

Provision	Section in franchise or other agreement	Summary
		of due date; judgment in excess of \$5,000 outstanding against you for more than 30 days; right of possession of restaurant is lost; violation of franchise restrictions; knowing sale of foods other than those approved by McDonald's or which fail to conform to McDonald's standards; transfer of franchise without McDonald's prior consent; McDonald's is denied access to restaurant; failure to make prompt payment of undisputed invoices; misrepresentation relating to ownership or acquisition of franchise; conduct that damages McDonald's reputation; conviction of felony; intentional under-reporting of Gross Sales; repeated other breaches.
i. Franchisee's obligations on termination/non-renewal	Section 20	For 30 days and at McDonald's request you must: sell us the furniture, fixtures, signs, and equipment for fair market value (no payment for intangible assets); return business manuals and other confidential material; cease using the McDonald's System and trademarks (also see r).
j. Assignment of contract by franchisor	Not Applicable	Assignable by McDonald's as a matter of common law; no separate provision required.
k. "Transfer" by franchisee – defined	Sections 15 and 19	Includes direct, indirect, or contingent transfer, in whole or in part, of any interest in the franchise.
l. Franchisor approval of transfer by franchisee	Not Applicable	Transfers require McDonald's approval, subject to the terms stated in the Franchise Agreement, Assignment to an Entity, and Assignment Agreement (see Exhibits H and I). Also see Note 2.
m. Conditions for franchisor approval of transfer	Sections 15 and 19	New franchisee qualifies; royalty increases to the current fee (except in the situations described in Item 6); new franchisee assumes full and unconditional liability; you remain personally liable for the remainder of the term; no current breach.
n. Franchisor's right of first refusal to acquire franchisee's business	Section 15(c)	McDonald's can match any offer for your business.
o. Franchisor's option to purchase franchisee's business	Sections 15(a) and 20	Purchase business only if we have been managing your restaurant for 1 year after your death or disability; purchase certain assets upon termination.
p. Death or disability of franchisee	Section 15(a)	Franchise may be assigned to any approved purchaser or spouse, heirs, or nearest blood relative who is a qualified franchisee (see m). Also see Note 1.
q. Non-competition covenants during the term of the franchise	Section 11	No involvement in competing or similar business <a href="#">subject to applicable state law</a> .
r. Non-competition covenants after the franchise is terminated or expires	Section 11	No competing business for 18 months within 10 miles (including after assignment or sale) <a href="#">subject to applicable state law</a> .
s. Modification of the agreement	Section 26	No modifications generally but O&T Manual subject to change.
t. Integration/merger clause	Sections 28(c), 28(e), 28(f), 28(h), and 28(i)	Only the terms of the Franchise Agreement are binding (subject to state law). No other promises have been made, but nothing in the Franchise Agreement disclaims any representations made in this disclosure document.
u. Dispute resolution by arbitration or mediation	Not Applicable	Not Applicable