215-504-1969
The Ice Is Right, LLC	Kathleen Tebin	220 Claremont Avenue		Hometown	PA	18252	570-668-1460
Captain Jack's Snacks LLC	John C. Taylor	139 S Hanover St		Hummelstown	PA	17036	717-482-8916
HUNTINGDON VALLEY ICE LLC	Olivia J. Holtzinger	2024 County Line Road		Huntingdon Valley	PA	19006	215-953-1998
DKZ INVESTMENT, LLC	Kristy Fang	826 E. Baltimore Pike		Kennett Square	PA	19348	610-925-0500
SM Ice Inc.	Susan Motyka	355 Market St		Kingston	PA	18704	570-331-9135
UDELICIOUS ICE, INC.	Dennis J. Udicious	478 West Main Street		Kutztown	PA	19530	484-641-8889
AMILAXMI I, INC	Rashmika Patel	5860 York Road	Suite 4A	Lahaska	PA	18931	215-794-1885
CTD Ices, Inc.	J. Curtis Stumpf	1951 Lincoln Hwy E		Lancaster	PA	17602	717-394-2300
M and M Treats LLC	Kevin A. Leonard	2000 Columbia Ave		Lancaster	PA	17603	717-435-9979
M and M Treats LLC	Kevin A. Leonard	Dutch Wonderland	2249 Lincoln Hwy.	Lancaster	PA	17602	717-435-9979
Red Hot Ices Inc.	Tyler D. Hearn	1585 Manheim Pike		Lancaster	PA	17601	610-321-3983
TYSYD LLC	Kenneth M. Ott	2382 Durham Road		Langhorne	PA	19047	215-269-4800
RBMRD, LLC	Roger DiFrangia	214 N Broad Street		Lansdale	PA	19446	215-368-5010
The Ice Is Right, LLC	Kathleen Tebin	1068 Blakeslee Boulevard Drive E.		Lehighton	PA	18235	610-379-5434
Fig and the Finch, LLC	Stephanie Simmons	842 Market Street		Lemoyne	PA	17043	717-731-8275
Levittown Ice, LLC	Perri Stark	8621 New Falls Road		Levittown	PA	19058	215-547-9660
CTD Ices, Inc.	J. Curtis Stumpf	46 Peters Road		Lititz	PA	17543	717-625-4991
NTEX LLC	Bao M. Nguyen	100 West Main Street		Macungie	PA	18062	610-966-5560
Arctic Ripple LLC	Danilo Angelucci	430 Lancaster Avenue		Malvern	PA	19355	610-644-2920
Red Hot Ices INC.	Tyler D. Hearn	85 Doe Run Road	Store #13	Manheim	PA	17545	610-321-3983
Michaela LLC	Paige M. Zilner	6154 Steubenville Pike		McKees Rocks	PA	15136	412-284-2618
McMurray Gelati Stoppe, Inc.	Markus A. Stopperich	4013 Washington Road		McMurray	PA	15317	724-260-5199
PIEROGI BROTHERS, LLC	Stephanie Simmons	Hampden Centre	4900 Carlisle Pike	Mechanicsburg	PA	17050	717-525-8075
MJC ICES, LLC	Jennifer Cheeseman	220 S Providence Rd		Media	PA	19063	610-566-2283
RBMRD, LLC	Roger DiFrangia	750 Horsham Road		Montgomeryville	PA	18936	215-368-5151
Morgan Ice, Inc.	Stacy P. McGavin	3080 Main Street		Morgantown	PA	19543	610-286-1902
FORTYNINE ICES, LLC	Andy Werthman	815 W Trenton Ave		Morrisville	PA	19067	215-736-2656
Nattie Q, Inc.	Natalie Q. Nagy	809 E Main Street		Mount Joy	PA	17552	717-653-0567
2 Kool Guyz Ice, LLC	Beth A. Johnson	1187 Pocono Blvd.		Mount Pocono	PA	18344	570-839-6955
Noble Frey LLC	Anthony C. Frey	52 E Lawn Road		Nazareth	PA	18064	610-746-3383
DEM Ices, Inc.	Mitchell S. Cove	14 Swamp Road		Newtown	PA	18940	215-968-8668

SHOPS OPEN AS OF SEPTEMBER 30, 2025

COMPANY	CONTACT	SHOP ADDRESS 1	SHOP ADDRESS 2	CITY	STATE	ZIP	PHONE
	Chuck Stevenson	2810 W. Ridge Pike		Norristown	PA	19403	610-631-8492
Norristown Ice, LLC	Louis A. Gioia Jr.	1727 Markley St		Norristown	PA	19401	610-292-8575
JDubNifsky, LLC	Jennifer L. Schatz	2015 Main Street		Northampton	PA	18067	610-440-1007
K4 OAKLAND ICE LLC	Stephen R. Korb	3712 Fifth Avenue		Oakland	PA	15213	412-621-6423
DKZ INVESTMENT, LLC	Kristy Fang	453 N. 3rd Street, Suite 453	Oxford Square Shopping Center	Oxford	PA	19363	610-932-2523
IC JANES LLC	David J. Cozzi	629 E. Main Street		Palmyra	PA	17078	717-838-3380
JETTE Ice, LLC	F. Todd Waldbuesser	1776 E Lancaster Avenue		Paoli	PA	19301	610-889-0100
MJM Ices, LLC	Michael J. Morrison	11833 Frankstown Road		Penn Hills	PA	15235	412-814-5740
Okay-Dokay, Inc.	Jennifer J. Root	448 W Lincoln Hwy		Penndel	PA	19047	215-741-1020
PENNS CUP ICE, LLC	Matthew Gleave	427 Pottstown Avenue		Pennsburg	PA	18073	215-679-3301
LCMBP, INC.	Annmarie Brown	3244 Red Lion Rd		Philadelphia	PA	19154	215-637-1936
Welsh 2991, LLC	Anthony J. Ceraso	2991 Welsh Road		Philadelphia	PA	19152	215-676-0900
SIA Transportation LLC	Christie J. Rivera	2124 South Street		Philadelphia	PA	19146	267-273-0573
Roe-Lipsky Enterprise Inc.	Dana Roe	1455 Franklin Mills Cir	Kiosk-290	Philadelphia	PA	19154	215-612-1718
COOL ICES, INC.	David V. Restituto	6200 Frankford Avenue	Suite A	Philadelphia	PA	19135	215-533-2242
DCK Ice LLC	Derek C. Kehler	2499 Aramingo Avenue	Suite H	Philadelphia	PA	19125	215-425-8150
LOVE & LIGHT, LLC	Divyesh B. Patel	5901 Rising Sun Ave		Philadelphia	PA	19120	215-342-2500
DIAMOND EMPIRE, LLC	Dominique N. Welton	8945 Ridge Ave		Philadelphia	PA	19128	215-420-1022
Frankford 8601, LLC	Frank T. Pellegrino	8601 Frankford Avenue		Philadelphia	PA	19136	215-331-1133
AMG & Das LLC	Gopal C. Das	161 Byberry Road		Philadelphia	PA	19116	215-676-3464
Judi's Ice, L.L.C.	Jason Klotkowski	499 Domino Ln		Philadelphia	PA	19128	215-483-4000
BKT Venue Treats, LLC	John Thain	1 Lincoln Financial Way		Philadelphia	PA	19141	215-796-1935
Judi's Ice, L.L.C.	John Thain	2400 Strawberry Mansion Drive		Philadelphia	PA	19132	215-796-1935
Judi's Ice, L.L.C.	John Thain	West Fairmount Park	5201 Parkside Avenue	Philadelphia	PA	19144	215-796-1935
E & M Ices, Inc.: Kickin Ice Inc.	Jordan L. Kasner	1901 Rhawn St		Philadelphia	PA	19111	215-745-5417
JEM Ices, Inc.	Jordan L. Kasner	1709 Grant Ave		Philadelphia	PA	19115	215-673-9490
JJM ICES, INC.	Jordan L. Kasner	2329 Cottman Avenue	Roosevelt Mall	Philadelphia	PA	19149	215-332-4404
Sugarhouse HSP Gaming L.P.	Justin Moore	1001 N. Delaware Avenue		Philadelphia	PA	19125	
RK Treats LLC	Keyon M. Whiting	5815 Wayne Avenue		Philadelphia	PA	19144	267-335-5906
Philly E P Ices LLC	Richard J. Gaglianese	5744 N Mascher Street		Philadelphia	PA	19120	267-368-5311
Philly E P Ices LLC	Richard J. Gaglianese	100 E Rockland Street		Philadelphia	PA	19120	267-335-4686
PHILLY EP ICES, LLC	Richard J. Gaglianese	2271 W Hunting Park Avenue		Philadelphia	PA	19140	267-639-6373
Philly E P Ices LLC	Richard J. Gaglianese	1923 E. Hunting Park Avenue		Philadelphia	PA	19124	215-535-1344
Philly EP Ices LLC	Richard J. Gaglianese	8201 Stenton Avenue		Philadelphia	PA	19150	215-242-0206
Philly E P Ices LLC	Richard J. Gaglianese	6901 Stenton Avenue		Philadelphia	PA	19138	215-424-2301
Icebox Philly LLC	Robert F. Nicol	1511 Spruce Street		Philadelphia	PA	19102	215-545-7661
Icebox Philly 2 LLC	Robert F. Nicol	239 South Street		Philadelphia	PA	19147	215-629-3910
THE SWEET CLUB LLC	Siva S. Dhandu	7114 Frankford Avenue		Philadelphia	PA	19135	215-335-1331
CHILLIN SWEET, LLC	Thomas P. Esposito	7718 City Avenue	City Avenue	Philadelphia	PA	19151	215-397-4325
PHOENIXVILLE ICE LLC	Louis A. Gioia Jr.	472 Nutt Road		Phoenixville	PA	19460	484-924-8093

SHOPS OPEN AS OF SEPTEMBER 30, 2025

COMPANY	CONTACT	SHOP ADDRESS 1	SHOP ADDRESS 2	CITY	STATE	ZIP	PHONE
Italian Ice of PGH, Inc.	James K. Mincin	229 Curry Hollow Rd		Pittsburgh	PA	15236	412-655-8470
Northern Ice 2, Inc.	Megan K. Miller	1320 Babcock Blvd		Pittsburgh	PA	15209	412-821-7482
	Paige M. Zilner	2070 Greentree Road		Pittsburgh	PA	15220	412-360-7020
K4 Enterprises, LLC	Stephen R. Korb	5880 Forbes Avenue		Pittsburgh	PA	15217	412-421-1941
Emily's Ice Works, LLC	Susan Meador	427 McNeilly Road		Pittsburgh	PA	15226	412-808-1228
Emily's Ice Works, LLC	Susan Meador	2872 Custer Avenue		Pittsburgh	PA	15227	412-892-9244
JUST PAZZO ICE, INC	Bev McNutt	The Shoppes at Coventry Square	351 W. Schuylkill Road	Pottstown	PA	19465	610-718-9291
Keep Your Cravings on Ice, LLC	Brian D. Schlegel	1350 N Charlotte St		Pottstown	PA	19464	610-970-5152
CG Media Group LLC	Christopher W. Grim	2323 Pottstown Pike		Pottstown	PA	19465	610-469-6669
T & G Ice, Inc.	Gregory McElvaney	1640 Mount Hope Avenue		Pottsville	PA	17901	570-628-0350
Freedom Foods, LLC	Kate E. Gerhart	534 West Broad Street		Quakertown	PA	18951	267-373-9120
BDLJ, LTD.	Brian T. Covely	3403 N 5th Street Hwy		Reading	PA	19605	610-929-9310
Calpino Desserts LLC	Heather C. Calpino	1124 Lancaster Ave	#30	Reading	PA	19607	610-796-2885
ROCKIN' RAW ICE, LLC	Christine M. Roberts	617 Lombard Road		Red Lion	PA	17356	717-246-7007
My Three LLC	Kenneth M. Ott	722 Second Street Pike		Richboro	PA	18954	215-355-9676
MAYIM ICES, INC.	Mitchell S. Cove	136 Huntingdon Pike		Rockledge	PA	19046	215-379-1277
Royersford Ice LLC	Louis A. Gioia Jr.	Limerick Square Shopping Center	70 Buckwalter Road	Royersford	PA	19468	610-948-3200
PMC316, Inc.	Michael Stambaugh	4041 Route 309		Schnecksville	PA	18078	610-799-5383
T & G Ice, Inc.	Gregory McElvaney	277 Route 61 S		Schuylkill Haven	PA	17972	570-385-9000
FJ ICE, LLC	Jason Geake	534 Scranton Carbondale Hwy		Scranton	PA	18508	570-871-4625
DIVINE ICE, INC.	Diane L. Edmiston	1568 N Susquehanna Trl		Selinsgrove	PA	17870	570-743-1618
J & R Cool Treats Ship LLC	Rita K. Goodling	10016 Molly Pitcher Hwy.		Shippensburg	PA	17257	717-532-9886
TT Hospitality LLC	Tyler G. Kramlick	466 Shrewsbury Commons Avenue		Shrewsbury	PA	17361	717-870-4583
BDLJ, LTD.	Brian T. Covely	1 Shillington Rd		Sinking Spring	PA	19608	610-678-8290
ATOP Management, LLC	Craig A. Phillips	791 PA-113		Souderton	PA	18964	215-723-7606
NOAH'S, INC.	Joshua Nowotarski	3104 Perkiomen Avenue		St. Lawrence	PA	19606	610-575-0020
SAI ICE, Inc.	Mehulbhai R. Patel	1609 North Atherton St		State College	PA	16803	814-808-5525
LAUREL ICE, LLC	Sara A. Carey	1319 N. 5th Street		Stroudsburg	PA	18360	570-420-8099
AQSAD INC	Mohd J. Uddin	1550 Garrett Road		Upper Darby	PA	19082	610-284-7482
LT Ice Queen, LLC	Jennifer L. Schatz	405 S. Best Avenue		Walnutport	PA	18088	610-767-4907
WARMINSTER ICES, INC.	Brian Wood	390 York Rd		Warminster	PA	18974	215-672-0992
WG Ice, LLC	Perri Stark	Warrington Shopping Center	1380 Easton Road	Warrington	PA	18976	215-343-5650
B-Nice, LLC	William J. Steinke Jr.	29-31 Easton Road		Warrington	PA	18976	215-734-0157
Washington Gelati Stoppe, Inc.	Markus A. Stopperich	74 Trinity Point Drive		Washington	PA	15301	724-470-9902
NTEX LLC	Bao M. Nguyen	5681 Hamilton Blvd		Wescosville	PA	18106	610-481-9310
J. J. Ices Enterprises, Inc.	John A. Kopena	Sharpless Square Shopping Center	323 E. Gay Street	West Chester	PA	19380	610-738-9090
Gorn Enterprises, LLC	Judy Gorniak	10376 Perry Hwy		Wexford	PA	15090	724-940-3939
Lokul Frosti LLC	Timothy K. Mielo	1985 Lincoln Way	Rainbow Village Shopping Center	White Oak	PA	15131	412-896-1221
GJD Enterprises, LLC	Jack Daryanani	2874 MacArthur Road		Whitehall	PA	18052	610-439-1100
CI Ice, Inc.	Ronald Insinger	1849 E 3rd St		Williamsport	PA	17701	570-360-9570

SHOPS OPEN AS OF SEPTEMBER 30, 2025

COMPANY	CONTACT	SHOP ADDRESS 1	SHOP ADDRESS 2	CITY	STATE	ZIP	PHONE
ROMANS EIGHT TWENTY EIGHT LLC	Shawn M. McCarthy	1135 York Road		Willow Grove	PA	19090	215-346-2413
ICY DELIGHT LLC	Kiritkumar K. (Mike) Patel	501 E. Moorestown Road	#9	Wind Gap	PA	18091	610-881-4183
Sweet Teez Treats LLC	Tiffany N. Robinson	Cedarbrook Plaza Shopping Center	1000 Easton Road	Wyncote	PA	19095	215-277-3976
900 EAST WILLOW GROVE, LLC	Jason Klotkowski	900 E Willow Grove Ave		Wyndmoor	PA	19038	215-948-3657
Rockin Raw Ice LLC	Christine M. Roberts	3000 E. Market Street		York	PA	17402	717-757-5152
ROCKIN' RAW ICE, LLC	Christine M. Roberts	901 S. Queen Street		York	PA	17402	717-846-6893
York Cool Ice, Inc.	Todd A. Gettys	351 Loucks Road		York	PA	17404	717-846-2665
L & S Ice Treats, LLC	Susan Leidy-Slack	1202 N Gravel Pike		Zieglerville	PA	19492	610-287-2033
Fulton Futrick LLC	Douglas K. Fulton	7 Venture Drive	Suite 102	Bluffton	SC	29910	843-707-0048
THE RED LETTER GROUP, LLC	Brett Hrovat	800 Lady Street		Columbia	SC	29201	803-200-3639
THE RED LETTER GROUP, LLC	Brett Hrovat	1705 College Street		Columbia	SC	29208	803-200-3639
AIKENS ENTERPRISE, LLC	James L. Aikens Jr.	804 2nd Loop Road	Huntington Plaza	Florence	SC	29505	843-799-5006
ABCD TREATS OF GREENVILLE, L.P.	Stephen M. Fleming	2400 N Pleasantburg Drive	Suite A	Greenville	SC	29609	864-436-1301
MRT, INC.	Dave Tremarelli	Ritas Coligny Plz	Unit M13	Hilton Head	SC	29928	843-341-5587
MRT, INC.	Dave Tremarelli	1 N. Forest Beach Drive	Unit I-3	Hilton Head	SC	29928	843-341-5587
Lowcountry Water Ice LLC	Kevin M. Brooks	401 Faison Road	Suite 102	Mount Pleasant	SC	29466	843-416-8581
Moe Italian Ice LLC	Mohammed A. A. Ajaj	1208 S Ocean Blvd		Myrtle Beach	SC	29577	434-227-8998
JJJ Frozen Desserts LLC	Jeffrey L. Gratz	Gator Hole Plaza	526 Hwy. 17 North	North Myrtle Beach	SC	29582	843-273-0153
Happy Thoughts Inc.	Kelly C. Frevel	1120 Metropolitan Avenue		Summerville	SC	29483	843-285-5106
BCK Treats, Inc.	Brian C. Kibler	3152 Parkway	Suite 1A	Pigeon Forge	TN	37863	865-366-1468
SOUTH ARLINGTON WATER ICE CO.	Jasmine D. Ward	6275 S. Cooper Street		Arlington	TX	76001	682-276-6001
Beyond Ice, LLC	Jerry C. Shirer	101 E Abram St	Ste 120	Arlington	TX	76010	817-538-9292
FIVE WISE GUYS, LLC	David Lewis	505 N. Industrial Blvd.	Suite 100	Bedford	TX	77021	817-354-6423
MCKICES CORPORATION	Mark McKenna	6026 Seawall Blvd	Ste E	Galveston	TX	77551	409-744-4237
BCS ITALIAN ICE & CUSTARD LLC	Christopher J. Samanns	2802 White Oak Drive		Houston	TX	77007	832-987-4827
BCS ITALIAN ICE & CUSTARD LLC	Christopher J. Samanns	Braes Oaks Shopping Center	5429-A S. Braeswood Blvd.	Houston	TX	77096	832-915-1567
BCS ITALIAN ICE & CUSTARD, LLC	Christopher J. Samanns	24818 Morton Ranch Road	Suite 600	Katy	TX	77493	346-344-2331
Garcia-Okerson LLC	Frances W. Garcia	2009 S. Walnut Avenue		New Braunfels	TX	78130	830-302-6628
ADDIICE L.L.C.	Salvatore J. Raccuglia	Shoppes at Forest Commons	3720 Gattis School Road, #200	Round Rock	TX	78664	512-230-1518
LEGACY EQUITY GROUP LLC	Matthew T. Low	4608 W Partridge Hill Lane	Suite B-120	Riverton	UT	84096	385-361-3163
LEGACY EQUITY GROUP LLC	Matthew T. Low	7574 South Campus View Drive	Unit 102	West Jordan	UT	84084	385-361-3043
Davis Frozen Franchises, LLC	Terrain D. Davis	7592 Telegraph Road		Alexandria	VA	22315	703-261-9036
	Francis M. Santamaria	21020 Sycolin Road	Suite 100	Ashburn	VA	20147	703-202-5867
Dunhill Frozen Dessert Company, LLC	Kristen A. Vicencio	4299 Chantilly Shopping Cnt	Suite 204	Chantilly	VA	20151	703-817-2807
CHESAPEAKE ICE CORP.	Mark Cardiff	Greenbrier Shoppes	501 Kempsville Road	Chesapeake	VA	23320	757-410-8850
RKD Ices, LLC	Diana L. Black	16000 Theme Park Way		Doswell	VA	23047	540-907-3072
Ice JERKs, LLC	Jacque Whang	10726 Fairfax Blvd		Fairfax	VA	22030	703-272-7373
Fredericksburg Ice, LLC	Ann Michelle Scott	11105 Leavells Road	Leavells Square Unit #6	Fredericksburg	VA	22407	540-891-5526
Islander Ice LLC	Erica A. Terminello	2328 W Mercury Blvd		Hampton	VA	23666	757-964-7511
Dunhill Frozen Dessert Company, LLC	Kristen A. Vicencio	1606 Village Market Blvd SE	Ste 100	Leesburg	VA	20175	703-771-4600

SHOPS OPEN AS OF SEPTEMBER 30, 2025

COMPANY	CONTACT	SHOP ADDRESS 1	SHOP ADDRESS 2	CITY	STATE	ZIP	PHONE
Rabe Corporation	Michelle A. Rabe	32385 Constitution Hwy.		Locust Grove	VA	22508	540-732-0004
	Robert D. Stiles, III	7913 Sudley Road		Manassas	VA	20109	571-719-6122
Passion Fruits, Inc.	Jerry Crissman	12286 Warwick Blvd		Newport News	VA	23606	757-595-5992
Dunhill Frozen Dessert Company, LLC	Kristen A. Vicencio	116 Church St NW		Vienna	VA	22180	703-272-8564
Terminello, LLC	Erica A. Terminello	4640 Shore Drive	Ste 111	Virginia Beach	VA	23455	757-390-4890
Terminello LLC	Erica A. Terminello	5308 Princess Anne Road		Virginia Beach	VA	23462	757-474-2770
Racciatti Enterprises LLC	Danielle M. Racciatti	220D Monticello Avenue		Williamsburg	VA	23185	757-259-7482
Davis Frozen Franchises LLC	Terrain D. Davis	13265 Worth Avenue		Woodbridge	VA	22192	703-261-9055
ALLINFAM, LLC	Sheryl S. Holbert	2600 Middletown Commons	Suite 135	Fairmont	WV	26554	681-404-5612

RFC COMPANY OWNED SHOPS OPEN AS OF SEPTEMBER 30, 2025

COMPANY	CONTACT	SHOP ADDRESS 1	SHOP ADDRESS 2	CITY	STATE	ZIP	PHONE
Rita's Franchise Company, LLC	Paul Greenberg	SeaWorld San Diego	500 SeaWorld Drive	San Diego	CA	92109	
Rita's Franchise Company, LLC	Paul Greenberg	SeaWorld Orlando FL	7007 SeaWorld Drive	Orlando	FL	32821	
Rita's Franchise Company, LLC	Paul Greenberg	Aquatica Orlando	5800 Water Play Way	Orlando	FL	32821	
Rita's Franchise Company, LLC	Paul Greenberg	Busch Gardens Tampa Bay	10165 McKinley Drive	Tampa	FL	33612	
RITA'S STORES, LLC	Paul Greenberg	7878 Highway 80		Savannah	GA	31410	912-335-8096
RITA'S STORES, LLC	Paul Greenberg	419 US Hwy. 80 W.		Savannah	GA	31410	912-988-3602
RITA'S STORES, LLC	Paul Greenberg	Sesame Place	100 Sesame Road	Langhorne	PA	19047	
Rita's Franchise Company, LLC	Paul Greenberg	SeaWorld San Antonio	10500 SeaWorld Drive	San Antonio	TX	78251	
Rita's Franchise Company, LLC	Paul Greenberg	Busch Gardens Williamsburg	1 Busch Gardens Blvd.	Williamsburg	VA	23185	

SHOPS CLOSED IN THE PREVIOUS FISCAL YEAR

COMPANY	CONTACT	SHOP ADDRESS 1	SHOP ADDRESS 2	CITY	STATE	ZIP	PHONE
Alabama Italian Ice, LLC	Robert J. Tarr	400 Gulf Shores Pkwy		Gulf Shores	AL	36542	251-968-0045
DRD FoCo, LLC	Diane R. David	250 E Harmony Rd	Suite F-7	Fort Collins	CO	80525	970-400-7063
New England Water Ice, LLC	James F. Hunter III	1783 Silas Deane Hwy		Rocky Hill	CT	06067	860-436-4152
BME GROUP, LLC	Angela Hampton	13529 Beach Blvd	Suite 101	Jacksonville	FL	32224	904-685-5073
AIJ ICE, LLC	Irv M. Rosen	2602 S.W. 19th Avenue Road	Unit 201	Ocala	FL	34471	352-433-2424
210 services, LLC	James Byers III	11567 Regency Village Dr		Orlando	FL	32821	407-239-4494
210 services, LLC	Stephanie Chuipek	5931 International Drive		Orlando	FL	32819	407-313-9452
Greene Family Enterprises, LLC	Nichole L. Greene	255 Rivertown Shops Drive	Shoppes at Rivertown	St Johns	FL	32259	904-793-2153
EDMONDSON ICES, LLC	Ashish P. Parikh	4408 Edmondson Ave		Baltimore	MD	21229	443-438-7721
M & A HOLLEY, LLC	Albert D. Holley III	609 Frederick Road		Catonsville	MD	21228	443-630-5001
DBK Cool Treats, LLC	Barry E. Kitchen	7900 Ritchie Hwy	Store # E 105	Glen Burnie	MD	21061	410-844-0349
GB GROUP LLC	Brian C. Holt	Riley Street Plaza	12659 Riley Street Suite 10	Holland	MI	49424	616-298-8793
Moore Ice, Inc.	David J. Moore	5 Regent Park Blvd	Stuite 108	Asheville	NC	28806	828-505-7990
JLR, LLC	Patrick M. Magee	101 Haddon Avenue*		Westmont	NJ	08108	856-858-1317
Moore Enterprise Foods LLC	Derrick Moore	2601 George Washington Mem Hwy	Walmart #3265	Yorktown	VA	23693	757-867-7935
*Indicates a shop closed for relocation and is to open in 2026.							

SHOPS TRANSFERRED IN THE PREVIOUS FISCAL YEAR

COMPANY	CONTACT	SHOP ADDRESS	SHOP ADDRESS 2	CITY	STATE	ZIP	PHONE
CT Scoops LLC	Adam R. Brothwell	358 Scott Swamp Road		Farmington	CT	06032	860-404-2680
District Ice LLC	Andrew C. vonBank	Nationals Park	1500 South Capitol Street SE	Washington	DC	20003	
MOOSE N MOUSE LLC	Leonardo Savella	393 3rd St N		Jacksonville Beach	FL	32250	904-372-9634
HJS INVESTMENTS LLC	Jennifer E. Hong	3530 Ashford Dunwoody Rd NE		Atlanta	GA	30319	470-365-2396
RITA'S STORES, LLC	Paul Greenberg	7878 Highway 80		Savannah	GA	31410	912-335-8096
RITA'S STORES, LLC	Paul Greenberg	419 US Hwy. 80 W.		Savannah	GA	31410	912-988-3602
HIS & HER ICE, LLC	Ed Simonson	2201 E. Joppa Road		Carney	MD	21234	443-207-1317
City-ice LLC	Katrina Ann Brown	4101 Coastal Hwy		Ocean City	MD	21842	443-664-6520
City-ice LLC	Katrina Ann Brown	6 South Atlantic Ave	Unit 2C	Ocean City	MD	21842	410-524-2875
SAM 2025 INC.	Ziad M. Bader	567 Baltimore Annapolis Blvd		Severna Park	MD	21146	410-647-1265
ICE KINGS, LLC	Michelle Hoover	567 Baltimore Annapolis Blvd		Severna Park	MD	21146	410-647-1265
ICONIC SCOOPS LLC	Madison L. Restle	453 White Horse Pike		Absecon	NJ	08201	609-677-8866
THE SWEET CLUB LLC	Siva S. Dhandu	Ellisburg Circle Shopping Center	1648 Kings Hwy. N.	Cherry Hill	NJ	08034	856-428-8888
DPRRR LLC	Dipak N. Patel	9 Princeton Hightstown Road		East Windsor	NJ	08520	609-443-7482
KARMEL CREAMARY LLC	Walid Muhtaseb	50 River Road		North Arlington	NJ	07031	201-428-1356
SUGAR AND ICE LLC	John H. Mouradian	3310 Washington Road		Parlin	NJ	08859	732-721-7482
	Lake Maynor	1297 Centennial Avenue		Piscataway	NJ	08854	732-529-6140
HEBRON CREAMERY LLC	Walid Muhtaseb	191-2 Hackensack Street		Wood-Ridge	NJ	07075	201-728-4033
KINGZ ICE LLC	Jack J. Rand	1317 E. 17th Street		Brooklyn	NY	11230	718-684-9764
5 BRAVO INC.	Serafina Bravo	1881a Commerce Street		Yorktown Heights	NY	10598	914-302-7711
NTEX LLC	Bao M. Nguyen	4000 Dorney Park Road		Allentown	PA	18104	610-481-9310
NTEX LLC	Bao M. Nguyen	4000 Dorney Park Road		Allentown	PA	18104	610-481-9310
NTEX LLC	Bao M. Nguyen	4000 Dorney Park Road		Allentown	PA	18104	610-481-9310
NONNA'S ICES, INC.	Annmarie Brown	1227 Bristol Pike		Andalusia	PA	19020	215-245-1782
Callahan Creameries LLC	Ryan S. Callahan	101 E Main Street		Birdsboro	PA	19508	610-621-1159
MYR Ice, Inc.	Matthew S. Reichard	1901 Columbia Blvd.	Unit #4	Bloomsburg	PA	17815	570-380-7515
TT Ice, Inc.	Tommy Tran	958 County Line Road		Bryn Mawr	PA	19010	484-380-3813
COLLEGEVILLE ICE LLC	Louis A. Gioia Jr.	222 E Main Street	Collegeville S. C.	Collegeville	PA	19426	610-489-5804
SCARLET & GRAY CONFECTIONS LLC	James W. Myers	214 Moon Clinton Road		Coraopolis	PA	15108	412-505-0111
DOYLESTOWN ICES LLC	Brandon R. Cove	4331 W. Swamp Road		Doylestown	PA	18902	215-340-9913
NTEX LLC	Bao M. Nguyen	7525 Tilghman Street		Fogelsville	PA	18051	484-460-2692
Noble Frey LLC	Anthony C. Frey	1130 Main Street		Hellertown	PA	18055	610-838-2000
Dottie & Dugan LLC	Stephanie Simmons	246 2nd Street		Highspire	PA	17034	717-982-6059
Red Hot Ices Inc.	Tyler D. Hearn	1585 Manheim Pike		Lancaster	PA	17601	610-321-3983
NTEX LLC	Bao M. Nguyen	100 West Main Street		Macungie	PA	18062	610-966-5560
Red Hot Ices INC.	Tyler D. Hearn	85 Doe Run Road	Store #13	Manheim	PA	17545	610-321-3983

SHOPS TRANSFERRED IN THE PREVIOUS FISCAL YEAR

COMPANY	CONTACT	SHOP ADDRESS	SHOP ADDRESS 2	CITY	STATE	ZIP	PHONE
LOVE & LIGHT, LLC	Divyesh B. Patel	5901 Rising Sun Ave		Philadelphia	PA	19120	215-342-2500
AMG & Das LLC	Gopal C. Das	161 Byberry Road		Philadelphia	PA	19116	215-676-3464
Icebox Philly LLC	Robert F. Nicol	1511 Spruce Street		Philadelphia	PA	19102	215-545-7661
Icebox Philly 2 LLC	Robert F. Nicol	239 South Street		Philadelphia	PA	19147	215-629-3910
THE SWEET CLUB LLC	Siva S. Dhandu	7114 Frankford Avenue		Philadelphia	PA	19135	215-335-1331
	Paige M. Zilner	2070 Greentree Road		Pittsburgh	PA	15220	412-360-7020
CG Media Group LLC	Christopher W. Grim	2323 Pottstown Pike		Pottstown	PA	19465	610-469-6669
TT Hospitality LLC	Tyler G. Kramlick	466 Shrewsbury Commons Avenue		Shrewsbury	PA	17361	717-870-4583
AQSAD INC	Mohd J. Uddin	1550 Garrett Road		Upper Darby	PA	19082	610-284-7482
NTEX LLC	Bao M. Nguyen	5681 Hamilton Blvd		Wescosville	PA	18106	610-481-9310
Moe Italian Ice LLC	Mohammed A. A. Ajaj	1208 S Ocean Blvd		Myrtle Beach	SC	29577	434-227-8998
Islander Ice LLC	Erica A. Terminello	2328 W Mercury Blvd		Hampton	VA	23666	757-964-7511

UNOPEN SHOPS AS OF SEPTEMBER 30, 2025

(Franchisees have signed Franchise Agreement, but have not opented.)

COMPANY	CONTACT	SHOP ADDRESS	SHOP ADDRESS 2	CITY	STATE	ZIP	PHONE
	Melissa N. Patterson			La Habra	CA	90631	918-408-8374
	Kevin J. McGinnis	467 Entrada Drive		Novato	CA	94949	415-725-1911
	Cynthia K. Sabatino	2128 Skyline Blvd.		Cape Coral	FL	33991	302-218-7476
	Scott G. Huling			Clermont	FL	34711	352-256-0803
	Dashmesh S. Sethi			Fort Myers	FL	33912	239-898-7805
MIAMI WATER ICE LLC	Nathan Zelikovitz			Hollywood	FL	33020	347-400-4476
MIAMI WATER ICE LLC	Nathan Zelikovitz			Miami	FL	33127	347-400-4476
MIAMI WATER ICE LLC	Nathan Zelikovitz			Miami	FL	33137	347-400-4476
MIAMI WATER ICE LLC	Nathan Zelikovitz			Miami	FL	33131	347-400-4476
MIAMI WATER ICE LLC	Nathan Zelikovitz			Miami	FL	33145	347-400-4476
ASTK DISTRIBUTING INC	Anthony E. Berk	Creekside Commons	8730 US 301 N.	Parrish	FL	34219	941-526-3292
SWEET BROS LLC	Andre P. Davis	SW Corner Village Pkwy. & SW Discovery Way	Heart of Tradition Shopping Center	Port St. Lucie	FL	34987	732-261-6065
Ice Ice Bebe, Inc.	Barbara A. Krieger			Yulee	FL	32097	301-633-0112
	Franklin G. Jackson			Atlanta	GA	30303	678-557-1376
CXM Resource Group, LLC	Tonika N. Coaxum	770 Nickajack Road SW	Building 1000	Mableton	GA	30126	336-267-8517
	Joseph A. Moeller	2960 Shallowford Road		Marietta	GA	30066	619-663-5537
ICE VENTURES, LLC	Meir S. Gluck	934 S. Arlington Heights Road		Arlington Heights	IL	60005	773-543-1151
	Ahmed K. Masad			Chicago	IL	60609	708-369-0445
	Ahmed K. Masad			Chicago	IL	60625	708-369-0445
	Eric J. Schmidt			Elmhurst	IL	60126	815-508-6851
	Steven L. Wilkos			Westfield	IN	46074	201-926-0227
MOORE'S BLUEGRASS ICE, Inc.	Christa D. Moore	7220 Burlington Pike		Florence	KY	41042	859-640-7061
	Kenneth H. Kattan			Hebron	KY	41048	513-835-7228
	Christopher T. Thornton			Bethesda	MD	20810	202-290-7944
ICE DOG LLC	Jeffrey S. Burroughs			Calvert	MD	20678	240-585-2262
J&E ICE, LLC	Casteel Johnson	609 Frederick Road		Catonsville	MD	21228	443-224-5057
	Jeremiah Dupree, Jr.			Summerfield	MD	20785	301-873-4160
	Murshid N. Salami			Canton	MI	48187	313-410-2000
	Hussein A. Khalil			Dearborn	MI	48124	313-999-9706
ICEBERG TREATS L.L.C.	Jamele M. Hall			Charlotte	NC	28269	704-640-2702
Second Bite, LLC	Jill K. Brega	1320 Fifth Avenue	Suite 100	Garner	NC	27529	515-835-9025
	Jonathan M. Hammond			Raleigh	NC	27615	919-610-8624
	Christie J. Rivera			Delran	NJ	08075	267-506-2570
ICEICE BABY, INC.	Andrew B. Loffa	1 North Avenue		Garwood	NJ	07027	908-419-4655
	Tanya L. Way			Maplewood	NJ	07040	973-980-5707
	Lynn S. Heuer	375 Spotswood Englishtown Road		Monroe Twp.	NJ	08831	732-236-3413
KOD ICE LLC	Daniel S. Mayer	Passaic Train Station	Passaic Avenue & Van Houten Ave.	Passaic	NJ	07055	201-988-6929
	Melissa A. Vernon			Somerset	NJ	08873	908-635-2719
	Jack J. Rand	123 Lee Avenue		Brooklyn	NY	11211	646-208-5947

UNOPEN SHOPS AS OF SEPTEMBER 30, 2025

(Franchisees have signed Franchise Agreement, but have not opented.)

COMPANY	CONTACT	SHOP ADDRESS	SHOP ADDRESS 2	CITY	STATE	ZIP	PHONE
	Ruben Fuzailov	77-63 Vleigh Place		Flushing	NY	11355	718-440-0930
	Jacob E. Mytelka			Pomona	NY	10970	845-507-2752
DIAZ ICES LLC	Edward Diaz	163 Main Street		Staten Island	NY	10307	347-855-2043
	Jack J. Rand			Woodbourne	NY	12788	646-208-5947
COLUMBIA MAY, LLC	Shannon D. Lawson	3327 Creek Road		Cincinnati	OH	45241	302-218-5427
SCARLET & GRAY CONFECTIONS LLC	James W. Myers			Munroe Falls	OH	44262	216-533-2865
LIBERTYWAY CUSTARD AND ICE LLC	Naitik R. Patel	7734 Liberty Field Drive		West Chester Twp.	OH	45069	513-377-7192
MJM ICES, LLC	Michael J. Morrison	4029 William Penn Hwy.		Monroeville	PA	15146	412-401-4610
MAASAMALI CORP	Nisha Patel	964 Perry Highway		Pittsburgh	PA	15237	908-283-3801
Lokul Frosti, LLC	Timothy K. Mielo	272 Yost Blvd.		Pittsburgh	PA	15221	412-770-7469
Castle Ice, LLC	Angelo M. La Buono	230-232 Wayne Avenue		Wayne	PA	19089	610-563-6359
	Ann Marie Cohill			Providence	RI	02903	267-987-3740
Reichard Enterprises LLC	Joel F. Reichard	504 West Main Street	Suite G	Easley	SC	29640	864-644-8007
Happy Thoughts Inc.	Kelly C. Frevel			Moncks Corner	SC	29461	443-418-7500
	Robert G. Dobilas			Spartanburg	SC	29306	215-284-9101
	Vipandeep S. Goria			Nederland	TX	77627	714-351-3427
	George A. Shilobod			Schertz	TX	78154	210-663-7336
	Nagina N. Daneker			Arlington	VA	22204	240-997-9295
Ice Cool Venture Inc.	Najam S. Hussain			Ashburn	VA	20146	215-512-8889
D2SM Investments, LLC	David S. Harris	4107 Portsmouth Blvd.		Chesapeake	VA	23321	917-280-2423
Shenn Valley Ice Treats Inc.	Mitchell J. Wilson	291 University Blvd.		Harrisonburg	VA	22801	540-820-3758

UNOPEN SHOPS IN RELOCATION STATUS

COMPANY	CONTACT	STREET ADDRESS	STREET ADDRESS 2	CITY	STATE	ZIP	PHONE
Mom's JCM3 Sweets, LLC	Melissa N. Patterson			Huntington Beach	CA	92833	918-408-8374
Christian Brothers for Life LLC	Anthony D. Cannady	1014 H St NE		Washington	DC	20002	202-399-0386
JLR, LLC	Patrick M. Magee	108 Haddon Avenue	#101	Haddon Township	NJ	08108	856-858-1317

FRANCHISE AGREEMENTS FOR UNOPEN SHOPS TERMINATED IN THE PREVIOUS FISCAL YEAR

COMPANY	CONTACT	CITY	STATE	ZIP	PHONE
	Raymond J. Spurgeon III	Oro Valley	AZ	85737	814-602-6239
The Sugar Life, L.L.C.	Erica Fells	Washington	DC	20010	202-563-0204
JET ICE, LLC	Peter A. Bonanni	West Melbourne	FL	32904	609-865-3343
	Casteel Johnson	Baltimore	MD	21218	443-224-5057
	Casteel Johnson	Baltimore	MD	21211	443-224-5057
FROZEN DREAMS LLC	Kyle B. Hoover	Baltimore	MD	21231	410-732-2663
	Christina D. Schwab	Parole	MD	21401	443-799-0631
D&M FROZEN TREATS LLC	Michael A. Bailey	Reisterstown	MD	21136	443-509-8718
WOODER ICE B LLC	Christopher R. Tate	Margate	NJ	08402	610-675-8422
	Chadley S. Williams	Tulsa	OK	74112	918-277-2169

DEVELOPMENT AGREEMENTS AS OF SEPTEMBER 30, 2025

COMPANY	CONTACT	CITY	STATE	PHONE
SWEET BROS LLC	Andre P. Davis	Palm Beach County	FL	732-261-6065
SOFO ICE LLC	Brett E. Moore	Sarasota County	FL	248-629-0176
Yahweh Group LLC	Antoine D. Stokes	Wesley Chapel	FL	410-262-1110
	Clement K. Tambro	Atlanta	GA	404-840-1024
ICE VENTURES, LLC	Meir S. Gluck	Northeast Chicago	IL	773-543-1151
TARGARYEN HOLDINGS, LLC	Eric D.Taylor	Hamilton & Marion Counties	IN	215-868-9045
CED Cool Ventures, LLC	Christine E. Hillard	Bowling Green	KY	270-535-3360
	Christa D. Moore	Florece & Covington	KY	859-640-7061
	Francis M. Santamaria	Brunswick	MD	240-313-8686
GB GROUP LLC	Brian C. Holt	Kent & Ottawa Counties	MI	570-939-5461
	Hussein A. Khalil	Okland & Wayne Counties	MI	313-999-9706
One Bite at a Time LLC	Jill K. Brega	Wake County	NC	515-835-9025
	Shannon D. Lawson	Cincinnati	OH	302-218-5427
Scarlet & Gray Confections LLC	James W. Myers	Cuyahoga, Portage, Geauga, Summit, Stark & Lorain Counties	OH	216-533-2865
	Stephanie D. Kynard	Toledo	OH	419-787-5378
	Robert M. Deily	Oklahoma City	OK	580-919-1780
MAASAMALI CORP	Nisha Patel	Pittsburgh	PA	570-666-3933
JJJ Frozen Desserts LLC	Jeffrey L. Gratz	Myrtle Beach	SC	267-994-0336
	Robert Dobilas	Spartanburg & Greenville Counites	SC	215-284-9101
Happy Thoughts Inc.	Kelly C. Frevel	Summerville	SC	443-418-7500
Garcia-Okerson LLC	Frances W. Garcia	Comal County	TX	240-838-6712
BCS ITALIAN ICE & CUSTARD LLC	Christopher J. Samanns	Harris & Fort Bend Counties	TX	267-275-7630
	Vipandeep Goria	Nederland & Beaumont	TX	714-351-3427
ADDIICE L.L.C.	Salvatore J. Raccuglia	Williamson & Travis Counties	TX	610-781-6297
Davis Frozen Franchises, LLC	Terrain D. Davis	Alexandria, Springfield & Burke	VA	703-261-9034
	Mitchell J. Wilson	Harrisonburg & Staunton	VA	540-820-3758
	David S. Harris	Norfolk, Portsmouth & VA Beach	VA	917-280-2423
Ice Cool Venturs Inc.	Najam S. Hussain	Northern Virginia	VA	215-512-8889

EXHIBIT I TO

FRANCHISE DISCLOSURE DOCUMENT

FINANCIAL STATEMENTS

GUARANTY of PERFORMANCE

For value received RWIFC Holdings, LLC located at 1210 Northbrook Drive, Suite 310, Trevose, PA 19053, absolutely and unconditionally guarantees the performance by Rita's Franchise Company, LLC ("Rita's"), located at 1210 Northbrook Drive, Suite 310, Trevose, PA 19053 in accordance with the terms and conditions of its franchise and other agreements issued in accordance with the Franchise Disclosure Document and entered into after this date as said franchise and other agreements may hereafter be amended, modified, renewed or extended from time to time. This Guaranty shall continue in force until all obligations of Rita's under the franchise registration and franchise agreements shall have been satisfied or until Rita's liability to said franchisees under the franchise registration and franchise agreements shall have been completely discharged, whichever occurs first. RWIFC Holdings, LLC is not discharged from liability hereunder as long as any claim by the franchisee against Rita's remains outstanding. Notice of acceptance is waived. Notice of default on the part of Rita's is not waived. This Guaranty shall be binding on RWIFC Holdings, LLC, its successors and assignees.

In Witness Whereof, RWIFC Holdings, LLC has, by a duly authorized officer, executed this Guaranty at Trevose, Pennsylvania as of January 22, 2026.

RWIFC Holdings, LLC

By:

Linda Chadwick
CEO & President

RWIFC Holdings, LLC and Subsidiaries

Consolidated Financial Statements
September 30, 2025

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RSM US LLP

Independent Auditor's Report

Members
RWIFC Holdings, LLC and Subsidiaries

Opinion

We have audited the consolidated financial statements of RWIFC Holdings, LLC and Subsidiaries (the Company), which comprise the consolidated balance sheets as of September 30, 2025 (Successor) and September 30, 2024 (Predecessor), the related consolidated statements of operations, members' equity and cash flows for the period from November 15, 2024 to September 30, 2025 (Successor), the period from October 1, 2024 to November 14, 2024 (Predecessor) and the year ended September 30, 2024 (Predecessor), and the related notes to the consolidated financial statements (collectively, the financial statements).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of September 30, 2025 (Successor) and September 30, 2024 (Predecessor), and the results of their operations and their cash flows for the period from November 15, 2024 to September 30, 2025 (Successor), the period from October 1, 2024 to November 14, 2024 (Predecessor) and the year ended September 30, 2024 (Predecessor) in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 13 to the financial statements, the September 30, 2024 financial statements have been restated to correct a misstatement. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

RSM US LLP is the U.S. member firm of RSM International, a global network of independent assurance, tax, and consulting firms.
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Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control-related matters that we identified during the audit.

RSM US LLP

Blue Bell, Pennsylvania
January 16, 2026

RWIFC Holdings, LLC and Subsidiaries

Consolidated Balance Sheets
September 30, 2025 (Successor) and September 30, 2024 (Predecessor)

	September 30, 2025 (Successor)	September 30, 2024 (Predecessor)
Assets		
Current assets:		
Cash	**$ 11,009,057**	$ 10,874,422
Accounts and notes receivable, net	**3,718,638**	3,089,470
Inventories	**105,594**	162,151
Other current assets	**333,327**	302,574
Total current assets	**15,166,616**	14,428,617
Property and equipment, net	**1,593,845**	1,422,198
Operating lease right-of-use assets, net	**1,127,728**	1,071,455
Goodwill	**25,690,593**	8,417,161
Other intangible assets, net	**59,335,384**	10,518,894
Other	**9,590**	-
Total other assets	**87,757,140**	21,429,708
Total assets	**$ 102,923,756**	$ 35,858,325
Liabilities and Members' Equity		
Current liabilities:		
Accounts payable	**$ 1,995,598**	$ 1,524,891
Unredeemed gift card liability	**3,485,357**	3,251,419
Current portion of deferred revenue	**701,550**	409,340
Current portion of operating lease obligations	**420,581**	313,183
Current maturities of long-term debt, net of deferred financing costs	**176,562**	587,890
Due to related party	**908,689**	135,873
Other current liabilities	**1,829,659**	1,928,406
Total current liabilities	**9,517,996**	8,151,002
Long-term liabilities:		
Deferred revenue, net of current portion	**2,206,611**	2,103,251
Long-term operating lease obligations, net of current portion	**749,155**	861,882
Long-term debt, net of current maturities, net of deferred financing costs	**39,736,926**	3,704,589
Other long-term liabilities	**7,385**	6,639
Total long-term liabilities	**42,700,077**	6,676,361
Total liabilities	**52,218,073**	14,827,363
Commitments and contingencies (Note 9)		
Members' equity (Class A Units of 51,209,162 as of September 30, 2025 and Preferred Units of 18,348,165 and Common Units of 1,835 as of September 30, 2024)	**50,705,683**	21,030,962
Total liabilities and members' equity	**$ 102,923,756**	$ 35,858,325

See notes to consolidated financial statements.

RWIFC Holdings, LLC and Subsidiaries

Consolidated Statements of Operations
For the Period From November 15, 2024 to September 30, 2025 (Successor),
Period From October 1, 2024 Through November 14, 2024 (Predecessor) and
Year Ended September 30, 2024 (Predecessor)

	Period From November 15, 2024 Through September 30, 2025 (Successor)	Period From October 1, 2024 Through November 14, 2024 (Predecessor)	Year Ended September 30, 2024 (Predecessor)
Revenues:			
Franchise fees	**$ 1,543,546**	$ 137,100	$ 1,801,194
Royalty fees	**14,567,425**	531,242	14,427,324
Product sales	**35,279,605**	1,291,087	34,902,116
Other revenue	**4,096**	621	82,521
Total revenues	**51,394,672**	1,960,050	51,213,155
Cost of revenues	**32,000,351**	1,342,231	32,260,179
Gross profit	**19,394,321**	617,819	18,952,976
Selling, general and administrative expenses	**9,542,168**	1,076,324	9,390,835
Income (loss) from operations before depreciation and amortization	**9,852,153**	(458,505)	9,562,141
Depreciation and amortization	**3,767,774**	220,162	1,682,546
Income (loss) from operations	**6,084,379**	(678,667)	7,879,595
Other (expense) income:			
Interest expense	**(3,516,542)**	(86,790)	(157,307)
Interest income	**161,604**	44,665	322,564
Other income, net	**54,977**	7,221	117,054
Total other (expense) income	**(3,299,961)**	(34,904)	282,311
Net income (loss)	**$ 2,784,418**	$ (713,571)	$ 8,161,906

See notes to consolidated financial statements.

RWIFC Holdings, LLC and Subsidiaries

Consolidated Statements of Members' Equity
For the Period From November 15, 2024 to September 30, 2025 (Successor),
Period From October 1, 2024 to November 14, 2024 (Predecessor) and
Year Ended September 30, 2024 (Predecessor)

Predecessor:	
Balance, September 30, 2023	$ 28,167,688
Distributions	(15,298,632)
Net income	8,161,906
Balance, September 30, 2024	21,030,962
Distributions	(7,468,264)
Net loss	(713,571)
Balance, November 14, 2024	$ 12,849,127
Successor:	
Balance, November 15, 2024	$ -
Contributions	47,895,275
Distributions	(80,581)
Incentive unit compensation	106,571
Net income	2,784,418
Balance, September 30, 2025	**$ 50,705,683**

See notes to consolidated financial statements.

RWIFC Holdings, LLC and Subsidiaries

Consolidated Statements of Cash Flows
For the Period From November 15, 2024 to September 30, 2025 (Successor), Period From October 1, 2024 to November 14, 2024 (Predecessor) and Year Ended September 30, 2024 (Predecessor)

	November 15, 2024 Through September 30, 2025 (Successor)	October 1, 2024 Through November 14, 2024 (Predecessor)	2024 (Predecessor) (As restated)
Cash flows from operating activities:			
Net income (loss)	**$ 2,784,418**	$ (713,571)	$ 8,161,906
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Incentive unit compensation	**106,571**	-	-
Depreciation and amortization	**3,767,774**	220,162	1,682,546
Amortization of deferred financing costs	**109,114**	1,446	15,137
Changes in operating assets and liabilities:			
(Increase) decrease in:			
Accounts and notes receivable	**(2,380,286)**	2,013,925	(538,376)
Inventories	**56,805**	(249)	12,330
Operating lease right-of-use assets	**(26,882)**	37,662	300,895
Other current assets	**23,461**	(54,214)	1,043,788
Increase (decrease) in:			
Accounts payable	**1,690,374**	(1,219,667)	269,822
Deferred revenue	**84,750**	(3,240)	133,546
Unredeemed gift card liability	**250,055**	(16,117)	334,715
Operating lease obligations	**68,890**	(40,988)	(293,174)
Related-party payable	**861,396**	(88,578)	(277,754)
Other liabilities	**(648,786)**	(67,165)	(629,718)
Net cash provided by operating activities	**6,747,654**	69,406	10,215,663
Cash flows from investing activities:			
Acquisition of property and equipment	**(579,108)**	(25,338)	(1,087,321)
Acquisition of stores, net of cash acquired	**(754,166)**	-	-
Acquisition of the Company, net of cash acquired	**(82,024,391)**	-	-
Net cash used in investing activities	**(83,357,665)**	(25,338)	(1,087,321)
Cash flows from financing activities:			
Contributions	**47,895,275**	-	-
Payment of distributions	**(80,581)**	(7,468,264)	(15,298,632)
Proceeds of long-term debt	**41,000,000**	-	6,000,000
Repayment of long-term debt	**(410,000)**	(1,600,000)	(1,650,000)
Payment of deferred financing costs	**(785,626)**	-	(72,658)
Net cash provided by (used in) financing activities	**87,619,068**	(9,068,264)	(11,021,290)
Net increase (decrease) in cash	**11,009,057**	(9,024,196)	(1,892,948)
Cash:			
Beginning	**-**	10,874,422	12,767,370
Ending	**$ 11,009,057**	$ 1,850,226	$ 10,874,422

See notes to consolidated financial statements.

Note 1. Summary of Significant Accounting Policies

Reporting entity: RWIFC Holdings, LLC (Holdings), a Delaware limited liability company, was organized for the purpose of facilitating Rita's Franchise Company, LLC (Franchisor) purchasing assets of the Rita's franchise system (the franchise system). RGCC, LLC (Gift Card) was formed to manage all aspects of the gift card program for the franchise system. Rita's Stores, LLC (RSL) was formed to operate a Rita's mobile truck and any Rita's shops that may be acquired in the future, and RSL is owned by Holdings. Rita's Licensing, LLC (Licensing) was formed to manage brand licensing operations. RWI Franchise Corp. (RWI), a Delaware corporation, is a wholly owned subsidiary of Holdings. Holdings and RWI own the entire ownership interest in Franchisor, and Franchisor is a wholly owned subsidiary of Holdings through Holdings' ownership of RWI. Gift Card and Licensing are wholly owned subsidiaries of Holdings. All significant intercompany accounts and transactions have been eliminated in consolidation. The consolidated group (including Holdings, RWI, Franchisor, Gift Card, Licensing and RSL) is referred to as the Company.

RWI is a Delaware corporation. Franchisor and Licensing are Delaware limited liability companies. Gift Card is a Pennsylvania limited liability company. Franchisor grants franchise licenses for the right to establish and operate franchised shops featuring Italian ice and other frozen confections and approved menu items. All franchised shops are operated by independent operators under the terms of franchise agreements. Franchisor also operates a training facility referred to as Cool University.

Estimates: The preparation of the consolidated financial statements in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Concentrations of credit risk: Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash. The Company maintains cash deposits in financial institutions in excess of federally insured limits. Management believes the risk is mitigated by maintaining all deposits in high quality financial institutions.

Franchise operations: Franchisor currently grants franchise licenses to open and operate franchised shops in a designated area. Franchisor also grants development rights to open and operate a specified number of franchised shops in a designated geographic area. Franchise agreements typically have a 10-year term. Development agreements have a term based on the agreed upon timeframe for opening franchised shops in accordance with a development schedule set forth in the development agreement.

Gift card sales and redemptions: Gift Card sells gift cards through Franchisor's franchisees, as well as online and through third-party retailers. The Company records a liability in the period in which a gift card is sold. When a gift card is presented at a Rita's shop, the Company reimburses the franchisee for the amount of the purchase net of any administrative costs and derecognizes the related liability. When a gift card is not subject to escheatment and it is probable that a portion of a gift card will not be redeemed, this amount is considered to be breakage. Breakage is recognized as revenue consistent with the historic redemption patterns of the associated gift cards. The Company uses historic gift card redemption patterns to determine the probability of a gift card's redemption. The Company recognized gift card breakage revenue of $388,122, $7,932 and $425,000 for the period from November 15, 2024 to September 30, 2025 (Successor), the period from October 1, 2024 to November 14, 2024 (Predecessor) and the year ended September 30, 2024 (Predecessor).

Note 1. Summary of Significant Accounting Policies (Continued)

In addition, the Company incurs fees on all gift cards that are sold through third-party retailers. These fees are deferred and recorded consistent with the historic redemption pattern of the associated gift cards.

Revenue recognition: The Company derives its significant revenue from the following five principal sources:

Product sales: Product sales represent revenues generated by the sale of products to franchisees. Revenue is recorded when the product is delivered by distribution agents to franchisees and the obligation to perform is satisfied.

Franchise royalty fees: Franchise royalty fees are generally charged at 6.5%, which is based upon the estimated amount of gross sales that franchised shops can derive from the sale of menu items prepared from products purchased from Franchisor. These royalties are considered variable consideration but because they relate to a license of intellectual property, they are not included in the transaction price. Instead, royalty revenue is recognized when the product is delivered by distribution agents to franchisees.

Initial franchise fees: The Company utilizes a practical expedient when the Company enters into a franchise agreement to account for certain pre-opening services provided to a franchisee as distinct from the franchise license, and is recognized as an initial franchise fee.

Development fees: Development fees, which are non-refundable, are charged based upon the number of shops that will be developed under the development agreement. For each shop developed under a development agreement, a franchise agreement will be signed and all or a portion of the initial franchise fee for such shop will either (i) be paid as part of the development fee or (ii) be paid when the applicable franchise agreement is signed. Development fees attributable to each shop's franchise agreement are recognized as discussed in the paragraph above on initial franchise fees.

Master franchise fees: Master franchise fees, which are non-refundable, are charged based upon the location and size of the territory. Master franchise agreements are international and typically allow the master licensee to either act as the franchisee or to sub-franchise to other operators. The Company determined that a portion of the services provided in exchange for these master franchise fees are highly interrelated with the franchise right and are not individually distinct from the ongoing services the Company provides to its master franchisees. As a result, a portion of master franchise fees are recognized on a straight-line basis over the term of each respective master franchise agreement, which is consistent with the master franchisee's right to use and benefit from the intellectual property. For the portion of the master franchise fees that are considered to be individually distinct from the ongoing services provided to the master franchisee, the Company recognizes those master franchise fees as each individual performance obligation is satisfied.

The Company believes its franchise agreements, development agreements and master franchise agreements do not contain a significant financing component because (a) the timing of the upfront payment does not arise for the reason of provision of financing to the Company and (b) the royalty is variable and based on factors outside the Company or the franchisee's control.

As discussed above, revenue from product sales, franchise royalty fees and initial franchise fees, development fees and master franchise fees are recognized at a point in time.

Note 1. Summary of Significant Accounting Policies (Continued)

Deferred revenue balances consist of initial franchise fees billed in connection with franchises for which the performance obligation has not yet been satisfied at the balance sheet date. Included within deferred revenue balances are $116,400 and $430,820 of deferred expenses at September 30, 2025 and 2024, respectively.

Rebates and allowances: Franchisor receives certain rebates and allowances based on (i) its purchases from suppliers/manufacturers and (ii) services that distribution agents provide to Franchisor. Franchisor sells and delivers the product mixes, custards and other items to franchisees using Franchisor's distribution agents. Additionally, Franchisor receives certain rebates from certain designated suppliers to franchisees based on franchisee purchases. The rebates remain consistent year-over-year; however, the overall percentages may vary slightly due to variations in purchases by Franchisor and its franchisees. Franchisor records an estimate of earned vendor rebates that are calculated based upon monthly purchases. Franchisors generally receive payment from vendors approximately 30 days after the quarter end for that quarter's purchases.

Advertising costs: Franchisor has established an advertising fund (a/k/a branding fund) for the common benefit of the franchisees and the advertising fund is funded by required contributions from franchisees, which is based upon a percentage of the estimated amount of gross sales that franchised shops can derive from the sale of menu items prepared from products purchased from Franchisor. Franchisor uses the contributions to the advertising fund to pay for system-wide advertising, marketing and promotional programs that Franchisor deems advisable.

Contributions have been collected in advance for future advertising, marketing and promotional programs and Franchisor is obligated to spend the fees on behalf of the franchise system and brand. Related advertising obligations are accrued and the costs expensed at the same time the related contributions are recognized. These contributions are recorded as a liability against which specific costs are charged. Contributions collected in advance of future advertising, marketing and promotional programs totaled $943,390 and $135,873 at September 30, 2025 and 2024, respectively, and are included within the balance due to related party on the consolidated balance sheets.

Certain employees of the Company perform work for the advertising fund. The Company charges the advertising fund based upon the actual expenditures for these employees. The total amount charged to the advertising fund was $959,319, $103,838 and $1,002,337 for the period from November 15, 2024 to September 30, 2025 (Successor), the period from October 1, 2024 to November 14, 2024 (Predecessor) and the year ended September 30, 2024 (Predecessor), respectively.

Accounts and notes receivable: Accounts and notes receivable are stated at original invoice amount less an allowance for credit losses.

Allowance for credit losses: Management determines the allowance for credit losses by identifying troubled accounts and by using historical risk characteristics that are meaningful to estimating credit losses, any new risk characteristics that arise in the natural course of business, current economic conditions and reasonable supportable forecasts about future economic and market conditions. Accounts receivable are considered past due if the balance is outstanding more than 60 days from the payment term. Accounts receivable are written off when deemed uncollectible. Recoveries of accounts receivable previously written off are recorded when received.

The allowance for credit losses was approximately $40,000 and $43,000 as of September 30, 2025 (Successor) and 2024 (Predecessor), respectively.

Note 1. Summary of Significant Accounting Policies (Continued)

Inventories: Inventories are valued at the lower of cost (first-in, first-out) or net realizable value and consist solely of finished goods.

Deferred financing costs: Deferred financing costs are amortized by the effective interest method, over the term of the related debt and are recorded as a contra liability in long-term debt on the consolidated balance sheets. Amortization expense was $109,114, $1,446 and $15,137 for the period from November 15, 2024 to September 30, 2025 (Successor), the period from October 1, 2024 to November 14, 2024 (Predecessor) and the year ended September 30, 2024 (Predecessor), respectively.

Property and equipment: Property and equipment acquired through acquisition is recorded at fair value. All other property and equipment are stated at cost. Depreciation subsequent to the acquisition is provided on the straight-line method over three to 10 years, the estimated useful lives of the assets. Maintenance and repairs, which are not considered to extend the useful life of assets, are charged to operations as incurred. The cost of assets sold or retired and related accumulated depreciation are removed from the accounts and any resulting gains or losses are reflected in non-operating expense for the period. Property and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable.

Goodwill: Goodwill represents the difference between the purchase price of the acquired assets and the related fair value of the net assets acquired. See footnote 12 for business combinations. The Company tests goodwill for impairment annually and whenever events or changes in circumstances indicate that impairment may have occurred. In conducting its impairment testing, the Company compares the fair value of each reporting unit to the related netbook value. If the fair value of a reporting unit exceeds its netbook value, goodwill is not considered to be impaired. If the netbook value of a reporting unit exceeds its fair value, an impairment loss is measured and recognized. The Company conducts its annual impairment testing in September of each year. For the period from November 15, 2024 to September 30, 2025 (Successor), the period from October 1, 2024 to November 14, 2024 (Predecessor) and the year ended September 30, 2024 (Predecessor), the Company determined that the recorded value for goodwill and other intangibles has not been impaired.

Intangible assets: The Company evaluates the useful lives of intangible assets. Reaching a determination on useful life requires significant judgments and assumptions. Intangible assets include franchise, development and master franchise agreements (franchising agreements), supply agreements, recipes, trade names and territory assets which are amortized on a straight-line basis over its useful lives ranging from three to twenty years.

Impairment of long-lived assets: The Company reviews long-lived assets, including property and equipment and definite-lived intangibles, for impairment whenever events or changes in business circumstances indicate that the carrying amount of the assets may not be recoverable. Recoverability of assets to be held and used is measured by comparison of the carrying amount of the asset to future undiscounted cash flows expected to be generated by the asset. If the asset is determined to be impaired, the impairment recognized is measured by the amount by which the carrying value of the asset exceeds its fair value.

Note 1. Summary of Significant Accounting Policies (Continued)

Leases: The Company determines if an arrangement is or contains a lease at inception, which is the date on which the terms of the contract are agreed to, and the agreement creates enforceable rights and obligations. A contract is or contains a lease when (i) explicitly or implicitly identified assets have been deployed in the contract and (ii) the Company obtains substantially all of the economic benefits from the use of that underlying asset and directs how and for what purpose the asset is used during the term of the contract. The Company also considers whether its service arrangements include the right to control the use of an asset.

The Company made an accounting policy election available under Accounting Standards Codification (ASC) Topic 842, Leases, not to recognize right-of-use (ROU) assets and lease liabilities for leases with a term of 12 months or less. For all other leases, ROU assets and lease liabilities are measured based on the present value of future lease payments over the lease term at the commencement date of the lease. The ROU assets also include any initial direct costs incurred and lease payments made at or before the commencement date and are reduced by any lease incentives. To determine the present value of lease payments, the Company made an accounting policy election available to non-public companies to utilize a risk-free borrowing rate, which is aligned with the lease term at the lease commencement date.

Future lease payments may include fixed rent escalation clauses or payments that depend on an index (such as the consumer price index), which is initially measured using the index or rate at lease commencement. Subsequent changes of an index and other periodic market-rate adjustments to base rent are recorded in variable lease expense in the period incurred. Residual value guarantees or payments for terminating the lease are included in the lease payments only when it is probable they will be incurred.

The Company has made an accounting policy election to not account for lease and non-lease components in its contracts as a single lease component for its real estate, vehicle and equipment asset classes. The non-lease components typically represent additional services transferred to the Company, such as common area maintenance for real estate, which are variable in nature and recorded in variable lease expense in the period incurred.

Income taxes: As a limited liability company, the Company's taxable income or loss is allocated to members in accordance with their respective percentage of ownership. Therefore, no provision or liability for income taxes has been included in the consolidated financial statements. For the period from November 15, 2024 to September 30, 2025 (Successor), the period from October 1, 2024 to November 14, 2024 (Predecessor) and the year ended September 30, 2024 (Predecessor), management evaluated the Company's tax positions and concluded that the Company had taken no uncertain tax positions that require adjustment to the consolidated financial statements. The Company is not subject to income tax examinations by U.S. federal, state or local tax authorities for years before 2022. The subsidiaries are considered disregarded entities for tax purposes. As such, the operations of the subsidiaries are combined with, and included in, Holdings for income tax purposes.

Note 2. Accounts and Notes Receivable

Accounts and notes receivable consist of the following at September 30, 2025 (Successor) and September 30, 2024 (Predecessor):

	September 30, 2025 (Successor)	September 30, 2024 (Predecessor)
Franchisees—net of allowance for credit losses of approximately $40,000 and $43,000 in 2025 and 2024, respectively	$ 3,014,160	$ 2,389,348
Current portion of notes receivable	-	13,092
Vendor rebates	609,409	611,110
Other	95,069	75,920
	$ 3,718,638	$ 3,089,470

The current portion of notes receivable includes amounts due from a certain franchisee for the purchase of product, equipment and/or promotional items. This note was collateralized by certain assets of the franchise as defined in the agreement. The note bears interest at 6.27% and was paid in November 2024.

Note 3. Property and Equipment

Property and equipment consists of the following at September 30, 2025 (Successor) and September 30, 2024 (Predecessor):

	September 30, 2025 (Successor)	September 30, 2024 (Predecessor)
Equipment	$ 1,077,327	$ 1,073,103
Leasehold improvements	80,176	296,906
Computer equipment	671,906	2,564,796
Furniture and fixtures	39,201	123,914
Vehicles	28,184	117,600
Building	61,245	78,140
	1,958,039	4,254,459
Less accumulated depreciation and amortization	(364,194)	(2,832,261)
	$ 1,593,845	$ 1,422,198

Depreciation and amortization expense was $364,194, $68,602 and $444,426 for the period from November 15, 2024 to September 30, 2025 (Successor), the period from October 1, 2024 to November 14, 2024 (Predecessor) and the year ended September 30, 2024 (Predecessor), respectively.

Note 4. Other Intangible Assets and Goodwill

Other intangible assets consist of the following at September 30, 2025 (Successor) and September 30, 2024 (Predecessor):

	September 30, 2025 (Successor)			
	Cost	Accumulated Amortization	Net Book Value	Estimated Useful Life
Franchising agreements	$ 35,393,000	$ 2,071,146	$ 33,321,854	15 years
Recipes	12,769,000	560,417	12,208,583	20 years
Trade names	12,769,000	560,417	12,208,583	20 years
Technology	1,807,963	211,599	1,596,364	7.5 years
	$ 62,738,963	$ 3,403,579	$ 59,335,384	

	September 30, 2024 (Predecessor)			
	Cost	Accumulated Amortization	Net Book Value	Estimated Useful Life
Supply agreement	$ 1,260,000	$ 1,260,000	$ -	3 years
Franchising agreements	8,920,000	4,066,471	4,853,529	17 years
Recipes	4,950,000	2,131,250	2,818,750	18 years
Trade names	4,540,000	1,954,722	2,585,278	18 years
Territory assets	1,133,484	872,147	261,337	6 years
	$ 20,803,484	$ 10,284,590	$ 10,518,894	

Amortization of amortizable intangible assets for each of the five years subsequent to September 30, 2025, and thereafter is as follows:

Years ending September 30:	
2026	$ 3,877,495
2027	3,877,495
2028	3,877,495
2029	3,877,495
2030	3,877,495
Thereafter	39,947,909
	$ 59,335,384

Amortization expense for intangible assets was $3,403,579, $151,559 and $1,240,027 for the period from November 15, 2024 to September 30, 2025 (Successor), the period from October 1, 2024 to November 14, 2024 (Predecessor) and the year ended September 30, 2024 (Predecessor), respectively.

Note 4. Other Intangible Assets and Goodwill (Continued)

The changes in the carrying amount of goodwill for the years ended September 30, 2025 (Successor) and 2024 (Predecessor), are as follows:

October 1, 2023 (Predecessor)	$ 8,417,161
September 30, 2024 (Predecessor)	8,417,161
November 14, 2024 (Predecessor)	8,417,161
November 15, 2024 (Successor)	$ -
Acquisition of the Company	24,936,427
Acquisition of the two franchisee locations	754,166
September 30, 2025 (Successor)	$ 25,690,593

Note 5. Line of Credit and Long-Term Debt

Term Loan A: The Company has a $41,000,000 term loan agreement (Term Loan A), as amended, that bears interest at SOFR plus 5.00% (8.72% at September 30, 2025), and is payable in equal quarterly installments of principal plus interest through November 15, 2030. The Company is subject to financial and non-financial covenants associated with Term Loan A.

Term Loan B: The Company had a $6,000,000 term loan agreement (Term Loan B), as amended, that bears interest at SOFR plus 2.75% (6.70% at November 14, 2024) and is payable in equal monthly installments of principal plus interest through June 11, 2029. The Term Loan was fully repaid and extinguished as of November 14, 2024. The Company was subject to financial and non-financial covenants associated with Term Loan B.

Long-term debt consists of the following at September 30, 2025 (Successor) and September 30, 2024 (Predecessor):

	September 30, 2025 (Successor)	September 30, 2024 (Predecessor)
Term loan A	$ 40,590,000	$ -
Term loan B	-	4,350,000
Less unamortized deferred financing costs	(676,512)	(57,521)
	39,913,488	4,292,479
Less current maturities	(307,500)	(600,000)
Current portion of unamortized deferred financing costs	130,938	12,110
	$ 39,736,926	$ 3,704,589

Cash paid for interest was $3,370,756, $67,456 and $110,874 for the period from November 15, 2024 to September 30, 2025 (Successor), the period from October 1, 2024 to November 14, 2024 (Predecessor) and the year ended September 30, 2024 (Predecessor), respectively.

Note 6. Leases

The Company leases real estate, including an office location, under an operating lease agreement that expires December 31, 2027. The lease includes an option to renew, at the Company's sole discretion, for an additional five years. In addition, the lease contains a termination option, where the right to terminate is held by the Company. This option to extend or terminate the lease is included in the lease term when it is reasonably certain that the Company will exercise that option. The Company's operating lease does not contain any material restrictive covenants or residual value guarantees.

The Company also leases certain vehicles and equipment under finance lease agreements with terms ranging from five to seven years and interest rates of 5.70%. The Company's finance leases generally do not contain any material restrictive covenants or residual value guarantees. Finance lease liabilities are included in other current liabilities on the consolidated balance sheets.

Operating lease cost is recognized on a straight-line basis over the lease term. Finance lease cost is recognized as a combination of the amortization expense for the ROU assets and interest expense for the outstanding lease liabilities, and results in a front-loaded expense pattern over the lease term. The components of lease expense for the period from November 15, 2024 to September 30, 2025 (Successor), the period from October 1, 2024 to November 14, 2024 (Predecessor) and the year ended September 30, 2024 (Predecessor) are as follows:

	Period from November 15, 2024 Through September 30, 2025 (Successor)	Period from October 1, 2024 Through November 14, 2024 (Predecessor)	Year Ended September 30, 2024 (Predecessor)
Operating lease cost	$ 354,200	$ 32,263	$ 354,200
Variable lease cost	76,664	15,671	35,855
Total lease cost	$ 430,864	$ 47,934	$ 390,055

Note 6. Leases (Continued)

Supplemental balance sheet information related to leases is as follows as of September 30, 2025 (Successor) and September 30, 2024 (Predecessor):

	September 30, 2025 (Successor)	September 30, 2024 (Predecessor)
Operating leases:		
Operating lease right-of-use assets	$ 1,127,728	$ 1,071,455
Current maturities of operating lease liabilities	$ 420,581	$ 313,183
Operating lease liabilities, noncurrent	749,155	861,882
Total operating lease liabilities	$ 1,169,736	$ 1,175,065
Finance leases:		
Equipment	$ -	$ 122,051
Vehicles	21,860	97,161
Accumulated depreciation	(10,460)	(198,392)
Finance lease right-of-use assets, net	$ 11,400	$ 20,820
Current maturities of finance lease liabilities	$ 6,929	$ 15,019
Finance lease liabilities, noncurrent	-	9,309
Total finance lease liabilities	$ 6,929	$ 24,328
Weighted-average remaining lease term:		
Operating leases	1.98 years	3.25 years
Finance leases	1.50 years	1.50 years
Weighted-average discount rate:		
Operating leases	4.53%	4.06%
Finance leases	5.70%	5.70%

Note 6. Leases (Continued)

Future undiscounted cash flows for the next five years and a reconciliation to the lease liabilities recognized on the balance sheet are as follows as of September 30, 2025:

	Finance Leases	Operating Leases
Years ending September 30:		
2026	$ 8,427	$ 460,174
2027	-	470,104
2028	-	136,408
2029	-	58,678
2030	-	52,688
Thereafter	-	72,535
	8,427	1,250,587
Amount representing interest	1,498	80,851
Present value of future lease payments	6,929	1,169,736
Current portion	6,929	420,581
	$ -	$ 749,155

Note 7. Subordinate Profits Common Units and Class B Units

Predecessor: Subordinate Profits Common Units are available to be issued to employees and directors of the Company in relation to the Predecessor period. Class B Units are available to be issued to members, partners, officers, directors, managers, employees, consultants or agents of the Company in relation to the Successor period.

Subordinate Profits Common Units were awarded to certain employees with both time vesting units that vested 20% per year and performance vesting units that vested upon the Company's achievement of certain earnings targets or vest upon a change in control, as defined. The Company did not recognize any compensation expense in connection with the issuance of Subordinate Profits Common Units for the period from October 1, 2024 to November 14, 2024 (Predecessor) and the year ended September 30, 2024 (Predecessor).

Successor: Class B Units were awarded to certain employees with vesting units that vested 20% per year.

The fair value of the change in control awards is estimated on the date of grant based on an option pricing model utilizing the calculated valuation of the Company at that date. As part of the option pricing model the Company made the following assumptions; risk-free rate was 4.23%, the volatility was 35%, and there were no perceived dividends. The Company records compensation expense relating to the equal vesting of the options at 20% over five years. The stock compensation expense for the period November 15, 2024 to September 30, 2025 (Successor) was $106,571.

Note 8. Retirement Plan

The Company maintains a defined contribution profit sharing plan in accordance with the provisions of Section 401(k) of the Internal Revenue Code. The plan generally covers all employees meeting certain age and service requirements. The plan provides for employee elective contributions and a certain discretionary match from the Company upon the employee making a certain minimum contribution. Matching contributions were $177,194, $21,124 and $158,020 for the period from November 15, 2024 to September 30, 2025 (Successor), the period from October 1, 2024 to November 14, 2024 (Predecessor) and the year ended September 30, 2024 (Predecessor), respectively.

Note 9. Commitments and Contingencies

The Company is involved in various legal proceedings and litigation arising in the ordinary course of business. In the opinion of the Company's management and legal counsel, the outcome of such proceedings and litigation will not materially affect the Company's financial position or results of operations.

Note 10. Related-Party Transactions

The Company agreed to pay MTN Capital Partners, LLC management fees of $175,000 annually in connection with the planning, strategy, oversight and support to management. The term of the agreement was five years and ended December 31, 2021, with the option to renew after the initial term. The agreement was renewed for two years ended in December 2023, with management fees of $100,000 annually. In April 2024, management fees were amended to $80,000 annually. Management fees recorded in selling, general and administrative expenses on the consolidated statements of operations was $9,778 relating to the period from October 1, 2024 to November 14, 2024 (Predecessor). Management fees recorded in selling, general and administrative expenses on the consolidated statements of operations was $90,000 for the year ended September 30, 2024 (Predecessor). The agreement was terminated on November 14, 2024.

In the Successor period, the Company agreed to pay Maple Park Capital Partners Management, LP management fees of $605,004 annually in connection with the management and consulting services regarding the business of the Company and such other services relating to the Company and its subsidiaries. Management fees recorded in selling, general and administrative expenses on the consolidated statements of operations were $531,059 for the period from November 15, 2024 to September 30, 2025 (Successor).

Note 11. Members' Equity

In the predecessor period, Preferred Unit holders are entitled to a Preferred Return, which equals the sum of 6% of the average daily balance of the Adjusted Preferred Capital Contribution, as defined, compounding quarterly. The Company paid a Preferred Return of approximately $7,243,593 and $760,000 for the period from October 1, 2024 to November 14, 2024 (Predecessor) and the year ended September 30, 2024 (Predecessor), respectively. The Preferred Return payable at both September 30, 2025 and 2024, was $0. There is no preferred return in the successor period.

Note 12. Business Combinations

On November 15, 2024, pursuant to an Equity Purchase Agreement (the Purchase Agreement), 100% of the Company's equity interest was acquired by Rita's TopCo, LLC (TopCo). The Company elected to apply pushdown accounting by applying the guidance in ASC 805, Business Combinations. In accordance with ASC 805, all identifiable assets and assumed liabilities of the Company were measured at and adjusted to their estimated fair values as of November 15, 2024, and goodwill was recognized based on the difference between the purchase price and the estimated fair value of the identifiable net assets acquired, including the acquired intangible assets.

A summary of consideration transferred (purchase price) and the allocation of assets acquired and liabilities assumed (measured at fair value) on the acquisition date is as follows:

Assets acquired:	
Cash	$ 1,850,226
Accounts and notes receivable	1,347,942
Inventory	162,399
Other current assets	356,788
Total current assets	3,717,355
Property and equipment	1,378,932
Operating lease right of use asset	1,100,846
Goodwill	24,936,427
Other intangible assets	62,738,963
Total long term assets	90,155,168
Total assets acquired	$ 93,872,523
Liabilities assumed:	
Accounts payable	$ 305,224
Unredeemed gift card liability	3,235,302
Current portion of deferred revenue	295,000
Current portion of operating lease obligation	300,071
Due to related party	47,293
Other current liabilities	2,485,830
Total current liabilities	6,668,720
Deferred revenue, net of current	2,528,411
Long-term operating lease obligation, net of current	800,775
Total long term liabilities	3,329,186
Total liabilities assumed	$ 9,997,906

The rollover equity is $900,000 related to 900,000 Class A units in TopCo. The Company estimated the fair value of the consideration based on comparable transactions.

Holdback amounts of $1,472,500 were held in escrow for a period of 18 months following the acquisition date, pending any adjustments to final closing amounts.

The fair values of the assets acquired and liabilities assumed represent management's estimate of air values at the acquisition date. Management hired an independent valuation firm to assist in the determination of the fair value of identified intangible assets.

Note 12. Business Combinations (Continued)

Intangible assets that were separately valued in the transaction were franchise agreements, technology, trademarks, and recipes. The franchise agreements were valued using the multiperiod excess earnings method, which is a form of the income approach. The technology intangible asset was valued using the cost approach. The trademarks and the recipes were valued using the relief from royalty method, which is a form of the income approach.

Goodwill reflects the synergistic nature of the Company's identifiable assets that, when employed in combination, generate value in excess of their individual values. Additionally, a portion of goodwill reflects the value of the Company's assembled workforce.

Transaction expenses associated with the acquisition for the period from October 1, 2024 through November 14, 2024 (Predecessor) were $1,028,061, and are included in selling, general and administrative expenses on the consolidated statement of operations. Transaction expenses of $3,013,887 for the period from November 15, 2024 through September 30, 2025 (Successor) were recorded by the parent and are therefore not reflected on the consolidated statement of operations.

On September 30, 2025, the Company acquired two franchisee locations resulting in acquired Goodwill of $754,166.

A summary of consideration transferred (purchase price) and the allocation of assets acquired and liabilities assumed (measured at fair value) on the acquisition date is as follows, inventory totaling $21,901, fixed assets totaling $88,008, right of use assets totaling $337,664, goodwill disclosed above and lease liabilities of $337,664.

Holdback amounts of $100,000 were held in escrow for a period of 90 days.

Goodwill reflects the synergistic nature of the Company's identifiable assets that, when employed in combination, generate value in excess of their individual values. Additionally, a portion of goodwill reflects the value of the Company's assembled workforce.

The Company incurred no legal, accounting, and other professional fees related to this transaction. The opening balance sheet related to the acquisition of the two stores is provisional.

Note 13. Restatement

The Company is restating their statement of cash flows for the period ending September 30, 2024. The restatement is due to the classification of distribution payments. In the previously issued financial statements, the "Payment of Distributions" was classified as an investing activity for $15,298,632. This resulted in a "Net cash used in investing activities" of $16,385,953 and a "Net cash provided by (used in) financing activities" of $4,277,342. After the restatement, the "Payment of Distributions" is classified within financing activities. The change to the "Net cash used in investing activities" was $15,298,632 creating a use in investing activities of $1,087,321 for the year ended September 30, 2024. The change resulted in a "Net cash provided by (used in) financing activities" of $(11,021,290) for the year ended September 30, 2024.

Note 14. Subsequent Event

The Company evaluated subsequent events through the date the financial statements were available for issuance on January 16, 2026.

RWIFC Holdings, LLC and Subsidiaries

Consolidated Financial Statements
September 30, 2024

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RSM US LLP

Independent Auditor's Report

Members
RWIFC Holdings, LLC and Subsidiaries

Opinion

We have audited the consolidated financial statements of RWIFC Holdings, LLC and Subsidiaries (the Company), which comprise the consolidated balance sheets as of September 30, 2024 and 2023, the related consolidated statements of operations, members' equity and cash flows for the years then ended, and the related notes to the consolidated financial statements (collectively, the financial statements).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of September 30, 2024 and 2023, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control-related matters that we identified during the audit.

RSM US LLP

Blue Bell, Pennsylvania
January 17, 2025

RWIFC Holdings, LLC and Subsidiaries

Consolidated Balance Sheets
September 30, 2024 and 2023

	2024	2023
Assets		
Current assets:		
Cash	**$ 10,874,422**	$ 12,767,370
Accounts and notes receivable, net	**3,089,470**	2,538,014
Inventories	**162,151**	174,481
Other current assets	**302,574**	1,346,362
Total current assets	**14,428,617**	16,826,227
Property and equipment, net	**1,422,198**	777,396
Other assets:		
Operating lease right-of-use assets, net	**1,071,455**	1,372,350
Goodwill	**8,417,161**	8,417,161
Other intangible assets, net	**10,518,894**	11,758,921
Notes receivable, net of current portion	**-**	13,080
Total other assets	**20,007,510**	21,561,512
Total assets	**$ 35,858,325**	$ 39,165,135
Liabilities and Members' Equity		
Current liabilities:		
Accounts payable	**$ 1,524,891**	$ 1,255,069
Unredeemed gift card liability	**3,251,419**	2,916,704
Current portion of deferred revenue	**409,340**	550,990
Current portion of operating lease obligations	**313,183**	293,174
Current maturities of long-term debt, net of deferred financing costs	**587,890**	-
Due to related party	**135,873**	413,627
Other current liabilities	**1,928,406**	2,503,224
Total current liabilities	**8,151,002**	7,932,788
Long-term liabilities:		
Deferred revenue, net of current portion	**2,103,251**	1,828,055
Long-term operating lease obligations, net of current portion	**861,882**	1,175,065
Long-term debt, net of current maturities, net of deferred financing costs	**3,704,589**	-
Other long-term liabilities	**6,639**	61,539
Total long-term liabilities	**6,676,361**	3,064,659
Total liabilities	**14,827,363**	10,997,447
Commitments and contingencies (Note 9)		
Members' equity (Preferred Units of 18,348,165 and Common Units of 1,835 as of September 30, 2024 and 2023)	**21,030,962**	28,167,688
Total liabilities and members' equity	**$ 35,858,325**	$ 39,165,135

See notes to consolidated financial statements.

RWIFC Holdings, LLC and Subsidiaries

Consolidated Statements of Operations
Years Ended September 30, 2024 and 2023

	2024	2023
Revenues:		
Franchise fees	**$ 1,801,194**	$ 2,179,842
Royalty fees	**14,427,324**	13,165,748
Product sales	**34,902,116**	33,754,602
Other revenue	**82,521**	102,822
Total revenues	**51,213,155**	49,203,014
Cost of revenues	**32,260,179**	30,816,453
Gross profit	**18,952,976**	18,386,561
Selling, general and administrative expenses	**9,390,835**	8,633,585
Income from operations before depreciation and amortization	**9,562,141**	9,752,976
Depreciation and amortization	**1,682,546**	1,787,195
Income from operations	**7,879,595**	7,965,781
Other income (expense):		
Interest expense	**(157,307)**	(206,071)
Interest income	**322,564**	135,120
Other income, net	**117,054**	78,120
Total other income (expense)	**282,311**	7,169
Net income	**$ 8,161,906**	$ 7,972,950

See notes to consolidated financial statements.

RWIFC Holdings, LLC and Subsidiaries

Consolidated Statements of Members' Equity
Years Ended September 30, 2024 and 2023

Balance, October 1, 2022	$ 23,716,016
Distributions	(3,521,278)
Net income	7,972,950
Balance, September 30, 2023	28,167,688
Distributions	(15,298,632)
Net income	8,161,906
Balance, September 30, 2024	**$ 21,030,962**

See notes to consolidated financial statements.

RWIFC Holdings, LLC and Subsidiaries

Consolidated Statements of Cash Flows
Years Ended September 30, 2024 and 2023

	2024	2023
Cash flows from operating activities:		
Net income	**$ 8,161,906**	$ 7,972,950
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	**1,682,546**	1,497,799
Amortization of deferred financing costs	**15,137**	19,558
Changes in operating assets and liabilities:		
(Increase) decrease in:		
Accounts and notes receivable	**(538,376)**	(397,635)
Inventories	**12,330**	(110,233)
Operating lease right-of-use assets	**300,895**	289,396
Other current assets	**1,043,788**	930,151
Increase (decrease) in:		
Accounts payable	**269,822**	37,452
Deferred revenue	**133,546**	73,571
Unredeemed gift card liability	**334,715**	213,645
Operating lease obligations	**(293,174)**	(273,961)
Related-party payable	**(277,754)**	21,985
Other liabilities	**(629,718)**	336,852
Net cash provided by operating activities	**10,215,663**	10,611,530
Cash flows from investing activities:		
Acquisition of property and equipment	**(1,087,321)**	(482,288)
Payment of distributions	**(15,298,632)**	(3,521,278)
Net cash used in investing activities	**(16,385,953)**	(4,003,566)
Cash flows from financing activities:		
Borrowings of long-term debt	**6,000,000**	-
Repayment of long-term debt	**(1,650,000)**	(3,142,871)
Payment of deferred financing costs	**(72,658)**	-
Net cash provided by (used in) financing activities	**4,277,342**	(3,142,871)
Net (decrease) increase in cash	**(1,892,948)**	3,465,093
Cash:		
Beginning	**12,767,370**	9,302,277
Ending	**$ 10,874,422**	$ 12,767,370
Supplemental disclosure of non-cash operating activities:		
Adoption of ASC Topic 842 and operating right-of-use operating leases	**$ -**	$ 1,661,746

See notes to consolidated financial statements.

Note 1. Summary of Significant Accounting Policies

Reporting entity: RWIFC Holdings, LLC (Holdings), a Delaware limited liability company, was organized for the purpose of facilitating Rita's Franchise Company, LLC (Franchisor) purchasing assets of the Rita's franchise system (the franchise system) in December 2016 (the Transaction). In connection with the Transaction, RGCC, LLC (Gift Card) was formed to manage all aspects of the gift card program for the franchise system. Rita's Stores, LLC (RSL) was formed to operate a Rita's mobile truck and any Rita's shops that may be acquired in the future, and RSL is owned by Holdings. In February 2023, Rita's Licensing, LLC (Licensing) was formed to manage brand licensing operations. RWI Franchise Corp. (RWI), a Delaware corporation, is a wholly owned subsidiary of Holdings. Holdings and RWI own the entire ownership interest in Franchisor, and Franchisor is a wholly owned subsidiary of Holdings through Holdings' ownership of RWI. Gift Card and Licensing are wholly owned subsidiaries of Holdings. All significant intercompany accounts and transactions have been eliminated in consolidation. The consolidated group (including Holdings, RWI, Franchisor, Gift Card, Licensing and RSL) is referred to as the Company.

RWI is a Delaware corporation. Franchisor and Licensing are Delaware limited liability companies. Gift Card is a Pennsylvania limited liability company. Franchisor grants franchise licenses for the right to establish and operate franchised shops featuring Italian ice and other frozen confections and approved menu items. All franchised shops are operated by independent operators under the terms of franchise agreements. Franchisor also operates a training facility referred to as Cool University.

Estimates: The preparation of the consolidated financial statements in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Concentrations of credit risk: Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash. The Company maintains cash deposits in financial institutions in excess of federally insured limits. Management believes the risk is mitigated by maintaining all deposits in high quality financial institutions.

Franchise operations: Franchisor currently grants franchise licenses to open and operate franchised shops in a designated area. Franchisor also grants development rights to open and operate a specified number of franchised shops in a designated geographic area. Franchise agreements typically have a 10-year term. Development agreements have a term based on the agreed upon timeframe for opening franchised shops in accordance with a development schedule set forth in the development agreement.

Gift card sales and redemptions: Gift Card sells gift cards through Franchisor's franchisees, as well as online and through third-party retailers. The Company records a liability in the period in which a gift card is sold. When a gift card is presented at a Rita's shop, the Company reimburses the franchisee for the amount of the purchase net of any administrative costs and derecognizes the related liability. When a gift card is not subject to escheatment and it is probable that a portion of a gift card will not be redeemed, this amount is considered to be breakage. Breakage is recognized as revenue consistent with the historic redemption patterns of the associated gift cards. The Company uses historic gift card redemption patterns to determine the probability of a gift card's redemption. The Company recognized gift card breakage revenue of approximately $425,000 for each of the years ended September 30, 2024 and 2023.

Note 1. Summary of Significant Accounting Policies (Continued)

In addition, the Company incurs fees on all gift cards that are sold through third-party retailers. These fees are deferred and recorded consistent with the historic redemption pattern of the associated gift cards.

Revenue recognition: The Company derives its significant revenue from the following five principal sources:

Product sales: Product sales represent revenues generated by the sale of products to franchisees. Revenue is recorded when the product is delivered by distribution agents to franchisees and the obligation to perform is satisfied.

Franchise royalty fees: Franchise royalty fees are generally charged at 6.5%, which is based upon the estimated amount of gross sales that franchised shops can derive from the sale of menu items prepared from products purchased from Franchisor. These royalties are considered variable consideration but because they relate to a license of intellectual property, they are not included in the transaction price. Instead, royalty revenue is recognized when the product is delivered by distribution agents to franchisees.

Initial franchise fees: During the year ended September 30, 2021, the Company adopted Accounting Standards Update (ASU) 2021-02, *Franchisors—Revenue from Contracts with Customers (Subtopic 952-606): Practical Expedient.* This ASU provides a practical expedient that permits a franchisor that is not a public business entity that enters into a franchise agreement to account for certain pre-opening services provided to a franchisee as distinct from the franchise license, and this is how the Company recognizes initial franchise fees. The ASU has been applied to all periods presented.

Development fees: Development fees, which are non-refundable, are charged based upon the number of shops that will be developed under the development agreement. For each shop developed under a development agreement, a franchise agreement will be signed and all or a portion of the initial franchise fee for such shop will either (i) be paid as part of the development fee or (ii) be paid when the applicable franchise agreement is signed. Development fees attributable to each shop's franchise agreement are recognized as discussed in the paragraph above on initial franchise fees.

Master franchise fees: Master franchise fees, which are non-refundable, are charged based on upon the location and size of the territory. Master franchise agreements are international and typically allow the master licensee to either act as the franchisee or to sub-franchise to other operators. The Company determined that a portion of the services provided in exchange for these master franchise fees are highly interrelated with the franchise right and are not individually distinct from the ongoing services the Company provides to its master franchisees. As a result, a portion of master franchise fees are recognized on a straight-line basis over the term of each respective master franchise agreement, which is consistent with the master franchisee's right to use and benefit from the intellectual property. For the portion of the master franchise fees that are considered to be individually distinct from the ongoing services provided to the master franchisee, the Company recognizes those master franchise fees as each individual performance obligation is satisfied.

The Company believes its franchise agreements, development agreements and master franchise agreements do not contain a significant financing component because (a) the timing of the upfront payment does not arise for the reason of provision of financing to the Company and (b) the royalty is variable and based on factors outside the Company or the franchisee's control.

As discussed above, revenue from product sales, franchise royalty fees and initial franchise fees, development fees and master franchise fees is recognized at a point in time.

Note 1. Summary of Significant Accounting Policies (Continued)

Deferred revenue balances consist of initial franchise fees billed in connection with franchises for which the performance obligation has not yet been satisfied at the balance sheet date. Included within deferred revenue balances are $430,820 and $467,270 of deferred expenses at September 30, 2024 and 2023, respectively.

Rebates and allowances: Franchisor receives certain rebates and allowances based on (i) its purchases from suppliers/manufacturers and (ii) services that distribution agents provide to Franchisor. Franchisor sells and delivers the product mixes, custards and other items to franchisees using Franchisor's distribution agents. Additionally, Franchisor receives certain rebates from certain designated suppliers to franchisees based on franchisee purchases. The rebates remain consistent year-over-year; however, the overall percentages may vary slightly due to variations in purchases by Franchisor and its franchisees. Franchisor records an estimate of earned vendor rebates that are calculated based upon monthly purchases. Franchisor generally receives payment from vendors approximately 30 days after the quarter end for that quarter's purchases.

Advertising costs: Franchisor has established an advertising fund (a/k/a branding fund) for the common benefit of the franchisees and the advertising fund is funded by required contributions from franchisees, which is based upon a percentage of the estimated amount of gross sales that franchised shops can derive from the sale of menu items prepared from products purchased from Franchisor. Franchisor uses the contributions to the advertising fund to pay for system-wide advertising, marketing and promotional programs that Franchisor deems advisable.

Contributions have been collected in advance for future advertising, marketing and promotional programs and Franchisor is obligated to spend the fees on behalf of the franchise system and brand. Related advertising obligations are accrued and the costs expensed at the same time the related contributions are recognized. These contributions are recorded as a liability against which specific costs are charged. Contributions collected in advance of future advertising, marketing and promotional programs totaled $135,873 and $413,627 at September 30, 2024 and 2023, respectively, and are included within the balance due to related party on the balance sheets.

Certain employees of the Company perform work for the advertising fund. The Company charges the advertising fund based upon the actual expenditures for these employees. The total amount charged to the advertising fund was $1,002,337 and $1,008,843 for the years ended September 30, 2024 and 2023, respectively.

Accounts and notes receivable: Accounts and notes receivable are stated at original invoice amount less an allowance for credit losses.

Allowance for credit losses: Management determines the allowance for credit losses by identifying troubled accounts and by using historical risk characteristics that are meaningful to estimating credit losses, any new risk characteristics that arise in the natural course of business, current economic conditions and reasonable supportable forecasts about future economic and market conditions. Accounts receivable are considered past due if the balance is outstanding more than 60 days from the payment term. Accounts receivable are written off when deemed uncollectible. Recoveries of accounts receivable previously written off are recorded when received.

The allowance for credit losses was approximately $43,000 as of September 30, 2024. Prior to adoption of Accounting Standards Codification (ASC) 326, the Company maintained an allowance for doubtful accounts to reserve for potentially uncollectible receivables. The allowance for doubtful accounts as of September 30, 2023, was approximately $76,000.

Note 1. Summary of Significant Accounting Policies (Continued)

Inventories: Inventories are valued at the lower of cost (first-in, first-out) or net realizable value and consist solely of finished goods.

Deferred financing costs: Deferred financing costs are amortized by the effective interest method, over the term of the related debt and are recorded as a contra liability in long-term debt on the consolidated balance sheets. Amortization expense was $15,137 and $19,558 for the years ended September 30, 2024 and 2023, respectively.

Property and equipment: Property and equipment acquired through acquisition is recorded at fair value. All other property and equipment is stated at cost. Depreciation subsequent to the acquisition is provided on the straight-line method over three to 10 years, the estimated useful lives of the assets. Maintenance and repairs, which are not considered to extend the useful life of assets, are charged to operations as incurred. The cost of assets sold or retired and related accumulated depreciation are removed from the accounts and any resulting gains or losses are reflected in non-operating expense for the period. Property and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable.

Goodwill: Goodwill represents the difference between the purchase price of the acquired assets and the related fair value of the net assets acquired. The Company tests goodwill for impairment annually and whenever events or changes in circumstances indicate that impairment may have occurred. In conducting its impairment testing, the Company compares the fair value of each reporting unit to the related net book value. If the fair value of a reporting unit exceeds its net book value, goodwill is not considered to be impaired. If the net book value of a reporting unit exceeds its fair value, an impairment loss is measured and recognized. The Company conducts its annual impairment testing in September of each year. For the years ended September 30, 2024 and 2023, the Company determined that the recorded value for goodwill and other intangibles has not been impaired.

Intangible assets: The Company evaluates the useful lives of intangible assets. Reaching a determination on useful life requires significant judgments and assumptions. Intangible assets include franchise, development and master franchise agreements (franchising agreements), supply agreements, recipes, trade names and territory assets which are amortized on a straight-line basis over its useful lives ranging from three to 18 years.

Impairment of long-lived assets: The Company reviews long-lived assets, including property and equipment and definite-lived intangibles, for impairment whenever events or changes in business circumstances indicate that the carrying amount of the assets may not be recoverable. Recoverability of assets to be held and used is measured by comparison of the carrying amount of the asset to future undiscounted cash flows expected to be generated by the asset. If the asset is determined to be impaired, the impairment recognized is measured by the amount by which the carrying value of the asset exceeds its fair value.

Note 1. Summary of Significant Accounting Policies (Continued)

Leases: The Company determines if an arrangement is or contains a lease at inception, which is the date on which the terms of the contract are agreed to, and the agreement creates enforceable rights and obligations. A contract is or contains a lease when (i) explicitly or implicitly identified assets have been deployed in the contract and (ii) the Company obtains substantially all of the economic benefits from the use of that underlying asset and directs how and for what purpose the asset is used during the term of the contract. The Company also considers whether its service arrangements include the right to control the use of an asset.

The Company made an accounting policy election available under Accounting Standards Codification (ASC) Topic 842, Leases, not to recognize right-of-use (ROU) assets and lease liabilities for leases with a term of 12 months or less. For all other leases, ROU assets and lease liabilities are measured based on the present value of future lease payments over the lease term at the commencement date of the lease. The ROU assets also include any initial direct costs incurred and lease payments made at or before the commencement date and are reduced by any lease incentives. To determine the present value of lease payments, the Company made an accounting policy election available to non-public companies to utilize a risk-free borrowing rate, which is aligned with the lease term at the lease commencement date.

Future lease payments may include fixed rent escalation clauses or payments that depend on an index (such as the consumer price index), which is initially measured using the index or rate at lease commencement. Subsequent changes of an index and other periodic market-rate adjustments to base rent are recorded in variable lease expense in the period incurred. Residual value guarantees or payments for terminating the lease are included in the lease payments only when it is probable they will be incurred.

The Company has made an accounting policy election to not account for lease and non-lease components in its contracts as a single lease component for its real estate, vehicle and equipment asset classes. The non-lease components typically represent additional services transferred to the Company, such as common area maintenance for real estate, which are variable in nature and recorded in variable lease expense in the period incurred.

Income taxes: As a limited liability company, the Company's taxable income or loss is allocated to members in accordance with their respective percentage of ownership. Therefore, no provision or liability for income taxes has been included in the consolidated financial statements. For the years ended September 30, 2024 and 2023, management evaluated the Company's tax positions and concluded that the Company had taken no uncertain tax positions that require adjustment to the consolidated financial statements. The Company is not subject to income tax examinations by U.S. federal, state or local tax authorities for years before 2021. The subsidiaries are considered disregarded entities for tax purposes. As such, the operations of the subsidiaries are combined with, and included in, Holdings for income tax purposes.

Subsequent events: Management evaluated subsequent events and transactions for potential recognition or disclosure in the consolidated financial statements through January 17, 2025, the day the consolidated financial statements were approved and authorized for issuance. The subsequent event identified is disclosed in Note 12 of the consolidated financial statements.

Reclassifications: Certain amounts in the 2023 financial statements have been reclassified to conform with the current year presentation.

Note 2. Accounts and Notes Receivable

Accounts and notes receivable consist of the following at September 30, 2024 and 2023:

	2024	2023
Franchisees—net of allowance for credit losses of approximately $43,000 in 2024 and net of allowance for doubtful accounts of approximately $76,000 in 2023	$ 2,389,348	$ 1,877,865
Current portion of notes receivable	13,092	58,085
Vendor rebates	611,110	534,504
Other	75,920	67,560
	$ 3,089,470	$ 2,538,014

The current portion of notes receivable includes amounts due from a certain franchisee for the purchase of product, equipment and/or promotional items. This note is collateralized by certain assets of the franchise as defined in the agreement. The note bears interest at 6.27% and is receivable through November 2024.

Note 3. Property and Equipment

Property and equipment consists of the following at September 30, 2024 and 2023:

	2024	2023
Equipment	$ 1,073,103	$ 455,750
Leasehold improvements	296,906	294,510
Computer equipment	2,564,796	2,098,629
Furniture and fixtures	123,914	122,509
Vehicles	117,600	117,600
Building	78,140	78,140
	4,254,459	3,167,138
Less accumulated depreciation and amortization	(2,832,261)	(2,389,742)
	$ 1,422,198	$ 777,396

Depreciation and amortization expense was $444,426 and $257,771 for the years ended September 30, 2024 and 2023, respectively.

Note 4. Other Intangible Assets

Other intangible assets consist of the following at September 30, 2024 and 2023:

	2024			
	Cost	Accumulated Amortization	Net Book Value	Estimated Useful Life
Supply agreement	$ 1,260,000	$ 1,260,000	$ -	3 years
Franchising agreements	8,920,000	4,066,471	4,853,529	17 years
Recipes	4,950,000	2,131,250	2,818,750	18 years
Trade names	4,540,000	1,954,722	2,585,278	18 years
Territory assets	1,133,484	872,147	261,337	6 years
	$ 20,803,484	$ 10,284,590	$ 10,518,894	

	2023			
	Cost	Accumulated Amortization	Net Book Value	Estimated Useful Life
Supply agreement	$ 1,260,000	$ 1,260,000	$ -	3 years
Franchising agreements	8,920,000	3,541,765	5,378,235	17 years
Recipes	4,950,000	1,856,250	3,093,750	18 years
Trade names	4,540,000	1,702,500	2,837,500	18 years
Territory assets	1,133,484	684,048	449,436	6 years
	$ 20,803,484	$ 9,044,563	$ 11,758,921	

Amortization of amortizable intangible assets for each of the five years subsequent to September 30, 2024, and thereafter is as follows:

Years ending September 30:	
2025	$ 1,238,023
2026	1,127,170
2027	1,051,928
2028	1,051,928
2029	1,051,928
Thereafter	4,997,917
	$ 10,518,894

Amortization expense for intangible assets was $1,240,027 for each of the years ended September 30, 2024 and 2023.

Note 5. Line of Credit and Long-Term Debt

Revolving Credit Loan: The Company had a $2,000,000 revolving credit loan agreement (Revolving Credit Loan) that matured on December 31, 2022. The agreement bore interest at the Secured Overnight Financing Rate (SOFR) plus applicable margin. The Company was also required to pay an unused facility fee in an amount equal to 0.25% per annum times the average unused portion of maximum Revolving Credit Loan amount, payable quarterly.

Term Loan: The Company has a $6,000,000 term loan agreement (Term Loan), as amended, that bears interest at SOFR plus 2.75% (5.71% at September 30, 2024), and is payable in equal monthly installments of principal plus interest through June 11, 2029.

Long-term debt consists of the following at September 30, 2024 and 2023:

	2024	2023
Term loan	$ 4,350,000	$ -
Less unamortized deferred financing costs	(57,521)	-
	4,292,479	-
Less current maturities	(600,000)	-
Current portion of unamortized deferred financing costs	12,110	-
	$ 3,704,589	$ -

Cash paid for interest was $110,874 and $107,776 for the years ended September 30, 2024 and 2023, respectively.

Note 6. Leases

The Company leases real estate, including an office location, under an operating lease agreement that expires December 31, 2027. The lease includes an option to renew, at the Company's sole discretion, for an additional five years. In addition, the lease contains a termination option, where the right to terminate is held by the Company. This option to extend or terminate the lease is included in the lease term when it is reasonably certain that the Company will exercise that option. The Company's operating lease does not contain any material restrictive covenants or residual value guarantees.

The Company also leases certain vehicles and equipment under finance lease agreements with terms ranging from five to seven years and interest rates of 5.70%. The Company's finance leases generally do not contain any material restrictive covenants or residual value guarantees. Finance lease liabilities are included in other current liabilities on the consolidated balance sheet.

Operating lease cost is recognized on a straight-line basis over the lease term. Finance lease cost is recognized as a combination of the amortization expense for the ROU assets and interest expense for the outstanding lease liabilities, and results in a front-loaded expense pattern over the lease term. The components of lease expense are as follows for the year ended September 30, 2024 and 2023:

	2024	2023
Operating lease cost	$ 354,200	$ 289,397
Variable lease cost	35,855	17,287
Total lease cost	$ 390,055	$ 306,684

Note 6. Leases (Continued)

Supplemental balance sheet information related to leases is as follows as of September 30, 2024 and 2023:

	2024	2023
Operating leases:		
Operating lease right-of-use assets	$ 1,071,455	$ 1,372,350
Current maturities of operating lease liabilities	$ 313,183	$ 293,174
Operating lease liabilities, noncurrent	861,882	1,175,065
Total operating lease liabilities	$ 1,175,065	$ 1,468,239
Finance leases:		
Equipment	$ 122,051	$ 122,051
Vehicles	97,161	97,161
Accumulated depreciation	(198,392)	(170,272)
Finance lease right-of-use assets, net	$ 20,820	$ 48,940
Current maturities of finance lease liabilities	$ 15,019	$ 40,073
Finance lease liabilities, noncurrent	9,309	24,193
Total finance lease liabilities	$ 24,328	$ 64,266
Weighted-average remaining lease term:		
Operating leases	3.25 years	4.25 years
Finance leases	1.50 years	1.88 years
Weighted-average discount rate:		
Operating leases	4.06%	4.06%
Finance leases	5.70%	5.70%

Future undiscounted cash flows for the next five years and a reconciliation to the lease liabilities recognized on the balance sheet are as follows as of September 30, 2024:

	Finance Leases	Operating Leases
Years ending September 30:		
2025	$ 16,867	$ 354,194
2026	8,433	394,874
2027	-	403,291
2028	-	102,401
	25,300	1,254,760
Amount representing interest	(972)	(79,695)
Present value of future lease payments	24,328	1,175,065
Current portion	15,019	313,183
	$ 9,309	$ 861,882

Note 7. Subordinate Profits Common Units

Subordinate Profits Common Units are available to be issued to employees and directors of the Company.

Subordinate Profits Common Units were awarded to certain employees with both time vesting units that vested 20% per year and performance vesting units that vested upon the Company's achievement of certain earnings targets or vest upon a change in control, as defined. The Company did not recognize any compensation expense in connection with the issuance of Subordinate Profits Common Units for each of the years ended September 30, 2024 and 2023.

The fair value of the change in control awards is estimated on the date of grant based on an option pricing model utilizing the calculated valuation of the Company at that date. However, the Company does not record compensation expense relating to change in control profit interests until certain performance vesting conditions have been deemed probable. These performance conditions require the recipient to be employed by the Company on the date of a future change in control of the Company, which is not probable as of the date of the grant or the reporting date. Due to the aforementioned performance conditions which preclude the recognition of stock-based compensation expense as of September 30, 2024, the otherwise-required disclosures of assumptions utilized in the calculated value of the awards have been omitted.

Note 8. Retirement Plan

The Company maintains a defined contribution profit sharing plan in accordance with the provisions of Section 401(k) of the Internal Revenue Code. The plan generally covers all employees meeting certain age and service requirements. The plan provides for employee elective contributions and a certain discretionary match from the Company upon the employee making a certain minimum contribution. Matching contributions were $158,020 and $140,354 for the years ended September 30, 2024 and 2023, respectively.

Note 9. Commitments and Contingencies

The Company is involved in various legal proceedings and litigation arising in the ordinary course of business. In the opinion of the Company's management and legal counsel, the outcome of such proceedings and litigation will not materially affect the Company's financial position or results of operations.

Note 10. Related-Party Transactions

The Company agreed to pay MTN Capital Partners, LLC management fees of $175,000 annually in connection with the planning, strategy, oversight and support to management. The term of the agreement was five years and ended December 31, 2021, with the option to renew after the initial term. The agreement was renewed for two years ended December 2023, with management fees of $100,000 annually. In April 2024, management fees were amended to $80,000 annually. Management fees recorded in selling, general and administrative expenses on the consolidated statements of operations was $90,000 and $125,000 for the years ended September 30, 2024 and 2023.

Note 11. Members' Equity

Preferred Unit holders are entitled to a Preferred Return, which equals the sum of 6% of the average daily balance of the Adjusted Preferred Capital Contribution, as defined, compounding quarterly. The Company paid a Preferred Return of approximately $760,000 and $1,100,000 in the years ended September 30, 2024 and 2023, respectively. The Preferred Return payable at both September 30, 2024 and 2023, was $0.

Note 12. Subsequent Event

On November 15, 2024, the Company's sole shareholder entered into a definitive agreement to sell the shares of the Company. In connection with this transaction, the Company fully paid the existing Term Loan and entered into a new debt facility, whereby the Company borrowed $41,000,000 in term loans and has access to $5,000,000 of revolving loans. This subsequent event does not impact the financial position or results of operations as of and for the fiscal year ended September 30, 2024.

RWIFC Holdings, LLC and Subsidiaries

Consolidated Financial Statements
September 30, 2023

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RSM US LLP

Independent Auditor's Report

Members
RWIFC Holdings, LLC and Subsidiaries

Opinion

We have audited the consolidated financial statements of RWIFC Holdings, LLC and Subsidiaries (the Company), which comprise the consolidated balance sheets as of September 30, 2023 and 2022, the related consolidated statements of operations, members' equity and cash flows for the years then ended, and the related notes to the consolidated financial statements (collectively, the financial statements).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of September 30, 2023 and 2022, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 1 and Note 6 to the financial statements, the Company changed its method of accounting for leases as of October 1, 2022 due to the adoption of Financial Accounting Standards Board's Accounting Standards Codification Topic 842, Leases. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

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Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control-related matters that we identified during the audit.

RSM US LLP

Blue Bell, Pennsylvania
December 8, 2023

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January 30, 2024

Board of Directors
RWIFC Holdings, LLC and Subsidiaries
Trevose, Pennsylvania

RSM US LLP consents to the use in the Franchise Disclosure Document issued by Rita's Franchise Company, LLC on January 30, 2024, as it may be amended, of our report dated December 8, 2023, relating to the consolidated financial statements of RWIFC Holdings, LLC and Subsidiaries for the period ended September 30, 2023.

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RWIFC Holdings, LLC and Subsidiaries

Consolidated Balance Sheets
September 30, 2023 and 2022

	2023	2022
Assets		
Current assets:		
Cash	**$ 12,767,370**	$ 9,302,277
Accounts and notes receivable, net	**2,538,014**	2,151,134
Inventories	**174,481**	64,248
Other current assets	**1,346,362**	2,276,513
Total current assets	**16,826,227**	13,794,172
Property and equipment, net	**777,396**	552,879
Other assets:		
Operating lease right-of-use assets, net	**1,372,350**	-
Goodwill	**8,417,161**	8,417,161
Other intangible assets, net	**11,758,921**	12,998,949
Notes receivable, net of current portion	**13,080**	2,325
Total other assets	**21,561,512**	21,418,435
Total assets	**$ 39,165,135**	$ 35,765,486
Liabilities and Members' Equity		
Current liabilities:		
Accounts payable	**$ 1,255,069**	$ 1,217,617
Unredeemed gift card liability	**2,916,704**	2,703,059
Current portion of operating lease obligations	**293,174**	-
Current maturities of long-term debt, net of deferred financing costs	**-**	1,247,312
Due to related party	**413,627**	391,642
Other current liabilities	**2,503,224**	2,169,917
Total current liabilities	**7,381,798**	7,729,547
Long-term liabilities:		
Deferred revenue	**2,379,045**	2,305,474
Long-term operating lease obligations, net of current portion	**1,175,065**	-
Long-term debt, net of current maturities, net of deferred financing costs	**-**	1,876,001
Other long-term liabilities	**61,539**	138,448
Total long-term liabilities	**3,615,649**	4,319,923
Total liabilities	**10,997,447**	12,049,470
Commitments and contingencies (Note 9)		
Members' equity (Preferred Units of 18,348,165 and Common Units of 1,835 as of September 30, 2023 and 2022)	**28,167,688**	23,716,016
Total liabilities and members' equity	**$ 39,165,135**	$ 35,765,486

See notes to consolidated financial statements.

RWIFC Holdings, LLC and Subsidiaries

Consolidated Statements of Operations
Years Ended September 30, 2023 and 2022

	2023	2022
Revenues:		
Franchise fees	**$ 2,179,842**	$ 1,746,323
Royalty fees	**13,165,748**	11,399,267
Product sales	**33,754,602**	28,184,001
Other revenue	**102,822**	14,975
Total revenues	**49,203,014**	41,344,566
Cost of revenues	**30,816,453**	25,780,969
Gross profit	**18,386,561**	15,563,597
Selling, general and administrative expenses	**8,633,585**	9,143,641
Income from operations before depreciation and amortization	**9,752,976**	6,419,956
Depreciation and amortization	**1,787,195**	1,541,059
Income from operations	**7,965,781**	4,878,897
Other income (expense):		
Interest expense	**(206,071)**	(148,913)
Interest income	**135,120**	547
Other income, net	**78,120**	8,917
Total other income (expense)	**7,169**	(139,449)
Net income	**$ 7,972,950**	$ 4,739,448

See notes to consolidated financial statements.

RWIFC Holdings, LLC and Subsidiaries

Consolidated Statements of Members' Equity
Years Ended September 30, 2023 and 2022

Balance, September 30, 2021	$ 21,346,783
Incentive unit compensation	39,224
Distributions	(2,409,439)
Net income	4,739,448
Balance, September 30, 2022	23,716,016
Distributions	(3,521,278)
Net income	7,972,950
Balance, September 30, 2023	**$ 28,167,688**

See notes to consolidated financial statements.

RWIFC Holdings, LLC and Subsidiaries

Consolidated Statements of Cash Flows
Years Ended September 30, 2023 and 2022

	2023	2022
Cash flows from operating activities:		
Net income	**$ 7,972,950**	$ 4,739,448
Adjustments to reconcile net income to net cash provided by operating activities:		
Incentive unit compensation	**-**	39,224
Depreciation and amortization	**1,497,799**	1,541,059
Amortization of deferred financing costs	**19,558**	19,187
Changes in operating assets and liabilities:		
(Increase) decrease in:		
Accounts and notes receivable	**(397,635)**	421,255
Inventories	**(110,233)**	(52,243)
Operating lease right-of-use assets	**289,396**	-
Other current assets	**930,151**	(1,941,388)
Increase (decrease) in:		
Accounts payable	**37,452**	157,891
Deferred revenue	**73,571**	724,050
Unredeemed gift card liability	**213,645**	243,825
Operating lease obligations	**(273,961)**	-
Related party payable	**21,985**	202,948
Other liabilities	**336,852**	773,478
Net cash provided by operating activities	**10,611,530**	6,868,734
Cash flows from investing activities:		
Acquisition of property and equipment	**(482,288)**	(232,528)
Payment of distributions	**(3,521,278)**	(3,996,080)
Net cash used in investing activities	**(4,003,566)**	(4,228,608)
Cash flows from financing activities:		
Repayment of long-term debt	**(3,142,871)**	(1,320,995)
Net cash used in financing activities	**(3,142,871)**	(1,320,995)
Net increase in cash	**3,465,093**	1,319,131
Cash:		
Beginning	**9,302,277**	7,983,146
Ending	**$ 12,767,370**	$ 9,302,277
Supplemental disclosure of non-cash operating activities:		
Adoption of ASC Topic 842 and operating right-of-use operating leases	**$ 1,661,746**	$ -

See notes to consolidated financial statements.

Note 1. Summary of Significant Accounting Policies

Reporting entity: RWIFC Holdings, LLC (Holdings), a Delaware limited liability company, was organized for the purpose of facilitating Rita's Franchise Company, LLC (Franchisor) purchasing assets of the Rita's franchise system (the franchise system) in December 2016 (the Transaction). In connection with the Transaction, RGCC, LLC (Gift Card) was formed to manage all aspects of the gift card program for the franchise system. Rita's Stores, LLC (RSL) was formed to operate a Rita's mobile truck and any Rita's shops that may be acquired in the future, and RSL is owned by Holdings. In February 2023, Rita's Licensing, LLC (Licensing) was formed to manage brand licensing operations. RWI Franchise Corp. (RWI), a Delaware corporation, is a wholly owned subsidiary of Holdings. Holdings and RWI own the entire ownership interest in Franchisor, and Franchisor is a wholly owned subsidiary of Holdings through Holdings' ownership of RWI. Gift Card and Licensing are wholly owned subsidiaries of Holdings. All significant intercompany accounts and transactions have been eliminated in consolidation. The consolidated group (including Holdings, RWI, Franchisor, Gift Card, Licensing and RSL) is referred to as the Company.

RWI is a Delaware corporation. Franchisor and Licensing are Delaware limited liability companies. Gift Card is a Pennsylvania limited liability company. Franchisor grants franchise licenses for the right to establish and operate franchised shops featuring Italian ice and other frozen confections and approved menu items. All franchised shops are operated by independent operators under the terms of franchise agreements. Franchisor also operates a training facility referred to as Cool University.

Estimates: The preparation of the consolidated financial statements in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Concentrations of credit risk: Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash. The Company maintains cash deposits in financial institutions in excess of federally insured limits. Management believes the risk is mitigated by maintaining all deposits in high quality financial institutions.

Franchise operations: Franchisor currently grants franchise licenses to open and operate franchised shops in a designated area. Franchisor also grants development rights to open and operate a specified number of franchised shops in a designated geographic area. Franchise agreements typically have a 10-year term. Development agreements have a term based on the agreed upon timeframe for opening franchised shops in accordance with a development schedule set forth in the development agreement.

Gift card sales and redemptions: Gift Card sells gift cards through Franchisor's franchisees, as well as online and through third-party retailers. The Company records a liability in the period in which a gift card is sold. When a gift card is presented at a Rita's shop, the Company reimburses the franchisee for the amount of the purchase net of any administrative costs and derecognizes the related liability. When a gift card is not subject to escheatment and it is probable that a portion of a gift card will not be redeemed, this amount is considered to be breakage. Breakage is recognized as revenue consistent with the historic redemption patterns of the associated gift cards. The Company uses historic gift card redemption patterns to determine the probability of a gift card's redemption. The Company recognized gift card breakage revenue of approximately $425,000 and $418,000 for the years ended September 30, 2023 and 2022, respectively.

Note 1. Summary of Significant Accounting Policies (Continued)

In addition, the Company incurs fees on all gift cards that are sold through third-party retailers. These fees are deferred and recorded consistent with the historic redemption pattern of the associated gift cards.

Revenue recognition: The Company derives its significant revenue from the following five principal sources:

Product sales: Product sales represent revenues generated by the sale of products to franchisees. Revenue is recorded when the product is delivered by distribution agents to franchisees and the obligation to perform is satisfied.

Franchise royalty fees: Franchise royalty fees are generally charged at 6.5%, which is based upon the estimated amount of gross sales that franchised shops can derive from the sale of menu items prepared from products purchased from Franchisor. These royalties are considered variable consideration but because they relate to a license of intellectual property, they are not included in the transaction price. Instead, royalty revenue is recognized when product is delivered by distribution agents to franchisees.

Initial franchise fees: During the year ended September 30, 2021, the Company adopted Accounting Standards Update (ASU) 2021-02, *Franchisors—Revenue from Contracts with Customers (Subtopic 952-606): Practical Expedient.* This ASU provides a practical expedient that permits a franchisor that is not a public business entity that enters into a franchise agreement to account for certain pre-opening services provided to a franchisee as distinct from the franchise license, and this is how the Company recognizes initial franchise fees. The ASU has been applied to all periods presented.

Development fees: Development fees, which are non-refundable, are charged based upon the number of shops that will be developed under the development agreement. For each shop developed under a development agreement, a franchise agreement will be signed and all or a portion of the initial franchise fee for such shop will either (i) be paid as part of the development fee or (ii) be paid when the applicable franchise agreement is signed. Development fees attributable to each shop's franchise agreement are recognized as discussed in the paragraph above on initial franchise fees.

Master franchise fees: Master franchise fees, which are non-refundable, are charged based on upon the location and size of the territory. Master franchise agreements are international and typically allow the master licensee to either act as the franchisee or to sub-franchise to other operators. The Company determined that a portion of the services provided in exchange for these master franchise fees are highly interrelated with the franchise right and are not individually distinct from the ongoing services the Company provides to its master franchisees. As a result, a portion of master franchise fees are recognized on a straight-line basis over the term of each respective master franchise agreement, which is consistent with the master franchisee's right to use and benefit from the intellectual property. For the portion of the master franchise fees that are considered to be individually distinct from the ongoing services provided to the master franchisee, the Company recognizes those master franchise fees as each individual performance obligation is satisfied.

The Company believes its franchise agreements, development agreements and master franchise agreements do not contain a significant financing component because (a) the timing of the upfront payment does not arise for the reason of provision of financing to the Company and (b) the royalty is variable and based on factors outside the Company or the franchisee's control.

As discussed above, revenue from product sales, franchise royalty fees and initial franchise fees, development fees and master franchise fees is recognized at a point in time.

Note 1. Summary of Significant Accounting Policies (Continued)

Deferred revenue balances consist of initial franchise fees billed in connection with franchises for which the performance obligation has not yet been satisfied at the balance sheet date. Included within deferred revenue balances are $467,270 and $371,375 of deferred expenses at September 30, 2023 and 2022, respectively.

Rebates and allowances: Franchisor receives certain rebates and allowances based on (i) its purchases from suppliers/manufacturers and (ii) services that distribution agents provide to Franchisor. Franchisor sells and delivers the product mixes, custards and other items to franchisees using Franchisor's distribution agents. Additionally, Franchisor receives certain rebates from certain designated suppliers to franchisees based on franchisee purchases. The rebates remain consistent year-over-year; however, the overall percentages may vary slightly due to variations in purchases by Franchisor and its franchisees. Franchisor records an estimate of earned vendor rebates that are calculated based upon monthly purchases. Franchisor generally receives payment from vendors approximately 30 days after the quarter end for that quarter's purchases.

Advertising costs: Franchisor has established an advertising fund (a/k/a brand fund) for the common benefit of the franchisees and the advertising fund is funded by required contributions from franchisees, which is based upon a percentage of the estimated amount of gross sales that franchised shops can derive from the sale of menu items prepared from products purchased from Franchisor. Franchisor uses the contributions to the advertising fund to pay for system-wide advertising, marketing and promotional programs.

Contributions have been collected in advance for future advertising, marketing and promotional programs and Franchisor is obligated to spend the fees on behalf of the franchise system and brand. Related advertising obligations are accrued and the costs expensed at the same time the related contributions are recognized. These contributions are recorded as a liability against which specific costs are charged. Contributions collected in advance of future advertising, marketing and promotional programs totaled $413,627 and $391,642 at September 30, 2023 and 2022, respectively, and are included within the balance due to related party on the balance sheets.

Certain employees of the Company perform work for the advertising fund. The Company charges the advertising fund based upon the actual expenditures for these employees. The total amount charged to the advertising fund was $1,008,843 and $797,650 for the years ended September 30, 2023 and 2022, respectively.

Accounts and notes receivable: Accounts and notes receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a charge to earnings and a credit to a valuation allowance based on its assessment of the current status of individual accounts.

Inventories: Inventories are valued at the lower of cost (first-in, first-out) or net realizable value and consist solely of finished goods.

Deferred financing costs: Deferred financing costs are amortized by the effective interest method, over the term of the related debt and are recorded as a contra liability in long-term debt on the consolidated balance sheets. Amortization expense was $12,688 and $19,187 for the years ended September 30, 2023 and 2022, respectively.

Note 1. Summary of Significant Accounting Policies (Continued)

Property and equipment: Property and equipment acquired through acquisition is recorded at fair value. All other property and equipment is stated at cost. Depreciation subsequent to the acquisition is provided on the straight-line method over three to 10 years, the estimated useful lives of the assets. Maintenance and repairs, which are not considered to extend the useful life of assets, are charged to operations as incurred. The cost of assets sold or retired and related accumulated depreciation are removed from the accounts and any resulting gains or losses are reflected in non-operating expense for the period. Property and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable.

Goodwill: Goodwill represents the difference between the purchase price of the acquired assets and the related fair value of the net assets acquired. The Company tests goodwill for impairment annually and whenever events or changes in circumstances indicate that impairment may have occurred. In conducting its impairment testing, the Company compares the fair value of each reporting unit to the related net book value. If the fair value of a reporting unit exceeds its net book value, goodwill is not considered to be impaired. If the net book value of a reporting unit exceeds its fair value, an impairment loss is measured and recognized. The Company conducts its annual impairment testing in September of each year. For the years ended September 30, 2023 and 2022, the Company determined that the recorded value for goodwill and other intangibles has not been impaired.

Intangible assets: The Company evaluates the useful lives of intangible assets. Reaching a determination on useful life requires significant judgments and assumptions. Intangible assets include franchise, development and master franchise agreements (franchising agreements), supply agreements, recipes, trade names and territory assets which are amortized on a straight-line basis over its useful lives ranging from three to 18 years.

Impairment of long-lived assets: The Company reviews long-lived assets, including property and equipment and definite-lived intangibles, for impairment whenever events or changes in business circumstances indicate that the carrying amount of the assets may not be recoverable. Recoverability of assets to be held and used is measured by comparison of the carrying amount of the asset to future undiscounted cash flows expected to be generated by the asset. If the asset is determined to be impaired, the impairment recognized is measured by the amount by which the carrying value of the asset exceeds its fair value.

Leases: In February 2016, the Financial Accounting Standards Board issued Accounting Standards Update (ASC) Topic 842, Leases, to increase transparency and comparability among organizations related to their leasing arrangements. The update requires lessees to recognize most leases on their balance sheets as a right-of-use (ROU) asset representing the right to use an underlying asset and a lease liability representing the obligation to make lease payments over the lease term, measured on a discounted basis. Topic 842 also requires additional disclosure of key quantitative and qualitative information for leasing arrangements. Similar to the previous lease guidance, the update retains a distinction between finance leases (similar to capital leases in Topic 840, Leases) and operating leases, with classification affecting the pattern of expense recognition in the income statement. The Company adopted Topic 842 on October 1, 2022, using the optional transition method to the modified retrospective approach, which eliminates the requirement to restate the prior-period financial statements. Under this transition provision, the Company has applied Topic 842 to reporting periods beginning on October 1, 2022, while prior periods continue to be reported and disclosed in accordance with the Company's historical accounting treatment under ASC Topic 840, Leases.

Note 1. Summary of Significant Accounting Policies (Continued)

The Company elected the package of practical expedients under the transition guidance within Topic 842, in which the Company does not reassess (1) the historical lease classification, (2) whether any existing contracts at transition are or contain leases, or (3) the initial direct costs for any existing leases. The Company has not elected to adopt the hindsight practical expedient, and therefore will measure the ROU asset and lease liability using the remaining portion of the lease term upon adoption of ASC 842 on October 1, 2022.

The Company determines if an arrangement is or contains a lease at inception, which is the date on which the terms of the contract are agreed to, and the agreement creates enforceable rights and obligations. A contract is or contains a lease when (i) explicitly or implicitly identified assets have been deployed in the contract and (ii) the Company obtains substantially all of the economic benefits from the use of that underlying asset and directs how and for what purpose the asset is used during the term of the contract. The Company also considers whether its service arrangements include the right to control the use of an asset.

The Company made an accounting policy election available under Topic 842 not to recognize ROU assets and lease liabilities for leases with a term of 12 months or less. For all other leases, ROU assets and lease liabilities are measured based on the present value of future lease payments over the lease term at the commencement date of the lease (or October 1, 2022, for existing leases upon the adoption of Topic 842). The ROU assets also include any initial direct costs incurred and lease payments made at or before the commencement date and are reduced by any lease incentives. To determine the present value of lease payments, the Company made an accounting policy election available to non-public companies to utilize a risk-free borrowing rate, which is aligned with the lease term at the lease commencement date (or remaining term for leases existing upon the adoption of Topic 842).

Future lease payments may include fixed rent escalation clauses or payments that depend on an index (such as the consumer price index), which is initially measured using the index or rate at lease commencement. Subsequent changes of an index and other periodic market-rate adjustments to base rent are recorded in variable lease expense in the period incurred. Residual value guarantees or payments for terminating the lease are included in the lease payments only when it is probable they will be incurred.

The Company has made an accounting policy election to not account for lease and non-lease components in its contracts as a single lease component for its real estate, vehicle and equipment asset classes. The non-lease components typically represent additional services transferred to the Company, such as common area maintenance for real estate, which are variable in nature and recorded in variable lease expense in the period incurred.

Adoption of Topic 842 resulted in the recording of additional ROU assets and lease liabilities related to the Company’s operating leases of approximately $1,660,000 and $1,740,000, respectively, at October 1, 2022. The adoption of the new lease standard did not materially impact consolidated net earnings or consolidated cash flows and did not result in a cumulative-effect adjustment to the opening balance of members’ equity.

Note 1. Summary of Significant Accounting Policies (Continued)

Income taxes: As a limited liability company, the Company's taxable income or loss is allocated to members in accordance with their respective percentage ownership. Therefore, no provision or liability for income taxes has been included in the consolidated financial statements. For the years ended September 30, 2023 and 2022, management evaluated the Company's tax positions and concluded that the Company had taken no uncertain tax positions that require adjustment to the consolidated financial statements. The Company is not subject to income tax examinations by U.S. federal, state or local tax authorities for years before 2020. The subsidiaries are considered disregarded entities for tax purposes. As such, the operations of the subsidiaries are combined with, and included in, Holdings for income tax purposes.

Subsequent events: Management evaluated subsequent events and transactions for potential recognition or disclosure in the consolidated financial statements through December 8, 2023, the day the consolidated financial statements were approved and authorized for issuance.

Reclassifications: Certain amounts in the 2022 financial statements have been reclassified to conform with the current year presentation.

Note 2. Accounts and Notes Receivable

Accounts and notes receivable consist of the following at September 30, 2023 and 2022:

	2023	2022
Franchisees—net of allowance for doubtful accounts of approximately $76,000 and $85,000	$ 1,877,865	$ 1,609,282
Current portion of notes receivable	58,085	98,249
Vendor rebates	534,504	400,755
Other	67,560	42,848
	$ 2,538,014	$ 2,151,134

The current portion of notes receivable includes amounts due from certain franchisees for the purchase of product, equipment and/or promotional items. These notes are generally collateralized by certain assets of the franchise as defined in the agreement. The notes bear interest ranging from 0% to 7% and are receivable through November 2024.

Note 3. Property and Equipment

Property and equipment consists of the following at September 30, 2023 and 2022:

	2023	2022
Equipment	$ 455,750	$ 247,800
Leasehold improvements	294,510	292,540
Computer equipment	2,098,629	1,929,047
Furniture and fixtures	122,509	97,863
Vehicles	117,600	117,600
Building	78,140	-
	3,167,138	2,684,850
Less accumulated depreciation and amortization	(2,389,742)	(2,131,971)
	$ 777,396	$ 552,879

Depreciation and amortization expense was $257,771 and $301,031 for the years ended September 30, 2023 and 2022, respectively.

Note 4. Other Intangible Assets

Other intangible assets consist of the following at September 30, 2023 and 2022:

	2023			
	Cost	Accumulated Amortization	Net Book Value	Estimated Useful Life
Supply agreement	$ 1,260,000	$ 1,260,000	$ -	3 years
Franchising agreements	8,920,000	3,541,765	5,378,235	17 years
Recipes	4,950,000	1,856,250	3,093,750	18 years
Trade names	4,540,000	1,702,500	2,837,500	18 years
Territory assets	1,133,484	684,048	449,436	6 years
	$ 20,803,484	$ 9,044,563	$ 11,758,921	

	2022			
	Cost	Accumulated Amortization	Net Book Value	Estimated Useful Life
Supply agreement	$ 1,260,000	$ 1,260,000	$ -	3 years
Franchising agreements	8,920,000	3,017,059	5,902,941	17 years
Recipes	4,950,000	1,581,250	3,368,750	18 years
Trade names	4,540,000	1,450,278	3,089,722	18 years
Territory assets	1,133,484	495,948	637,536	6 years
	$ 20,803,484	$ 7,804,535	$ 12,998,949	

Note 4. Other Intangible Assets (Continued)

Amortization of amortizable intangible assets for each of the five years subsequent to September 30, 2023, and thereafter is as follows:

Years ending September 30:	
2024	$ 1,240,028
2025	1,238,023
2026	1,127,170
2027	1,051,928
2028	1,051,928
Thereafter	6,049,844
	$ 11,758,921

Amortization expense for intangible assets was $1,240,028 for each of the years ended September 30, 2023 and 2022.

Note 5. Line of Credit and Long-Term Debt

Revolving Credit Loan: The Company had a $2,000,000 revolving credit loan agreement (Revolving Credit Loan) that matured on December 31, 2022. The agreement bore interest at the Secured Overnight Financing Rate (SOFR) plus applicable margin. The Company was also required to pay an unused facility fee in an amount equal to 0.25% per annum times the average unused portion of maximum Revolving Credit Loan amount, payable quarterly.

Term Loan: The Company had a $6,300,000 term loan agreement (Term Loan), as amended, that was paid in full in June 2023. The agreement bore interest at SOFR plus the applicable margin.

Long-term debt consists of the following at September 30, 2023 and 2022:

	2023	2022
Term Loan	$ -	$ 3,142,871
Less long-term portion of unamortized deferred financing costs	-	(6,871)
	-	3,136,000
Less current maturities	-	(1,247,312)
Less current portion of unamortized deferred financing costs	-	(12,687)
	$ -	$ 1,876,001

Cash paid for interest was $107,776 and $118,130 for the years ended September 30, 2023 and 2022, respectively.

Note 6. Leases

The Company leases real estate, including an office location, under an operating lease agreement that expires December 31, 2027. The lease includes an option to renew, at the Company's sole discretion, for an additional five years. In addition, the lease contains a termination option, where the right to terminate is held by the Company. This option to extend or terminate the lease is included in the lease term when it is reasonably certain that the Company will exercise that option. The Company's operating lease does not contain any material restrictive covenants or residual value guarantees.

Note 6. Leases (Continued)

The Company also leases certain vehicles and equipment under finance lease agreements with terms ranging from five to seven years and interest rates of 5.70%. The Company's finance leases generally do not contain any material restrictive covenants or residual value guarantees. Finance lease liabilities are included in other current liabilities on the consolidated balance sheet.

Operating lease cost is recognized on a straight-line basis over the lease term. Finance lease cost is recognized as a combination of the amortization expense for the ROU assets and interest expense for the outstanding lease liabilities, and results in a front-loaded expense pattern over the lease term. The components of lease expense are as follows for the year ended September 30, 2023:

Operating lease cost	$	289,397
Variable lease cost		17,287
Total lease cost	$	306,684

Total rent expense for operating leases was $366,794 for the year ended September 30, 2022.

Supplemental balance sheet information related to leases is as follows as of September 30, 2023:

Operating leases:		
Operating lease right-of-use assets	$	1,372,350
Current maturities of operating lease liabilities	$	293,174
Operating lease liabilities, noncurrent		1,175,065
Total operating lease liabilities	$	1,468,239
Finance leases:		
Equipment	$	122,051
Vehicles		97,161
Accumulated depreciation		(170,272)
Finance lease right-of-use assets, net	$	48,940
Current maturities of finance lease liabilities	$	40,073
Finance lease liabilities, noncurrent		24,193
Total finance lease liabilities	$	64,266
Weighted-average remaining lease term:		
Operating leases		4.25
Finance leases		1.88
Weighted-average discount rate:		
Operating leases		4.06%
Finance leases		5.70%

Note 6. Leases (Continued)

The assets recorded under capital lease agreements included in property, plant and equipment in the accompanying balance sheet are as follows as of September 30, 2022:

Equipment	$	122,051
Vehicles		97,161
Accumulated depreciation		(131,982)
	$	87,230

Future undiscounted cash flows for the next five years and a reconciliation to the lease liabilities recognized on the balance sheet are as follows as of September 30, 2023:

		Finance Leases		Operating Leases
Years ending September 30:				
2024	$	42,635	$	346,479
2025		16,867		354,194
2026		8,433		394,874
2027		-		403,291
2028		-		102,401
		67,935		1,601,239
Amount representing interest		(3,669)		(133,000)
Present value of future lease payments		64,266		1,468,239
Current portion		40,073		293,174
	$	24,193	$	1,175,065

Note 7. Subordinate Profits Common Units

Subordinate Profits Common Units are available to be issued to employees and directors of the Company.

Subordinate Profits Common Units were awarded to certain employees with both time vesting units that vested 20% per year and performance vesting units that vested upon the Company's achievement of certain earnings targets or vest upon a change in control, as defined. The Company recognized compensation expense in connection with the issuance of Subordinate Profits Common Units of $0 and $39,224 for the years ended September 30, 2023 and 2022, respectively.

The fair value of the change in control awards is estimated on the date of grant based on an option pricing model utilizing the calculated valuation of the Company at that date. However, the Company does not record compensation expense relating to change in control profit interests until certain performance vesting conditions have been deemed probable. These performance conditions require the recipient to be employed by the Company on the date of a future change in control of the Company, which is not probable as of the date of the grant or the reporting date. Due to the aforementioned performance conditions which preclude the recognition of stock-based compensation expense as of September 30, 2023, the otherwise-required disclosures of assumptions utilized in the calculated value of the awards have been omitted.

Note 8. Retirement Plan

The Company maintains a defined contribution profit sharing plan in accordance with the provisions of Section 401(k) of the Internal Revenue Code. The plan generally covers all employees meeting certain age and service requirements. The plan provides for employee elective contributions and a certain discretionary match from the Company upon the employee making a certain minimum contribution. Matching contributions were $140,354 and $90,052 for the years ended September 30, 2023 and 2022, respectively.

Note 9. Commitments and Contingencies

The Company is involved in various legal proceedings and litigation arising in the ordinary course of business. In the opinion of the Company's management and legal counsel, the outcome of such proceedings and litigation will not materially affect the Company's financial position or results of operations.

Note 10. Related-Party Transactions

The Company agreed to pay MTN Capital Partners, LLC management fees of $175,000 annually in connection with the planning, strategy, oversight and support to management. The term of the agreement was five years and ended December 31, 2021, with the option to renew after the initial term. The agreement has been renewed for two years ending December 2023, with management fees of $100,000 annually. Management fees recorded in selling, general and administrative expenses on the consolidated statements of operations was $125,000 and $175,000 for the years ended September 30, 2023 and 2022.

Note 11. Members' Equity

Preferred Unit holders are entitled to a Preferred Return, which equals the sum of 6% of the average daily balance of the Adjusted Preferred Capital Contribution, as defined, compounding quarterly. The Preferred Return payable at both September 30, 2023 and 2022, was $0.

EXHIBIT J TO
FRANCHISE DISCLOSURE DOCUMENT

LIST OF STATE ADMINISTRATORS

CALIFORNIA
Department of Business Oversight
320 West 4th Street
Suite 750
Los Angeles, California 90013
(866) 275-2677

HAWAII
Securities Examiner
Department of Commerce & Consumer Affairs
Business Registration Division
335 Merchant Street
Honolulu, Hawaii 96813

ILLINOIS
Office of Attorney General
Franchise Division
500 South Second Street
Springfield, Illinois 62706

INDIANA
Secretary of State
Franchise Section
Indiana Securities Division
302 West Washington, Room E-111
Indianapolis, Indiana 46204

MICHIGAN
Consumer Protection Division
Antitrust and Franchise Unit
Michigan Department of Attorney General
670 Law Building
Lansing, Michigan 48913

MINNESOTA
Department of Commerce
85 7th Place East
Suite 280
St. Paul, Minnesota 55101-2198

NEBRASKA
Department of Banking and Finance
1200 N Street
Suite 311
P.O. Box 95006
Lincoln, Nebraska 68509

NEW YORK
Bureau of Investor Protection and Securities
New York State Department of Law
23rd Floor
120 Broadway
New York, New York 10271

KENTUCKY
Commonwealth of Kentucky
Office of the Attorney General
Consumer Protection Division
1024 Capital Center Drive
P.O. Box 2000
Frankfort, Kentucky 40602

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

SOUTH DAKOTA
Department of Labor and Regulation
Division of Securities
124 South Euclid Suite 104
Pierre, South Dakota 57501

TEXAS
Statutory Document Section
Secretary of State
P.O. Box 12887
Austin, Texas 78711

VIRGINIA
State Corporation Commission
Division of Securities and Retail Franchising
Ninth Floor
1300 East Main Street
Richmond, Virginia 23219

NORTH DAKOTA
Office of Securities Commissioner
Fifth Floor
600 East Boulevard
Bismarck, North Dakota 58505

RHODE ISLAND
Director of Business Regulation
Department of Business Regulation
1511 Pontiac Avenue, Building 69-1
Cranston, RI 02910

WASHINGTON
Department of Financial Institutions
Securities Division
P.O. Box 41200
Olympia, WA 98504

WISCONSIN
Franchise Registration Division
Office of the Wisconsin
Commissioner of Securities
101 East Wilson Street
Madison, Wisconsin 53702

EXHIBIT K TO
FRANCHISE DISCLOSURE DOCUMENT

LIST OF AGENTS FOR SERVICE OF PROCESS

CALIFORNIA
Commissioner of Business Oversight
Department of Business Oversight
320 West 4th Street
Suite 750
Los Angeles, California 90013
(866) 275-2677

HAWAII
Commissioner of Securities of the State of Hawaii
Department of Commerce & Consumer Affairs
Business Registration Division
335 Merchant Street
Honolulu, Hawaii 96813

ILLINOIS
Attorney General of the State of Illinois
500 South Second Street
Springfield, Illinois 62706

INDIANA
Secretary of State
302 West Washington, Room E-111
Indianapolis, Indiana 46204

KENTUCKY
Commonwealth of Kentucky
Office of the Attorney General
Consumer Protection Division
1024 Capital Center Drive
P.O. Box 2000
Frankfort, Kentucky 40602

MARYLAND
Maryland Securities Commissioner
200 St. Paul Place
Baltimore, Maryland 21202-2020

MICHIGAN
Consumer Protection Division
Antitrust and Franchise Unit
Michigan Department of Attorney General
670 Law Building
Lansing, Michigan 48913

MINNESOTA
Commissioner of Commerce
85 7th Place East
Suite 280
St. Paul, Minnesota 55101-2198

NEBRASKA
Department of Banking and Finance
1200 N Street
Suite 311
P.O. Box 95006
Lincoln, Nebraska 68509

NEW YORK
Secretary of State
162 Washington Avenue
Albany, New York 10271

NORTH DAKOTA
Securities Commissioner
600 East Boulevard, Fifth Floor
Bismarck, North Dakota 58505

RHODE ISLAND
Director of Business Regulation
Department of Business Regulation
1511 Pontiac Avenue, Building 69-1
Cranston, Rhode Island 02910

SOUTH DAKOTA
Department of Labor and Regulation
Division of Securities
124 South Euclid Suite 104
Pierre, South Dakota 57501

WASHINGTON
Department of Financial Institutions
Securities Division
150 Israel Rd SW

TEXAS
Statutory Document Section
Secretary of State
P.O. Box 12887
Austin, Texas 78711

WISCONSIN
Administrator,
Franchise Registration Division
Office of the Wisconsin
Commissioner of Securities
101 East Wilson Street
Madison, Wisconsin 53702

VIRGINIA
Clerk of the State Corporation Commission
1st Floor
1300 East Main Street
Richmond, Virginia 23219

EXHIBIT L TO
FRANCHISE DISCLOSURE DOCUMENT

FRANCHISE COMPLIANCE CERTIFICATION

FRANCHISE COMPLIANCE CERTIFICATION

NOTE : THIS FRANCHISE COMPLIANCE CERTIFICATION SHALL NOT BE COMPLETED OR SIGNED BY YOU, AND WILL NOT APPLY, IF THE OFFER OR SALE OF THE FRANCHISED BUSINESS IS SUBJECT TO THE STATE FRANCHISE DISCLOSURE LAWS IN THE STATES OF CALIFORNIA, HAWAII, ILLINOIS, INDIANA, MARYLAND, MICHIGAN, MINNESOTA, NEW YORK, NORTH DAKOTA, RHODE ISLAND, SOUTH DAKOTA, VIRGINIA, WASHINGTON OR WISCONSIN.

As you know, Rita's Franchise Company, LLC ("we" or "us") and you are preparing to enter into a Franchise Agreement and/or Development Agreement (the "Agreement(s)") for the operation of a Franchised Business(es). The purpose of this Questionnaire is to determine whether any statements or promises were made to you that we have not authorized and that may be untrue, inaccurate or misleading. Please review each of the following questions carefully and provide honest and complete responses to each question.

1. Have you received and personally reviewed our Agreement(s) and each exhibit and schedule attached to them?

   Yes____ No____ Your Initials: _____

2. Do you understand all of the information contained in the Agreement(s) and each exhibit and schedule attached to them?

   Yes____ No____ Your Initials: _____

   If "No," what parts of the Agreement(s) do you not understand? (Attach additional pages, if necessary)

   _____

   _____

   _____

3. Have you received and personally reviewed the Rita's Franchise Company, LLC Franchise Disclosure Document (the "Franchise Disclosure Document") we provided to you?

   Yes____ No____ Your Initials: _____

4. Do you understand all of the information contained in the Franchise Disclosure Document?

   Yes____ No____ Your Initials: _____

   If "No", what parts of the Franchise Disclosure Document do you not understand? (Attach additional pages, if necessary)

   _____

   _____

5. Have you discussed the benefits and risks of operating a Franchised Business(es) with an attorney, accountant or other professional advisor?

   Yes____ No____ Your Initials: _____

6. Do you understand that the success or failure of your Franchised Business(es) will depend in large part upon your skills and abilities, competition from other businesses, weather, interest rates, inflation, labor and supply costs, lease terms and other economic and business factors?

   Yes____ No____ Your Initials: _____

7. Do you understand that we do not provide funding or financing for Franchised Businesses and you will solely be responsible for obtaining funding and/or financing for your Franchised Businesses?

   Yes____ No____ Your Initials: _____

8. Has any employee or other person speaking on our behalf made any statement or promise concerning the revenues, profits or operating costs of a Franchised Business(es) operated by us, our affiliate, or our franchisees?

   Yes____ No____ Your Initials: _____

9. Has any employee or other person speaking on our behalf made any statement or promise concerning the Franchised Business(es) that is contrary to, or different from, the information contained in the Franchise Disclosure Document?

   Yes____ No____ Your Initials: _____

10. Has any employee or other person speaking on our behalf made any statement or promise regarding the amount of money you may earn in operating a Franchised Business(es)?

    Yes____ No____ Your Initials: _____

11. Has any employee or other person speaking on our behalf made any statement or promise concerning the total amount of revenue a Franchised Business(es) will generate?

Yes____ No____ Your Initials: _____

12. Has any employee or other person speaking on our behalf made any statement or promise regarding the costs you may incur in operating a Franchised Business(es) that is contrary to, or different from, the information contained in the Franchise Disclosure Document?

Yes____ No____ Your Initials: _____

13. Has any employee or other person speaking on our behalf made any statement or promise concerning the likelihood of success that you should or might expect to achieve from operating a Franchised Business(es)?

Yes____ No____ Your Initials: _____

14. Has any employee or other person speaking on our behalf made any statement, promise, or agreement concerning the advertising, marketing, training, support service or assistance that we will furnish you that is contrary to, or different from, the information contained in the Franchise Disclosure Document?

Yes____ No____ Your Initials: _____

If you have answered "Yes" to any of questions 8 through 14, please provide a full explanation of your answer in the following blank lines. (Attach additional pages, if necessary, and refer to them below.) If you have answered "No" to each of such questions, please leave the following lines blank.

_____

_____

15. Do you understand that in all dealings with you, our officers, directors, employees and agents act only in a representative capacity and not in an individual capacity and such dealings are solely between you and us as the franchisor?

Yes____ No____ Your Initials: _____

16. Do you understand that there are no promises, agreements, "side deals," arrangements, written or oral that are not in the Agreement(s)?

Yes____ No____ Your Initials: _____

17. Do you understand that most disputes and claims you may have against us must be resolved by arbitration?

Yes____ No____ Your Initials: _____

18. Have you discussed the benefits and risks of establishing and operating a Franchised Business(es) with an attorney, accountant, or other professional advisor?

Yes____ No____ Your Initials: _____

If No, do you wish to have more time to do so?

Yes____ No____ Your Initials: _____

19. Do you understand that there are a variety of location types for Franchised Business(es) (i.e., free standing, downtown, strip center, interior mall, entertainment center, transportation center, captive, and lifestyle center) and that average revenue and operating costs for each category vary widely?

Yes____ No____ Your Initials: _____

You understand that your answers are important to us and we will rely on them.

By signing this Questionnaire, you are representing that you have responded truthfully to the above questions. The parties agree not to challenge the validity, enforceability, or admissibility of this Agreement's signature process on the grounds that it is in an electronic form (including, but not limited to, via Adobe Sign). By electronically signing this Agreement, the undersigned represents that he/she is authorized to bind himself/herself, and/or the entity for which he/she is signing.

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

FRANCHISEE

_____ *(entity name if applicable)*

_____

Print Name:_____

Title:_____ *(if there is an entity)*

Date:_____

EXHIBIT M TO
FRANCHISE DISCLOSURE DOCUMENT

STATE ADDENDA TO THE FRANCHISE DISCLOSURE DOCUMENT

NO WAIVER OR DISCLAIMER OF RELIANCE IN CERTAIN STATES

The following provision applies only to franchisees and franchises that are subject to the state franchise registration/disclosure laws in California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington or Wisconsin:

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

CALIFORNIA DISCLOSURE

In recognition of the requirements of the California Franchise Investment Law, Cal. Corporations Code Sections 31000 et seq. the Franchise Disclosure Document for Rita's Franchise Company, LLC for use in the State of California shall be amended as follows:

1. Item 1 of the Disclosure Document is supplemented to include the following language:

   To the extent it is applicable, you must comply with California Assembly Bill 1228, codified at Cal. Lab. Code §§ 1474-1475 (the "**Fast Food Act**"), which may set health, safety, and employment standards related to your employees, including standards on minimum wages, working hours, and working conditions.

2. Neither Rita's Franchise Company, LLC ("we" or "us") nor any person identified in Item 2 of the Disclosure Document is currently 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. 78a, et seq., suspending or expelling such persons from membership in such association or exchange.

3. Items 5, 6 and 11 of the Disclosure Document is supplemented to include the following language:

   We currently do not provide any training or assistance related to, or charge any initial or ongoing fees related to, the development or implementation of any standards, policies, or procedures that may be required under the Fast Food Act. It is solely your responsibility to determine whether the Fast Food Act applies to your franchise and, to the extent it does apply, to comply with the Fast Food Act when developing and constructing your Shop, operating your Shop, and training and supervising your employees.

4. Item 7 of the Disclosure Document is supplemented to include the following language:

   The Additional Funds estimate takes into account any increased costs that you may incur related to complying with the Fast Food Act (such as increased wages), based on the Fast Food Act standards that are in effect as of the date of this Disclosure Document.

5. Item 17 of the Disclosure Document is supplemented to include the following language:

   California Business & Professions Code Sections 20000 through 20043 provide rights to you 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.

   The Franchise Agreement requires application of the laws of the State of Pennsylvania. This provision may not be enforceable under California law.

   The Franchise Agreement contains a covenant not to compete which extends beyond the termination of the agreement. This provision may not be enforceable under California law. You must sign a general release if you transfer your rights under the Franchise Agreement. California Corporations Code 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code 31000 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 Franchise Agreement contains a choice of forum provision that requires you to litigate or arbitrate any dispute in Pennsylvania or at the location closest to our principal place of business, and all of the costs of the litigation, including reasonable attorneys' fees of the prevailing party, must be paid by the party who did not prevail. You 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 Procedure Section 1281 to any provisions of the Franchise Agreement restricting venue to a forum outside of the State of California.

6. Section 31125 of the California Corporation Code requires us to give you a disclosure document, in a form and containing such information as the Commissioner may by rule or order require, prior to a solicitation of a proposed material modification of an existing franchise.

7. 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.

8. OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT AT www.dbo.ca.gov.

ILLINOIS DISCLOSURE

In recognition of the requirements of the Illinois Franchise Disclosure Act of 1987, the Franchise Disclosure Document of Rita's Franchise Company, LLC for use in the State of Illinois shall be amended as follows:

1. Item 17(b), under the heading entitled "Renewal or extension of the term," for the Franchise Agreement shall be amended by adding the following language at the end of the Item:

> Your rights upon Non-Renewal of an agreement are set forth in section 20 of the Illinois Franchise Disclosure Act.

2. Item 17(f), under the heading entitled "Termination by us with cause," for the Franchise Agreement and the Development Agreement, respectively, shall be amended by adding the following language at the end of the Item:

> Your rights upon Termination of an agreement are set forth in section 19 of the Illinois Franchise Disclosure Act.

3. Item 17(g), under the heading entitled "'Cause' defined - curable defaults" for the Franchise Agreement and the Development Agreement, respectively, shall be amended by adding the following language at the end of the Item:

> The time frame to cure defaults, excluding defaults for safety or security issues, shall be 30 days in accordance with the Illinois Franchise Disclosure Act of 1987.

4. Item 17(u), under the heading entitled "Jurisdiction and Venue," for the Franchise Agreement and the Development Agreement, respectively, shall be amended by adding the following language at the end of the Item:

> 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.

5. Item 17(w), under the heading entitled "Choice of law," for the Franchise Agreement and the Development Agreement, respectively, shall be amended by adding the following language at the end of the Item:

> Illinois law governs the Agreements.

6. 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.

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 the applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on our behalf. This provision supersedes any other term of any document executed in connection with the franchise.

INDIANA DISCLOSURE

In recognition of the requirements of the Indiana Franchise Disclosure Law, Indiana Code § § 23-2-2.5-1 to 23-2-2.5-51, and the Indiana Deceptive Franchise Practices Act, Indiana Code § § 23-2-2.7-1 to 23-2-2.7-10, the Franchise Disclosure Document of Rita's Franchise Company, LLC for use in the State of Indiana shall be amended as follows:

1. Item 12 shall be amended by adding the following language at the end of the Item:

Rita's will not compete unfairly with you within your Territory.

2. Items 17(b) and 17(c), under the headings "Renewal or extension of the term" and "Requirements for you to renew or extend" for the Franchise Agreement shall be amended by adding the following language at the end of each Item:

Rita's will not refuse to renew the Franchise Agreement without good cause.

3. Item 17(f), under the heading, "Termination by Us With Cause," for the Franchise Agreement and Development Agreement shall be amended by the addition of the following language:

> The conditions under which your rights can be terminated may be affected by the Indiana Franchise Disclosure Law or the Indiana Deceptive Franchise Practices Act.

4. Items 17(q) and (r), under the headings "Non-competition covenants during the term of Franchise Agreement" and "Non-competition covenants after the term of the Franchise Agreement" for the Franchise Agreement, shall be amended by adding the following language at the end of each Item:

> Notwithstanding the above, your rights will not in any way be abrogated or reduced pursuant to Indiana Code § 23-2-2.7-1(9), which limits the scope of non-competition covenants to the exclusive area granted in the Franchise Agreement.

5. Items 17(q) and (r), under the headings "Non-competition covenants during the term of the Development Agreement" and "Non-competition covenants after the Development Agreement is terminated or expires" for the Development Agreement, shall be amended by adding the following language at the end of each Item:

> Notwithstanding the above, your rights will not in any way be abrogated or reduced pursuant to Indiana Code § 23-2-2.7-1(9), which limits the scope of non-competition covenants to the exclusive area granted in the Development Agreement.

6. Items 17(u) and (v), under the headings "Dispute resolution by arbitration or mediation" and "Choice of Forum" for the Franchise Agreement and Development Agreement, shall be amended by adding following language at the end of each Item:

> To the extent required by the Indiana Franchise Disclosure Law or the Indiana Deceptive Franchise Practices Act, a franchisee or developer that operates a franchised office in Indiana may require, at the franchisee's or developer's option, that litigation or arbitration concerning such franchise take place in Indiana.

7. Each provision of this Disclosure to the Franchise Disclosure Document shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Indiana Franchise Disclosure Law, Indiana Code § § 23-2-2.5-1 to 23-2-2.5-51, and the Indiana Deceptive Franchise Practices Act, Indiana Code § § 23-2-2.7-1 to 23-2-2.7-10, are met.

MARYLAND DISCLOSURE

In recognition of the requirements of the Maryland Franchise Registration and Disclosure Law, the Franchise Disclosure Document for Rita's Water Ice Franchise Company, LLC shall be amended as follows:

1. The following shall be added to Items 17c. and 17m. with respect to the general release required as a condition of renewal, assignment/transfer and termination:

   The general release shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

2. The following shall be added to Items 17u., 17v. and 17w.:

   Except that you may sue us 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 three years after the grant of the franchise.

3. Each provision of this Disclosure shall be effective only to the extent that the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law, with respect to each such provision, are met.

MINNESOTA DISCLSOURE

Minnesota Statutes, Section 80C.21 and Minnesota Rule 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce any of franchisee's rights as provided for in Minnesota Statutes, Chapter 80C, or franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

With respect to franchises governed by Minnesota law, the franchisor will comply with Minn. Stat. §80C.214, Subds. 3, 4, and 5 which require, except in certain specified cases, that We give you 90 days notice of termination (with 60 days to cure) and 180 days notice of non-renewal of the franchise agreement.

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, to the extent required by Minn. Stat. §80C.12, Subd. 1(g).

To the extent governed by Minn. Rule 2860.4400J, you shall not be deemed to have waived any rights under Minnesota law. You shall not be deemed to have consented to Us obtaining injunctive relief, although We may seek injunctive relief. A Court or the arbitrators shall determine whether to require a bond as a condition of injunctive relief.

Minnesota Rule 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.

Non-sufficient fund checks are governed by Minnesota Statute 604.113, which places a cap of $30 on a non-sufficient fund check. If the check is written in Minnesota and the attempt to collect from the bank was in Minnesota then Minnesota law will prevail. Item 6 of the Franchise Disclosure Document is amended accordingly.

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 any applicable state franchise law, including, fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed with the franchise.

NEW YORK DISCLOSURE

In recognition of the requirements of the New York General Business Law, Article 33, Section 680 through 695, and of the Codes, Rules, and Regulations of the State of New York, Title 13, Chapter VII, Section 200.1 through 201.16 the Franchise Disclosure Document for Rita's Franchise Company, LLC for use in the State of New York shall be amended as follows:

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 RESOURCES 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 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 THAT ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

2. Item 3 is supplemented as follows:

Except as described above, neither the franchisor, its predecessor, nor any person identified in Item 2, nor an affiliate offering franchises under the franchisor's principal mark:

A. 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. Has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the ten-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, antitrust or securities law; fraud, embezzlement, fraudulent conversion or misappropriation of property, or unfair or deceptive practices or comparable allegations.

C. Has pending actions other than routine litigation incidental to the business that is significant in the context of the number of franchisees and the size, nature, or financial condition of the franchise system or its business operations.

D. 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 or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

3. Item 4 shall be supplemented as follows:

Neither the franchisor, its affiliate, its predecessor, nor general partner during the 10 year period immediately before the date of the disclosure document: (a) filed as debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; (b) obtained a discharge of its debts under the bankruptcy code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code or that obtained a discharge for its debts under the U.S. Bankruptcy Code during or within 1 year after the officer or general partner of the franchisor held this position in the company or partnership.

4. Item 5 shall be supplemented as follows:

The fees will be used to pay for expenses associated with your training, costs and overhead, and profit.

5. The following is added to the end of the "Summary" sections of Item 17(c), titled "Requirements for a franchisee to renew or extend," and Item 17(m), entitled "Conditions for franchisor approval of transfer":

However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; this proviso intends that the non- waiver provisions of General Business Law Sections 687(4) and 687(5) be satisfied.

6. The following language replaces the "Summary" section of Item 17(d), titled "Termination by a franchisee":

"You may terminate the agreement on any grounds available by law."

7. The following is added to the end of the "Summary" sections of Item 17(v), titled "Choice of forum," and Item 17(w), titled "Choice of law":

The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or the franchisee by Article 33 of the General Business Law of the State of New York.

8. **ADDITIONAL NEW YORK DISCLOSURES**

1. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE PROSPECTUS. 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 PROSPECTUS.

2. THE FRANCHISOR RETAINS THE RIGHT TO DISTRIBUTE ITS PRODUCTS THROUGH COMPANY OWNED OR FRANCHISED OPERATIONS TO RETAIL OUTLETS AND VENDING MACHINES LOCATED IN THE FRANCHISEE'S ASSIGNED AREA.

9. Each provision of this Disclosure shall be effective only to the extent that the jurisdictional requirements of General Business Law of New York State, Sections 680-695, with respect to each such provision, are met.

NORTH DAKOTA DISCLOSURE

In recognition of the requirements of the North Dakota Franchise Investment Law, N.D. Cent. Code, §§ 51-19-01 through 51-19-18, and the policies of the office of the State of North Dakota Securities Commission, the Franchise Disclosure Document for Rita's Franchise Company, LLC for use in the State of North Dakota shall be amended by the addition of the following language:

1. The North Dakota Securities Commissioner has held the following to be unfair, unjust, or inequitable to North Dakota franchisees (Section 51-19-09, N.D.C.C.):

A. Restrictive Covenants: Franchise disclosure documents which disclose the existence of covenants restricting competition contrary to Section 9-08-06, N.D.C.C., without further disclosing that such covenants will be subject to this statute.

B. Situs of Arbitration Proceedings: Franchise agreements providing that the parties must agree to the arbitration of disputes at a location that is remote from the site of the franchisee's business.

C. Restrictions on Forum: Requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota.

D. Liquidated Damages and Termination Penalties: Requiring North Dakota franchisees to consent to liquidated damages or termination penalties.

E. Applicable Laws: Franchise agreements that specify that they are to be governed by the laws of a state other than North Dakota.

F. Waiver of Trial by Jury: Requiring North Dakota Franchises to consent to the waiver of a trial by jury.

G. Waiver of Exemplary & Punitive Damages: Requiring North Dakota Franchisees to consent to a waiver of exemplary and punitive damage.

H. General Release: Franchise Agreements that require the franchisee to sign a general release upon renewal of the franchise agreement.

I. Limitation of Claims: Franchise Agreements that require the franchisee to consent to a limitation of claims. The statute of limitations under North Dakota law applies.

J. Enforcement of Agreement: Franchise Agreements that require the franchisee to pay all costs and expenses incurred by the franchisor in enforcing the agreement. The prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney's fees.

2. Each provision of this addendum to the Franchise Disclosure Document shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the North Dakota Franchise Investment Law, N.D. Cent. Code, §§ 51-19-01 through 51-19-18, are met independently without reference to this addendum to the Franchise Disclosure Document.

OHIO DISCLOSURE

In recognition of the requirements of Ohio's Business Opportunity Purchasers Protection Act, and the Ohio Revised Code §§ 1334.03-.06, the Franchise Disclosure Document of Rita's Franchise Company, LLC, for use in the State of Ohio, is being amended to provide you with the following information on your ability to cancel the transaction whereby you executed the Franchise Agreement and/or Development Agreement:

1. Item 5 shall be supplemented with the following language:

   Notwithstanding anything to the contrary in Item 5, (i) the franchise fee is refundable if you submit a notice of cancellation prior to midnight of the fifth business day after the date you sign the Franchise Agreement and (ii) the development fee is refundable if you submit a notice of cancellation prior to midnight of the fifth business day after the date you sign the Development Agreement. See a sample notice of cancellation attached as Attachment 1. You must notify us if you intend to exercise your right to cancel the Franchise Agreement or Development Agreement through a written notice of cancellation indicating your intent to cancel such agreement. You may deliver the notice of cancellation by regular mail, electronic mail, facsimile transmission, telegram, manual delivery, or other personal delivery. Notice of cancellation sent by regular mail is effective upon the date of postmark. Notice sent by electronic mail or facsimile is effective when successfully transmitted. Telegram delivery is effective when the telegram is ordered. Manual delivery or other personal delivery is effective when delivered to the seller or to the seller's address, whichever is first. Upon the successful notice of cancellation, within 10 days, we will refund all payments made by you to us in connection with signing the Franchise Agreement or Development Agreement. If you fail to satisfy any of the above requirements, you are not entitled to cancel the Franchise Agreement or Development Agreement or receive a return of the franchise fee or development fee.

Attachment 1
SAMPLE NOTICE OF CANCELLATION

[Rita's Franchise Agreement] [Rita's Development Agreement] (the "agreement") dated _____.
(enter date of your agreement)

For purposes of this Notice of Cancellation, seller is the Franchisor and I, the franchisee or developer, am the purchaser.

This is notice that I am cancelling this transaction, without penalty or obligation, within five business days from the above date that I signed the agreement. As such, please return my payments made under the agreement (and any negotiable instrument executed by you) within ten business days following the seller's receipt of this Notice of Cancellation, and also cancel any security interest arising out of the transaction. I will make available to the seller at seller's business address all goods delivered to me under the agreement; or, at my option, I will comply with the instructions of the seller regarding the return shipment of the goods at the seller's expense and risk. If I do make the goods available to the seller and the seller does not pick them up within twenty days of the date of my Notice of Cancellation, I may retain or dispose of them without further obligation. If I fail to make the goods available to the seller, or if I agree to return them to the seller and fail to do so, then I remain liable for the performance of all obligations under the agreement. To cancel this transaction, I am mailing or delivering a signed and dated copy of this Notice of Cancellation or any other written notice, or sending a telegram, to Rita's Franchise Company, LLC, at 1210 Northbrook Drive, Suite 310, Trevose, Pennsylvania 19053, or sending a fax to Rita's Franchise Company, LLC at 866-449-0974 or an e-mail to Rita's Franchise Company, LLC at legal@ritascorp.com, not later than midnight of five days after the date I signed the agreement.

I hereby cancel this transaction.

Date: _____
(enter date you sign this Notice of Cancellation)

PURCHASER/FRANCHISEE/DEVELOPER

By: _____
Name: _____
Title _____

RHODE ISLAND DISCLOSURE

For franchises and Franchisees subject to the Rhode Island statutes and regulations, the following information supersedes or supplements, as the case may be, the corresponding disclosures in the main body of the text of the Rita's Franchise Company, LLC Franchise Disclosure Document.

1. The sentences in Items 17(v) and 17(w) shall be supplemented with the following language:

> except that you may sue us in Rhode Island for claims arising under the Rhode Island Franchise Investment Act.

2. Item 17 of the Disclosure Document shall be supplemented by the addition of the following paragraph at the end of the Item:

> Section 19-28.1-14 of the Rhode Island Franchise Investment Act provides that "A provision in the franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act."

3. This Disclosure only applies to the extent that the jurisdictional requirements of the Rhode Island Franchise Investment Act are met.

SOUTH DAKOTA DISCLOSURE

Covenants not to compete upon termination or expiration of a franchise agreement are generally unenforceable in South Dakota, except in certain instances as provided by law.

In the event that either party shall make demand for arbitration, such arbitration shall be conducted in a mutually agreed upon site in accordance with Section 11 of the Commercial Arbitration Rules of the American Arbitration Association.

The law regarding franchise registration, employment, covenants not to compete, and other matters of local concern will be governed by the laws of the State of South Dakota; but as to contractual and all other matters, this agreement and all provisions of this instrument will be and remain subject to the application, construction, enforcement and interpretation under the governing law of the state where the franchise is located.

Any provision of the franchise agreement which requires you to agree to jurisdiction and venue outside of South Dakota is void with respect to any cause of action which is otherwise enforceable in South Dakota.

Notwithstanding any term of the franchise agreement, we are not permitted to terminate the franchise agreement upon default without first affording you thirty (30) days' notice with an opportunity to cure the default within that time.

To the extent required by South Dakota law, all provisions giving any party a right to liquidated damages are hereby deleted from the franchise agreement and the parties shall be entitled to their actual damages instead.

VIRGINIA DISCLOSURE

In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for Rita's Franchise Company, LLC for use in the Commonwealth of Virginia shall be amended as follows:

1. The following statements are added to Item 17h:

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

2. This Disclosure only applies to the extent that the jurisdictional requirements of the Virginia Retail Franchising Act are met.

EXHIBIT N TO
FRANCHISE DISCLOSURE DOCUMENT

STATE EFFECTIVE DATES

STATE EFFECTIVE DATES

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

The effective dates of registration or exemption in the states listed below are:

State	Effective Dates
California	Exemption Pending
Florida	Exemption Pending
Hawaii	N/A
Illinois	Exemption Pending
Indiana	January 30, 2026
Maryland	Exemption Pending
Michigan	Pending
Minnesota	Pending
New York	Exempt February 22, 2017
North Dakota	N/A
Rhode Island	Exemption Pending
South Dakota	N/A
Utah	Exempt January 23, 2026
Virginia	Pending
Washington	N/A
Wisconsin	N/A

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

EXHIBIT O TO
FRANCHISE DISCLOSURE DOCUMENT

RECEIPTS (DUPLICATE)

Receipt

This Disclosure Document summarizes provisions of the development agreement, the franchise agreement and other information in plain language. Read this Disclosure Document and all agreements carefully.

If Rita's Franchise Company, 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. However, some state franchise laws, including New York, require Rita's Franchise Company, LLC to provide this Disclosure Document to you at the first personal meeting held to discuss the franchise sale or at least 10 business days (in Michigan) before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

If Rita's Franchise Company, 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 the appropriate state agency identified on Exhibit J.

The name, principal business address, and telephone number of each franchise seller offering the franchise is as follows: _____, 1210 Northbrook Drive, Suite 310, Trevose, PA 19053, (800) 677-7482. The issuance date of this Franchise Disclosure Document is January 30, 2026 (except those states listed on Attachment 1 that have a different issuance/effective date). We authorize the respective agents identified on Exhibit J to receive service of process for us in the particular states.

I received a Disclosure Document dated as of January 30, 2026 that included the following Exhibits:

A. Rita's Franchise Agreement
B. Rita's Satellite Shop Addendum
C. Rita's Mobile Unit Addendum
D. Rita's Development Agreement
E. Sample General Release
F. Table of Contents of Confidential System Manuals
G. List of Current and Former Franchisees and Current and Former Developers
H. Financial Statements
I. List of Administrators
J. Agents for Service of Process
K. Franchisee Compliance Certification
L. State-specific Disclosures
M. State Effective Dates
N. Receipts

The undersigned(s) has/have received the Rita's Franchise Company, LLC Franchise Disclosure Document on behalf of the Prospective Franchisee and all of its owners, shareholders, partners, members, officers and directors.

Printed Name	**Title**	**Signature**	**Date**
_____	_____	_____	_____
_____	_____	_____	_____

Corporate/Partnership/LLC Name: _____

Your Copy – Retain for Your Files

Receipt

This Disclosure Document summarizes provisions of the development agreement, the franchise agreement and other information in plain language. Read this Disclosure Document and all agreements carefully.

If Rita's Franchise Company, 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. However, some state franchise laws, including New York, require Rita's Franchise Company, LLC to provide this Disclosure Document to you at the first personal meeting held to discuss the franchise sale or at least 10 business days (in Michigan) before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

If Rita's Franchise Company, 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 the appropriate state agency identified on Exhibit J.

The name, principal business address, and telephone number of each franchise seller offering the franchise is as follows: _____, 1210 Northbrook Drive, Suite 310, Trevose, PA 19053, (800) 677-7482. The issuance date of this Franchise Disclosure Document is January 30, 2026 (except those states listed on Attachment 1 that have a different issuance/effective date). We authorize the respective agents identified on Exhibit J to receive service of process for us in the particular states.

I received a Disclosure Document dated as of January 30, 2026 that included the following Exhibits:

A. Rita's Franchise Agreement
B. Rita's Satellite Shop Addendum
C. Rita's Mobile Unit Addendum
D. Rita's Development Agreement
E. Sample General Release
F. Table of Contents of Confidential System Manuals
G. List of Current and Former Franchisees and Current and Former Developers
H. Financial Statements
I. List of Administrators
J. Agents for Service of Process
K. Franchisee Compliance Certification
L. State-Specific Addenda to the Franchise Disclosure Document
M. State Effective Dates
N. Receipts

The undersigned(s) has/have received the Rita's Franchise Company, LLC Franchise Disclosure Document on behalf of the Prospective Franchisee and all of its owners, shareholders, partners, members, officers and directors.

Printed Name	**Title**	**Signature**	**Date**
_____	_____	_____	_____
_____	_____	_____	_____

Corporate/Partnership/LLC Name: _____

Our Copy Return to Us