

FRANCHISE DISCLOSURE DOCUMENT



PANERA, LLC

a Delaware limited liability company
1400 South Highway Drive, Suite 100
Fenton Missouri 63026
(314) 984-1000
www.panerabread.com

We offer franchises for Panera Bread Bakery-Cafes, which specialize in the retail sale of sandwiches, salads, soups, baked goods, pasta dishes and side items, and beverages, as well as other menu items and merchandise related to the Panera Bread concept, as we may authorize. We offer multi-unit franchises for the right to open a minimum of two Panera Bread Bakery-Cafes in a designated area. We primarily offer multi-unit franchises, but we may offer single Panera Bread Bakery-Cafe franchises in certain situations, such as Non-Traditional Bakery-Cafes.

The total investment necessary to begin operation of a Panera Bread Bakery-Cafe in the "Core" format ranges from \$1,337,139 to \$4,569,880 (excluding real estate and related costs, and landlord allowances), including an initial franchise fee of \$50,000 and various initial fees and payments of up to \$300,000 payable to us for certain optional development and construction services. The total investment necessary to begin operation of a Panera Bread Bakery-Cafe in the "Small Box" format ranges from \$1,173,702 to \$3,572,359 (excluding real estate and related costs, and landlord allowances), including an initial franchise fee of \$50,000 and various initial fees and payments of up to \$300,000 payable to us for certain optional development and construction services. The total investment necessary to begin operation of a Panera Bread Bakery-Cafe in the "Non-Traditional Bakery-Cafe" format ranges from \$498,306 to \$2,518,186 (excluding real estate and related costs, and landlord allowances), including an initial franchise fee of \$25,000 and various initial fees and payments of up to \$300,000 payable to us for certain optional development and construction services.

If you sign an area development agreement, you must pay us a development fee equal to \$50,000 multiplied by the total number of Panera Bread Bakery-Cafes you commit to develop under the area development agreement. The development fee will be credited against the initial franchise fee due for each Panera Bread Bakery-Cafe included in the development schedule, such that you will not owe an initial franchise fee upon signing a franchise agreement for each Panera Bread Bakery-Cafe. The total investment necessary to begin operation of your first Panera Bread Bakery-Cafe under an area development agreement is between \$1,223,702 and \$4,619,880, which assumes the development of a minimum of two Panera Bread Bakery-Cafes in the "Core" or "Small Box" formats. This includes a development fee of \$100,000 and various initial fees and payments of up to \$300,000 payable to us for certain optional development and construction services).

This disclosure document summarizes certain provisions of your franchise agreement and other agreements and 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 franchise sale. **Note, however, that no governmental agency has verified the information contained in this document.**

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

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 panerafranchiseadmin@panerabread.com.

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

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

Date of Issuance: April 23, 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 <u>Exhibits H-1</u> and <u>H-2</u> .
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 <u>Exhibit I</u> 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 Panera Bread Bakery-Cafe business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be a Panera franchisee?	Item 20 or <u>Exhibits H-1</u> and <u>H-2</u> list 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 G](#).

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

Special Risks to Consider About This Franchise

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

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by mediation and arbitration only in the city where our principal place of business is located, which as of the date of this disclosure document is Boston, Massachusetts. 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 Massachusetts than in your own state.
2. There may be other risks concerning this franchise.

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

PANERA, LLC
FRANCHISE DISCLOSURE DOCUMENT TABLE OF CONTENTS

	<u>Page</u>
ITEM 1. THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS, AND AFFILIATES.....	1
ITEM 2. BUSINESS EXPERIENCE	5
ITEM 3. LITIGATION	6
ITEM 4. BANKRUPTCY	6
ITEM 5. INITIAL FEES	7
ITEM 6. OTHER FEES	8
ITEM 7. ESTIMATED INITIAL INVESTMENT	13
ITEM 8. RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES	16
ITEM 9. FRANCHISEE’S OBLIGATIONS	22
ITEM 10.FINANCING	24
ITEM 11.FRANCHISOR’S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS, AND TRAINING	24
ITEM 12.TERRITORY	34
ITEM 13.TRADEMARKS	37
ITEM 14.PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION	39
ITEM 15.OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS.....	43
ITEM 16.RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL.....	44
ITEM 17.RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION.....	45
ITEM 18.PUBLIC FIGURES	55
ITEM 19.FINANCIAL PERFORMANCE REPRESENTATIONS.....	55
ITEM 20.OUTLETS AND FRANCHISEE INFORMATION	57
ITEM 21.FINANCIAL STATEMENTS	68
ITEM 22.CONTRACTS	68
ITEM 23.RECEIPTS.....	68

EXHIBITS

A	AREA DEVELOPMENT AGREEMENT
B	FRANCHISE AGREEMENT
C-1	NON-TRADITIONAL LOCATION ADDENDUM TO FRANCHISE AGREEMENT
C-2	DEVELOPMENT AND OPERATIONS AGREEMENT FOR NON-TRADITIONAL LOCATIONS
D-1	DEVELOPMENT SERVICES AGREEMENT

D-2	REAL ESTATE SELECTION AND CONSTRUCTION MANAGEMENT SERVICES AGREEMENT
E	FRANCHISEE MASTER AGREEMENT FOR SOFTWARE, HARDWARE AND SUPPORT SERVICES
F	PANERA OPERATIONS MANUAL TABLE OF CONTENTS
G	LIST OF STATE AGENCIES/AGENTS FOR SERVICE OF PROCESS
H-1	LIST OF CURRENT FRANCHISEES
H-2	LIST OF FORMER FRANCHISEES
I	FINANCIAL STATEMENTS / PANERA BRANDS, INC. GUARANTY
J	DISCLOSURE ADDENDA FOR REGISTRATION STATES
K	AGREEMENT RIDERS FOR CERTAIN REGISTRATION STATES

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

Unless the context otherwise requires, all references to “Panera,” “we,” “us,” or “our” refer to Panera, LLC and all references to “Franchisee,” “you,” or “your” refer to the person who is granted the right to operate a Panera Bread Bakery-Cafe under a Franchise Agreement. If you are a corporation, limited liability company, partnership or any other type of legal entity, the provisions of the Franchise Agreement (and, if applicable, the Area Development Agreement) also apply to your owners by virtue of the requirement that some or all your owners personally guarantee, and be personally bound by, your obligations under the Franchise Agreement (and, if applicable, the Area Development Agreement). All initially capitalized terms used but not defined in this Disclosure Document have the meanings ascribed to them in the Franchise Agreement and Area Development Agreement.

A. PANERA, LLC

Panera is a Delaware limited liability company, which was formed on December 31, 2001, when Panera, Inc., a Delaware corporation, was converted into a limited liability company. Panera was originally formed under the name of ABP Acquisition Corp. on November 10, 1993. Subsequently, it changed its name to “Saint Louis Bread Company, Inc.” in December 1993 and then to “Panera, Inc.” in July 1999. Panera is a wholly owned subsidiary of Panera Bread Company (referred to as “Panera Bread Company” or “PBC”), which was formerly known as Au Bon Pain Co., Inc. Our principal address is 1400 South Highway Drive, Suite 100, Fenton Missouri 63026. Our registered agents and agents for service of process are listed in Exhibit G. We have been franchising and operating company-owned Panera Bread Bakery-Cafes since December 1993. Panera has not offered franchises in any other lines of business. As of the date of this Disclosure Document, Panera does business under the name Panera Bread, Saint Louis Bread Company and Saint Louis Bread Co.

B. PANERA’S BUSINESS

Panera is in the business of operating and franchising “Panera Bread Bakery-Cafes”. Panera Bread Bakery-Cafes operate (i) using the business methods, designs, arrangements and systems we designate (the “System”), including the mandatory specifications, standards and operating procedures that Panera periodically prescribes for the development and operation of a Panera Bread Bakery-Cafe (the “System Standards”), and (ii) under the current and future trade names, trademarks, service marks and trade dress that Panera or its affiliates authorize from time to time, including the mark “PANERA BREAD” (the “Marks”). Panera Bread Bakery-Cafes offer sandwiches, salads, soups, baked goods, pasta dishes and side items, and beverages, as well as other menu items and merchandise related to the Panera Bread concept.

When we acquired our bakery cafe concept in 1993, which was then known as “Saint Louis Bread/Company,” we substantially improved the “Saint Louis Bread Company” Bakery-Cafe concept and, for strategic marketing reasons, chose a new name, “Panera Bread.” We also recognized that the “Saint Louis Bread Company” name had valuable name recognition in St. Louis, Missouri. Accordingly, all Bakery-Cafes throughout the U.S. currently operate under the “Panera Bread” name, except for those company-owned Bakery-Cafes located in the St. Louis, Missouri market area. For purposes of this Disclosure Document, we refer to all of these as “Panera Bread Bakery-Cafes” or “Bakery-Cafes” even though some of them use the “Saint Louis Bread Company” name.

C. THE PARENT AND AFFILIATES OF PANERA

Panera Brands

Panera Brands, Inc. (“Parent Company”), a Delaware corporation, indirectly owns substantially all of the equity interest in Panera and has the same principal place of business as ours. Our indirect ultimate parent company is JAB Holding Company S.à.r.l., a Luxembourg-based holding company (“JAB”), which has its principal place of business located at 4, Rue Jean Monnet, L-2180 Luxembourg, Grand Duchy of Luxembourg.

Affiliated Franchise Programs – Panera Brands, Inc.

Our Parent Company, Panera Brands, Inc., owns the following restaurant companies:

Panera Canada

Panera Bread (BC) ULC, a British Columbia unlimited liability company (“PBULC”) is an affiliate of Panera with a principal business address at 1400 South Highway Drive, Suite 100, Fenton, Missouri 63026. PBULC and its predecessor have been operating and franchising Panera Bread Bakery-Cafes in Canada since 2007. As of December 30, 2025, PBULC has 11 franchised and no company-owned Panera Bread Bakery-Cafes located in Canada.

Caribou Coffee

Caribou Coffee Company, Inc. (“Caribou”), a Minnesota corporation, which owns and franchises coffeehouses under the Caribou Coffee® name (“Caribou Coffeehouse”). Caribou Coffee Development Company, Inc., a Minnesota corporation (“Caribou Development”), and wholly owned subsidiary of Caribou has offered franchises for Caribou Coffeehouses since 2006. As of December 30, 2025, there were (i) 350 Caribou Coffeehouses operated by Caribou in the U.S. and there were 144 franchised or licensed Caribou Coffeehouses in the U.S. The principal business address for both Caribou and Caribou Development is 3900 Lakebreeze Avenue, Minneapolis, Minnesota 55429.

Einstein Noah Restaurant Group; Einstein Bagels; Noah’s Bagels; Manhattan Bagels and Bruegger’s Bagels

Einstein Noah Restaurant Group, Inc., a Delaware corporation (“ENC”), owns and franchises through its subsidiaries Einstein Bros.® Bagel restaurants. ENC’s principal business address is 1720 S. Bellaire St., Suite Skybox, Denver, Colorado 80222. Einstein Bros.® Bagels Franchise Corporation, a Colorado corporation (“EBBFC”), a wholly owned subsidiary of ENC and its predecessors have offered Einstein Bros.® Bagels franchises since 2006. As of December 30, 2025, ENC had 395 company owned restaurants, and EBBFC and ENC together had 69 franchised restaurants and 265 licensed Einstein Bros.® Bagels restaurants in the U.S.

Since 2001, ENC also has owned and operated through its subsidiary, Noah’s New York Bagel Company, a Minnesota corporation, but has not franchised or licensed the right to operate, Noah’s New York Bagels® and Noah’s Bagels® restaurants, which sell bagels, coffee, tea, and other cafe and bakery products and beverages. As of December 30, 2025, it had 56 company owned Noah’s New York Bagels® and Noah’s Bagels® stores in the U.S.

Manhattan Bagel Company, a New Jersey corporation (“Manhattan”), is indirectly owned by Einstein Bros. Brands, Inc. and is a franchisor of Manhattan Bagel® restaurants. Its principal business address is 1720 S. Bellaire St., Suite Skybox, Denver, Colorado 80222. Manhattan has offered franchises for Manhattan Bagel® stores since 1987. As of December 30, 2025, Manhattan Bagel® had no company owned and 68 franchised Manhattan Bagel® stores in the U.S.

Bruegger’s Enterprises, Inc. (“BRU”), a Delaware corporation, is indirectly owned by Einstein Bros. Brands, Inc. and is an operator of Bruegger’s® brands and Bruegger’s® Bagels company stores since 2003. Bruegger’s Franchise Corporation (“BFC”), a subsidiary of BRU, has offered Bruegger’s® Bagels franchises since 2003. The principal business address for both BRU and BFC is 1720 S. Bellaire St., Suite Skybox, Denver, Colorado 80222. As of December 30, 2025, there were 124 company owned and 45 franchised stores in the U.S.

Affiliated Franchise Programs – JAB

Our ultimate parent company, JAB, together with certain of its affiliates, are involved in a number of lines of business, including ownership interests in the following restaurant companies:

Krispy Kreme

Krispy Kreme Doughnut Corporation (“KKDC”), a North Carolina corporation, is the franchisor and operator of Krispy Kreme® donut shops. KKDC, directly or through its predecessors, has offered Krispy Kreme® franchises since the

1950's. KKDC's principal business address is 370 Knollwood Street, Winston-Salem, North Carolina. In November 2018, KKDC opened an additional office located at 2116 Hawkins Street, Charlotte, North Carolina. As of December 30, 2025, KKDC had 251 company-owned shops and doughnut factories and 99 franchised shops in the U.S. KKDC or its affiliates may directly or indirectly sell products under the name Krispy Kreme or related marks in other channels such as supermarkets, warehouse stores, over the internet and through other channels of distribution. KKDC has not sold franchises in any other line of business. As of December 30, 2025, KKDC owned (a) 1 consolidated joint venture franchised outlet in Georgia of which it is a majority owner; and (b) 23 outlets in California through a wholly-owned subsidiary following an acquisition by KKDC of a franchise partner's minority interest in a joint venture on August 20, 2024. As of December 30, 2025, KKDC owned through a joint venture a majority interest in 8 outlets in Arizona, 17 outlets in California, 4 outlets in Colorado, 1 outlet in Idaho, 4 outlets in Nevada, 3 outlets in New Mexico, 2 outlets in Oregon, 5 outlets in Utah, and 5 outlets in Washington.

Pret A Manger

Pret Intermediate Company Limited ("Pret"), a UK company, is the parent company for the Pret group, for which Pret A Manger (Europe) Ltd, a UK company, is the main operating entity. Pret operates fresh food and coffee retail shops in several markets around the world, primarily under the "Pret A Manger" and "Pret" brands as well as limited numbers of Petit Pret shop formats. The business was founded in 1986 in the UK. In addition to company owned shops, Pret has franchised the use of the "Pret A Manger" marks to third parties that sell its products through retail stores. Pret's principal place of business is 75B, 10 Bressenden Place, London, SW1E 5DH, United Kingdom. Pret operates in several markets, and as of December 30, 2025, Pret operated 453 company owned shops and had 301 franchised shops.

None of the above affiliated companies provide products or services to you.

D. THE FRANCHISE

We offer qualified persons the right to develop multiple Panera Bread Bakery-Cafes within a specific geographic area (the "Development Area") under our standard form area development agreement (the "Area Development Agreement" or "ADA"). A copy of the Area Development Agreement is attached as Exhibit A. The Area Development Agreement requires you to open an agreed-upon number of Panera Bread Bakery-Cafes under a Development Schedule. You must develop and open a minimum of 2 Panera Bread Bakery-Cafes under an Area Development Agreement.

You must sign our then-current form of franchise agreement (the "Franchise Agreement") for each Panera Bread Bakery-Cafe you open. Our current form of Franchise Agreement is attached as Exhibit B. Each Franchise Agreement will grant you the right to own and operate a single Panera Bread Bakery-Cafe at an agreed-upon location. We generally require that franchisees sign an Area Development Agreement. In limited circumstances, we may offer franchisees the right to develop a single-unit franchise under a franchise agreement. Unless otherwise agreed to, Non-Traditional Bakery-Cafes (defined below) will not count toward an Area Developer's Development Schedule under an Area Development Agreement.

Panera Bread Bakery-Cafes specialize in the retail sale of sandwiches, salads, soups, baked goods, pasta dishes and side items, and beverages, as well as other menu items and merchandise related to the Panera Bread concept as we may authorize from time to time. Panera Bread Bakery-Cafes will normally provide carry-out service and seating, emphasizing a more special dining experience than that offered by traditional fast-food restaurants. Panera Bread Bakery-Cafes may also be authorized to provide offsite catering and/or delivery services within a designated geographic area (See Item 12 for details) for certain food products we may authorize from time to time. You must offer for sale all products and services Panera designates, unless you obtain our prior written approval not to carry certain items or provide certain services. To support its Bakery-Cafes in servicing catering markets, Panera operates catering-only units, referred to as delivery hubs. Panera may offer franchisees the opportunity to develop and operate delivery hubs in its discretion.

We offer three types of Bakery-Cafes: (i) a "Core" Bakery-Cafe, (ii) a "Small Box" Bakery-Cafe, and (iii) a "Non-Traditional" Bakery-Cafe. A Core Bakery-Cafe is the largest of the three formats, targeting 3,200 to 3,500 sq ft. It provides the traditional Panera experience with approximately 50-60 seats, RPU shelving, a bakery case and can support all sales channels (retail, to go, delivery, catering and drive thru). Core Bakery-Cafes may be in a standalone or endcap location as well as some larger settings such as in hospitals and universities. Small Box Bakery-Cafes are smaller than Core Bakery-Cafes, typically ranging from 2,400 to 2,800 sq ft., and seating approximately 40-50. Similar to Core Bakery-Cafes, Small Box Bakery-Cafes include RPU

shelving, a bakery case and can support all sales channels (retail, to go, delivery, catering and drive thru). Small Box Bakery-Cafes may be at a standalone or endcap location.

Non-Traditional Bakery-Cafes are located in “Non-Traditional Locations”. “Non-Traditional Locations” are venues located at transportation facilities (such as airport facilities, train and/or bus stations, turnpikes or other limited access highway rest stops), hospitals, colleges, universities, sports arenas, entertainment facilities, and military facilities, or where any locations or its food operations are controlled by a third party or in our judgment should be operated by a third party. Non-Traditional Bakery-Cafes may share their premises with other businesses, within a host facility, and may provide limited menu items and limited or no delivery. You will typically sign a lease with the host facility for a Non-Traditional Bakery-Cafe. The terms and conditions of a franchise or other arrangements for a Non-Traditional Bakery-Cafe or alternative format may vary considerably from the standard terms of our Franchise Agreement and Area Development Agreement. If you agree to develop a Non-Traditional Bakery-Cafe, you must sign our Non-Traditional Location Addendum to Franchise Agreement, the current form of which is attached as Exhibit C-1 hereto. In some circumstances, we offer qualified food service management companies who offer food services at certain types of Non-Traditional Locations the right to operate multiple Non-Traditional Bakery-Cafes. Operators of multiple Non-Traditional Bakery-Cafes are required to sign our Development and Operations Agreement (the “Development and Operations Agreement”), the current form of which is attached as Exhibit C-2 hereto.

Unless otherwise noted in this Disclosure Document, references to “Bakery-Cafe” include a Core Bakery-Cafe, Small Box Bakery-Cafe and Non-Traditional Bakery-Cafe.

We have developed technology platforms which are designed to make a difference to our customers by providing a greater degree of access and convenience for our guests. Specifically, we are concentrating efforts and resources on our strategic initiatives intended to enhance the experience for both our dine-in and to-go guests. Examples of this initiative include digital retail ordering, Rapid-Pickup, catering ordering, ordering kiosks, and technology tools to assist managers within the Bakery-Cafe. Franchisees interested in using these technology platforms are required to enter into our Franchisee Master Agreement for Software, Hardware and Support Services (“SHS Services Agreement”), which is attached as Exhibit E. Under the SHS Services Agreement, Panera supplies Panera owned or licensed software and other technologies and any required or requested related services. The specific software and services to be provided and the fees to be paid are outlined in the table in Item 6 Note 7. Fees for Panera technology products and services are generally structured as periodic subscription fees, percentage of sales fees, or a combination of each depending upon the nature of the products and services provided.

E. MARKET AND COMPETITION; INDUSTRY-SPECIFIC LAWS

You will have to compete with other businesses offering similar products, including specialty food, casual dining, and quick service cafes, bakeries and restaurant retailers, including national, regional and locally-owned restaurants and grocery stores offering products similar to those offered by Panera Bread Bakery-Cafes, as well as wholesale bakeries and distributors. Additionally, if you are authorized to offer small order delivery, you will compete with business in the highly competitive food delivery marketplace and with businesses who offer ordering and meal delivery services from unaffiliated restaurants.

The restaurant industry is a highly competitive and developed market, which can be affected significantly by many factors, including changes in local, regional or national economic conditions, changes in consumer tastes and spending patterns, consumer concerns about the nutritional quality of quick-service food, negative publicity about the ingredients we use or the occurrence of food-borne illnesses, dietary trends, and increases in the number of, and particular locations of, competing restaurants. Various factors can adversely affect the restaurant industry, including weather conditions; inflation; availability of and resulting increases in food and ingredient costs; labor and energy costs; the availability and cost of suitable sites; fluctuating interest and insurance rates; state and local regulations and licensing requirements; the availability of ingredients, particularly select proteins raised without antibiotics, food items and an adequate number of hourly-paid and salaried employees; and other factors that may affect restaurants or retailers in general.

You should consider that certain aspects of any bakery-cafe business are regulated by federal, state and local laws, rules and ordinances in addition to the laws, regulations and ordinances applicable to businesses generally, such as the Americans with Disabilities Act, Federal Wage and Hour Laws and state law equivalents, the Occupational Safety and Health Act, the Affordable Care Act, the National Labor Relations Act, data protection (such as credit card data protection under FACTA) and privacy laws. The Environmental Protection Agency, the U.S. Food and Drug Administration, the U.S. Department of Agriculture, as

well as state and local environmental and health departments and other agencies have laws and regulations concerning the preparation and labeling of food and sanitary conditions of bakery-cafe facilities. State and local agencies routinely conduct inspections for compliance with these requirements. Under the Clean Air Act and state implementing laws, certain state and local areas are required to attain, by the applicable statutory guidelines, the national quality standards for ozone, carbon monoxide and particulate matters. Certain provisions of such laws impose limits on emissions resulting from commercial food preparation.

ITEM 2. BUSINESS EXPERIENCE

Chief Executive Officer and Chief Financial Officer: Paul Carbone. Paul Carbone has served as Chief Executive Officer in Newton, Massachusetts since March 2025. Before that, he served as our Chief Financial Officer in Newton, Massachusetts from August 2023 to October 2025. From November 2022 to July 2023, he served as Chief Financial Officer for SharkNinja in Needham Heights, Massachusetts. Before that, Mr. Carbone was Chief Financial Officer for YETI Coolers in Austin, Texas from June 2018 to October 2022.

Executive Vice President, Chief Financial Officer: Earl Ellis. Earl Ellis has been the Executive Vice President, Chief Financial Officer in Newton, Massachusetts since October 2025. He was Executive Vice President and Chief Financial Officer at ABM Industries in New York, New York from November 2020 to September 2025.

Senior Vice President, Chief Legal Officer and Secretary: Marlene Gordon. Marlene Gordon has served as Senior Vice President, Chief Legal Officer and Secretary in Newton, Massachusetts since May 2022. From June 2018 to April 2022, she served as Senior Vice President, Chief Administrative Officer, General Counsel and Secretary for Fresh Del Monte Produce Inc. in Coral Gables, FL.

Senior Vice President, Chief Manufacturing and Supply Chain Officer: Gregg Waterman. Gregg Waterman has served as Senior Vice President, Chief Manufacturing and Supply Chain Officer in Newton, Massachusetts since January 2020.

Senior Vice President, Chief Development Officer: Patrick Coelho. Patrick Coelho has served as Senior Vice President, Chief Development Officer in Newton, Massachusetts since April 2026. Before that, he was Senior Vice President, Development of Papa John's International, Inc. in Atlanta, Georgia from July 2023 to March 2026. From February 2023 to July 2023, Patrick was Head of International for Scooter's Coffee in Omaha, Nebraska. He was Chief Development Officer of Scooter's Coffee in Omaha, Nebraska from May 2022 to February 2023. From March 2019 to April 2022, Patrick was Head of Development, Americas, Burger King for Restaurant Brands International in Miami-Fort Lauderdale, FL.

Senior Vice President, Chief Information Officer: Santhosh Kumar. Santhosh Kumar has served as our Senior Vice President, Chief Information Officer since February 2025. Before that, he was Senior Vice President, Chief Technology Officer for United Natural Foods, Inc. in Providence, Rhode Island from January 2022 to January 2025. From January 2020 to November 2021, he was Senior Vice President, Global Information Technology for Dunkin Brands in Canton, Massachusetts.

Senior Vice President, Chief Marketing Officer: Mark Shambura. Mark Shambura has been our Senior Vice President, Chief Marketing Officer in Newton, Massachusetts since August 2024. Before that, he was Chief Marketing Officer of Papa John's International, Inc. in Atlanta, Georgia from April 2023 to August 2024. He served as Chief Marketing Officer of MOD Pizza in Seattle, Washington from December 2018 to March 2023.

Senior Vice President, Digital: Meenakshi Nagarajan. Meenakshi Nagarajan has served as Senior Vice President, Digital in Newton, Massachusetts since April 2023. Before that, she was our Senior Vice President, Recurring Revenue and Loyalty in Newton, Massachusetts from April 2021 to April 2023.

Vice President, Assistant General Counsel, Corporate, Franchising, and Development: Branden Lopez. Branden Lopez has served as Vice President, Assistant General Counsel, Corporate, Franchising, and Development in Newton, Massachusetts since February 2026. From October 2022 to February 2026, she was General Counsel at @properties, Christie's International Real Estate in New York, New York. From December 2020 to November 2022, she was General Counsel for Curbio in Washington, D.C.

Vice President, Franchise Operations: Danny Wood. Danny Wood has served as Vice President, Franchise Operations in Newton, Massachusetts since March 2025. He was Regional Vice President, Carolinas from July 2015 to February 2025.

Vice President, Organizational and Talent Development: Gillian Morgan. Gillian Morgan has served as Vice President, Organizational and Talent Development in Newton, Massachusetts since February 2023. Previously, Ms. Morgan served as our Director, Organization & Talent Integration from June 2022 to February 2023. From February 2016 to June 2022, she was an OD advisor, Director then Vice President, Organizational Design and Integration for AARP in Washington, DC.

ITEM 3. LITIGATION

Pending

None.

Concluded.

Settlement Agreement re non-solicit provisions. On or about March 22, 2019, we entered into a settlement agreement (“Settlement Agreement”) with the states of Massachusetts, California, Illinois, Iowa, Maryland, Minnesota, New Jersey, New York, North Carolina, Oregon, Pennsylvania, Rhode Island, Vermont and the District of Columbia (“Settling States”). In the Settlement Agreement (a) the Settling States allege that the employee non-solicitation provisions in Panera’s standard franchise agreement violate the Settling States’ antitrust laws, consumer protection laws and employment laws, (b) Panera denies that the employee non-solicitation provisions violate any law, and (c) the parties acknowledge that the Settlement Agreement is entered into without trial or adjudication of any issue of fact or law. In the Settlement Agreement, Panera agrees (a) to discontinue using and enforcing the employee non-solicitation provisions; (b) to amend its franchise agreements in the Settling States to remove the employee non-solicitation provisions and to post notices in bakery cafes to notify employees of the Settlement Agreement. The Settlement Agreement is intended to have the same effect as an Assurance of Discontinuance, Assurance of Voluntary Compliance or Stipulated Judgment and may be filed in court in each of the Settling States. As of the date of this franchise disclosure document, we are not aware of any such filings.

Mahasin Ahmad v. Panera Bread Company, Case No. 21SL-CC00593.

On February 8, 2021, Mahasin Ahmad, a customer of Panera Bread Bakery-Cafes, filed a class action petition (the “Petition”) against Panera in the Circuit Court of St. Louis County, which was subsequently amended on February 4, 2022. The Petition asserted four causes of action on behalf of Mahasin Ahmad and a putative Missouri class for violation of (a) the California Unfair Competition Law, Cal. Bus. & Prof. Code §§ 17200 *et seq.*; (b) the California Consumers Legal Remedies Act, Cal. Civ. Code §§ 1750 *et seq.*; (c) the Missouri Merchandising Practices Act, Mo. Rev. Stat. §§ 407.010 *et seq.*; and (d) breach of contract, all arising from Panera’s alleged misrepresentation of the cost of delivery of food through the Panera website or mobile app. Specifically, the plaintiffs claimed that Panera misrepresented the cost of delivery by charging a delivery fee and not disclosing that menu prices for delivery are higher than in-store prices. Panera denied any liability with respect to the Petition. On May 31, 2024, the plaintiffs and Panera entered into a class-action settlement agreement (the “Settlement Agreement”). Under the terms of the Settlement Agreement, Panera paid \$2,000,000 into a settlement fund, which was inclusive of plaintiffs’ attorneys’ fees, service awards and other amounts paid to various class members, and issued a total of 18,336 food vouchers for various food items valued at \$9.50 per voucher.

Other than these actions, no litigation is required to be disclosed in this Item.

ITEM 4. BANKRUPTCY

No bankruptcy information is required to be disclosed in this Item.

ITEM 5. INITIAL FEES

Area Development Agreement.

Under the Area Development Agreement, you must pay a development fee in an amount equal to \$50,000 multiplied by the number of Panera Bread Bakery-Cafes you agree to develop in connection with the Area Development Agreement (the “Development Fee”), which is due and payable when you sign the Development Agreement. The number of Panera Bread Bakery-Cafes that you may develop under a particular Area Development Agreement is determined by mutual agreement. The number of Panera Bread Bakery-Cafes will vary depending upon a variety of factors, including: (1) existing population and anticipated population growth within the Development Area; (2) competition within the Development Area; (3) the availability of acceptable locations; and (4) the number of Panera Bread Bakery-Cafes we estimate can be developed within the Development Area.

The Development Fee will be credited to the initial franchise fees due under any Franchise Agreement signed in connection with the Development Agreement. As a result, you will not be required to pay an initial franchise fee for any Panera Bread Bakery-Cafe you are required to develop under an Area Development Agreement. The Development Fee is fully earned when paid and no portion of the Development Fee is refundable in whole or in part, including in situations in which you fail to develop any of the Panera Bread Bakery-Cafes that are required to be developed in accordance with the terms of the Area Development Agreement, or we otherwise terminate the Area Development Agreement.

During our fiscal year ending December 30, 2025, we collected Development Fees ranging from \$15,000 to \$20,000.

Franchise Agreement.

Initial Franchise Fee

If you sign an Area Development Agreement and pay a Development Fee, you will not be required to pay an initial franchise fee upon signing each Franchise Agreement. If you do not sign an Area Development Agreement, then the initial franchise fee for a Core Bakery-Cafe or Small Box Bakery-Cafe is \$50,000, which is due and payable when you sign the Franchise Agreement. The initial franchise fee for a Non-Traditional Bakery-Cafe is fifty percent (50%) of our then-current fee for Core and Small Box Panera Bread Bakery-Cafes (currently \$25,000). If you agree to operate one Non-Traditional Bakery-Cafe, you will pay the initial franchise fee upon signing the Franchise Agreement and corresponding Non-Traditional Location Addendum. If you agree to develop multiple Non-Traditional Bakery-Cafes, you will pay the initial franchise fee for each Bakery-Cafe upon signing the applicable Site Addendum to the Development and Operations Agreement. All initial franchise fees are fully earned when paid and are not refundable in whole or in part.

During our fiscal year ending December 30, 2025, we collected initial franchise fees ranging from \$12,500 to \$35,000.

Development Services Agreement

Panera may enter into Development Services Agreements (attached as Exhibit D-1) with franchisees, which provide that Panera may from time to time, at its discretion and on a nonexclusive basis, offer to sell to existing franchisees Panera Bread Bakery-Cafe locations to be developed by us. The purchase price for such proposed locations are the total development costs incurred by Panera, plus an additional Development Fee (currently \$150,000 under existing contracts, however this fee may be modified based on location, services rendered, changes in actual costs and other factors Panera periodically determines). These costs are in addition to any franchise fees payable in connection with a franchisee’s acquisition of the location. The Development Services Agreement does not provide any exclusive rights or territory under the agreement and Panera is not required to make any offers under the agreement. Likewise, the franchisee is not required to accept any offers made by us. We may terminate the Development Services Agreement immediately upon notice for any reason or no reason. We will issue a Bill of Sale in connection with any items transferred to franchisees in connection with the Development Services Agreement, which will provide the extent to which such items must be covered by any warranties. In most instances we would expect that such items will remain subject to any applicable manufacturer’s warranties but will otherwise be transferred by us without any additional express or implied warranties.

We did not collect fees under the Development Services Agreement during our fiscal year ending December 30, 2025.

Real Estate Selection and Construction Management Services Agreement

Panera may enter into Real Estate Selection and Construction Management Services Agreements (attached as Exhibit D-2) with franchisees, which provide that Panera may from time to time, at its discretion and on a nonexclusive basis, offer to provide real estate assistance services to franchisees (such as real estate selection and construction management services). The fees for these services are currently \$150,000, however this fee may be modified based on location, services rendered, changes in actual costs and other factors Panera periodically determines. These costs are in addition to any franchise fees payable in connection with a franchisee's acquisition of the location. The Real Estate Selection and Construction Management Services Agreement does not provide any exclusive rights or territory under the agreement and Panera is not required to make any offers under the agreement. Likewise, the franchisee is not required to accept any offers made by us. We may terminate the Real Estate Selection and Construction Management Services Agreement immediately upon notice for any reason or no reason. Unlike the Development Services Agreement described above, Panera will provide consulting or advisory services only, rather than developing the Bakery-Cafe and transferring possession of the Bakery-Cafe assets to the franchisee.

We did not collect fees under the Real Estate Selection and Construction Services Agreement during our fiscal year ending December 30, 2025.

ITEM 6. OTHER FEES

FRANCHISE AGREEMENT

<u>Type of fee</u>	<u>Amount</u>	<u>Due Date</u>	<u>Remarks (See Note 1)</u>
Royalty	5% of Net Sales	Payable on 1st business day immediately following each "Reporting Period"	"Net Sales" is defined in <u>Note 2</u> below; payment made by automatic electronic withdrawal. "Reporting Period" is the period from Wednesday to Tuesday (or as determined by us).
Advertising National Advertising Fund ("NAF")	4% of Net Sales for standard Panera Bread Bakery-Cafes; 2.6% of Net Sales for Non-Traditional Bakery-Cafes.	NAF and MAF are payable on 1st business day immediately following each "Reporting Period".	"Net Sales" is defined in <u>Note 2</u> below; to the extent collected by Panera, payment is made by automatic electronic withdrawal. "Reporting Period" is the period from Wednesday to Tuesday (or as determined by us). <u>See Note 3</u>
Local Advertising Funds ("LAF")	2.0% of Net Sales; not applicable for Non-Traditional Bakery-Cafes.	LAF (to the extent collected by Panera) is payable on the first business day following each month.	
Marketing Administration Fee ("MAF")	0.4% of Net Sales		

<u>Type of fee</u>	<u>Amount</u>	<u>Due Date</u>	<u>Remarks (See Note 1)</u>
Quality Control Program	Varies	Ongoing	Must contribute pro-rata share of costs of any program implemented, such as “secret shopper,” Interactive Voice Response (“IVR”) Customer Satisfaction Measurement, “customer intercept” or other programs we may implement. (See <u>Note 4</u>)
Re-Inspection Fee	\$3,500	Upon demand	If the inspection conducted by us or our designated agents reveals that your Bakery-Cafe fails to meet our minimum standards (as we determine from time to time), we may charge our then-current standard re-inspection fee for any follow-up inspection relating to such failure.
Interest on late payments	2% over prime rate	Immediately	The interest rate applies to any money you owe us, or any of our Affiliates (as defined in the Franchise Agreement), after the due date.
Fee for insufficient funds in bank account	\$30 (bank fee plus administrative fee)	Within 14 days of notice from us of the insufficient funds	Applies to any insufficient fund payment made by electronic transfers or checks to us or our Affiliates.
Fees to evaluate and approve alternative suppliers	Our reasonable costs and expenses, which currently are expected to range between \$2,500 and \$7,500, although costs could greatly exceed those amounts depending on the product and the proposed alternative supplier.	Upon receipt of our bill	We may impose reasonable inspections and supervision fees to cover our costs in evaluating and maintaining alternative brands or suppliers you propose in accordance with the Franchise Agreement.
Audit	Cost of audit, which is expected to range between \$30,000 and \$70,000 assuming you have maintained adequate books and records	Completion of audit	Payable if you fail to furnish required information or if we find an understatement of Net Sales greater than 2%. The estimated range is for an audit of a multi-unit franchisee, not for a single Panera Bread Bakery-Cafe.
Site Selection Costs	Panera’s reasonable expenses, which are expected to range between \$1,500 and \$4,000	As incurred	Must reimburse us for our reasonable expenses, including the costs of travel, meals and lodging incurred in site evaluation for each visit after the initial visit. The expenses associated with site evaluation will not be refundable and will vary depending on various factors.

<u>Type of fee</u>	<u>Amount</u>	<u>Due Date</u>	<u>Remarks (See Note 1)</u>
Insurance	Will vary under circumstances	As incurred	If you fail or refuse to obtain the required insurance coverage for the Panera Bread Bakery-Cafe, we may obtain coverage at your expense.
Management Fee	\$500 per day, plus our (or a third party's) direct out-of-pocket costs and expenses	As incurred	We have the right (but not the obligation) to enter the premises of your Bakery-Cafe and assume your Bakery-Cafe's management (or to appoint a third party to assume management) if: (1) you abandon or fail actively to operate your Bakery-Cafe; (2) you fail to comply with any provision of the Franchise Agreement or any of our standards and do not cure the failure within the time specified; or (3) the Franchise Agreement expires or is terminated and we are deciding whether to exercise our option to purchase your Bakery-Cafe.
Administrative Fee	\$500 per day that we may terminate the Franchise Agreement	As incurred	Due when you do not comply with the Franchise Agreement.
Attorneys' fees and other costs	Will vary under circumstances	As incurred	Payable if we prevail in any legal dispute with you or in connection with an indemnification.
Indemnification	Will vary under circumstances	As incurred	You must reimburse us if we incur any expense, including attorneys' fees and other costs, or are held liable for claims arising out of your breach of the Franchise Agreement or the development and operation of your Bakery-Cafe.
Transfer	\$25,000 for the transfer of a Bakery-Cafe under the Franchise Agreement. Non-Traditional Locations are not transferrable without our prior written consent.	Upon sale or transfer	Applicable to transfers of an interest in you (whether direct or indirect), the Franchise Agreement, the Area Development Agreement, or the assets of the Panera Bakery-Cafe. You must satisfy all our conditions of transfer as provided under the Franchise Agreement and/or Area Development Agreement in order for us to approve any transfer.
Renewal	50% of the then-current initial franchise fee	Upon signing successor franchise agreement	You must meet certain conditions to have the option to acquire a successor franchise.
Liquidated Damages upon Termination	See <u>Note 5</u>	Within 30 days after termination	Due if the Franchise Agreement terminates before its term expires.

<u>Type of fee</u>	<u>Amount</u>	<u>Due Date</u>	<u>Remarks (See Note 1)</u>
Post-Termination Expenses	Our costs and expenses	Upon demand	You must reimburse us if we incur any expense as a result of your failure to comply with any of the post-termination obligations upon termination or expiration of the Franchise Agreement.
Technology Products & Services	See <u>Note 6</u>	Payable on 1st business day of each calendar month, billed one month in advance	All payments to be made by automatic electronic withdrawal.

Note 1: Except as noted, all fees are payable to Panera and are uniform and non-refundable (however, in some instances that Panera considers appropriate, such as under a refranchising transaction, Panera may waive some or all of these fees). Costs of products and supplies are subject to change from time to time, except as otherwise provided in the Franchise Agreement.

Note 2: The term “Net Sales” means the aggregate amount, determined in accordance with Panera Standards, of all sales of food, beverages and other products and merchandise sold and services rendered at a Bakery-Cafe premises or otherwise rendered in connection with such Panera Bread Bakery-Cafe or your use of the Marks, including monies (whether for cash or credit) (a) derived from sales at or away from such Panera Bread Bakery-Cafe (e.g., catering or delivery), and (b) you receive from the proceeds of any business interruption insurance policies, but excluding (1) all federal, state or municipal sales or service taxes collected from customers and paid to the appropriate taxing authorities; and (2) all documented customer refunds and adjustments and promotional discounts made by such Panera Bread Bakery-Cafe, which we approve in writing. Any discount not approved by us in writing, including unilateral promotions or discounts initiated or applied by a third-party delivery provider, will not reduce Net Sales, and in such cases, Net Sales will be computed using the undiscounted menu price of the item sold. Each sale will be deemed made, and included in Net Sales, at the time the customer is charged, regardless of when or whether payment is actually received from a third-party delivery provider or other intermediary.

The term “Panera Standards” means the accounting, audit and tax standards, methods, practices and procedures as may be established from time to time by us, in our sole discretion, with respect to, among other things, the maintenance of books and records, and the preparation and presentation of financial information and financial statements, but which will not be materially inconsistent with generally accepted accounting principles and which are utilized by us in connection with our Panera Bread Bakery-Cafes. In absence of any particular standard, method, practice or procedure established by us, the term “Panera Standards” refers to generally accepted accounting principles.

Note 3: These items include amounts paid to NAF, LAF and MAF. The 2026 fiscal year NAF contribution rate is 4% for Core and Small Box Bakery-Cafes, and 2.6% for Non-Traditional Bakery-Cafes. Additionally, you must pay the MAF 0.4% of your Bakery-Cafe’s Net Sales and, if you own a Core or Small Box Bakery-Cafe, spend 2.0% of your monthly Net Sales on LAF. However, through the 2026 fiscal year, we will permit franchisees to temporarily reduce the amount required to be spent on LAF to 0.5% of monthly Net Sales. During the term of the Franchise Agreement, NAF contributions will not increase unless voted on by either (i) 66% of all then existing company-owned and franchised Panera Bread Bakery Cafes; or (ii) 51% of all then existing franchised Panera Bakery Cafes.

Note 4: We may publish or disclose to other franchisees, any information that is collected, produced or maintained under any quality control, product monitoring, and product sampling programs in any manner or format that we deem appropriate. We may publish or disclose to third parties any information that we collect, produce or maintain in connection with such “quality control” programs. As part of our “quality control” programs, we, or our designated third-party agents, may conduct an announced or unannounced Bakery-Cafe Food Safety audit of Bakery-Cafes. We may conduct such programs at any location we determine, including, without limitation, at your Bakery-Cafe, our offices, or the offices of an Approved Supplier. All Bakery-Cafes are required to score a minimum score established by us in order to avoid a re-audit within the same year. A re-audit will be conducted if a Bakery-Cafe fails to meet these minimum criteria. All Bakery-Cafes are required to complete corrective actions emanating from a food safety audit within three (3) days of the audit. Critical findings must be corrected immediately. You will be responsible for paying the third-party auditing agency directly for this service. As of the date of this Disclosure Document,

the audit fee does not exceed \$300 for each audit and any follow-up re-audit. This audit fee may increase by a small increment each year.

Note 5: The amount of liquidated damages varies depending on when the Franchise Agreement terminates. If the Franchise Agreement terminates after the effective date of the Franchise Agreement, you must pay us, as liquidated damages for the loss of the benefit of the bargain we are entitled to receive, and not as a penalty, a lump-sum payment equal to the Royalty Fees you owed us during the 36 months before the termination date or, if less than 36 months remain in the term of the Franchise Agreement, the Royalty Fees you owed us during the number of months remaining in the term of the Franchise Agreement following the termination date. If less than 36 months have lapsed between the effective date of the Franchise Agreement and the termination date, the liquidated damages will be the average monthly Royalty Fees during the time between the effective date of the Franchise Agreement and the termination date, multiplied by 36.

Note 6: As noted in Item 11, we require Franchisees to use standard Panera systems (including proprietary eCommerce and Cafe Systems) with their various components and associated fees. The fees listed below are ongoing and payable monthly on a per Bakery-Cafe basis and are subject to change with 90 days' advance notice.

Technology products and services:

Item	Software - Monthly
Cafe Network	\$250 - \$375
Cafe Technology w/o Drive Thru – 2 POS per Cafe; BOH; Help Desk	\$385 - \$410
Cafe Technology with Drive Thru – 3 POS per Cafe; BOH; Help Desk	\$425 - \$500
Digital & eCommerce – 1.75% Digital Sales	1.75% Digital Net Sales*
Kiosks – 2 kiosks cafe	\$230 - \$275

*“Digital Net Sales” means the Net Sales at a Bakery Cafe derived solely from Digital Platforms, including all sales of food, beverages and other products and merchandise sold on Digital Platforms. “Digital Platforms” include mobile sites, third-party delivery sites, the System Website or any other proprietary online website or ecommerce site but does not include kiosks located at a Bakery-Cafe.

[THE REMAINDER OF THIS PAGE IS LEFT BLANK INTENTIONALLY]

AREA DEVELOPMENT AGREEMENT

If you sign an Area Development Agreement, you should review both the above table of fees applicable to Franchise Agreements as well as the following table of fees:

<u>Type of fee</u>	<u>Amount</u>	<u>Due Date</u>	<u>Remarks (See Note 1)</u>
Attorneys' fees and other costs	Will vary under circumstances	As incurred	Payable if we prevail in any legal dispute with you or in connection with an indemnification.
Indemnification	Will vary under circumstances	As incurred	You must reimburse us if we incur any expense, including attorneys' fees and other costs, or are held liable for claims arising out of your breach of the Area Development Agreement or the development and operation of your Bakery-Cafes.
Development Deficiency Royalty Fees	Five percent (5%) of the Assumed Net Sales (as defined in the ADA) for each Panera Bread Bakery-Cafe that you have failed to open in accordance with the Development Schedule.	Upon demand and periodically thereafter until the deficiency is cured.	At our option, in lieu of termination of your ADA.

Note 1: Except as noted, all fees are payable to Panera and are uniform and non-refundable.

ITEM 7. ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Franchise Agreement.

The following chart provides an estimate of your initial investment for a Small Box Bakery-Cafe, Core Bakery-Cafe, and Non-Traditional Location located in a non-urban market:

CATEGORY	ACTUAL OR ESTIMATED AMOUNT			METHOD OF PAYMENT	WHEN DUE	TO WHOM PAID
	Small Box	Core	Non-Traditional			
Franchise Fee	\$50,000	\$50,000	\$25,000	Lump Sum	Upon signing the Franchise Agreement	Panera
Real Property (See Note 1)	(See Note 1)			(See Note 1)	(See Note 1)	(See Note 1)
Leasehold Improvements (See Note 1)	\$559,052 to \$1,963,361	\$703,300 to \$2,661,036	\$5,564 to \$1,170,880	Lump Sum	As incurred before opening	Contractors
Equipment (See Note 2)	\$277,000 to \$348,079	\$275,459 to \$374,706	\$192,278 to \$235,237	Lump Sum	Upon delivery before opening	Equipment Vendors, Panera

Technology Systems (See Note 3)	\$60,000 to \$100,000			Lump Sum	Upon delivery before opening	Technology Vendors, Panera
Fixtures	\$44,683 to \$77,800	\$49,743 to \$124,254	\$51,868 to \$75,205	Lump Sum	Upon delivery before opening	Vendors
Furniture	\$17,471 to \$67,929	\$25,643 to \$94,617	\$0 to \$4,351	Lump Sum	Upon delivery before opening	Vendors
Consultant fees (See Note 4)	\$47,000 to \$328,000			Lump Sum	As incurred before opening	Architect, Engineer, Expeditor, etc.
Supplies & Inventory (See Note 5)	\$21,500 to \$29,500			Lump Sum	Upon delivery before opening	Panera, and other suppliers
Smallwares	\$9,600 to \$48,000			Lump Sum	Upon delivery before opening	Suppliers
Signage	\$20,891 to \$109,540	\$19,089 to \$107,882	\$8,291 to \$13,878	Lump Sum	Upon delivery before opening	Suppliers
Development Services (See Note 6)	\$0 - \$150,000	\$0 - \$150,000	\$0 - \$150,000	Lump Sum	Upon signing our Development Services Agreement	Panera
Real Estate Selection and Construction Management Services (See Note 6)	\$0 - \$150,000	\$0 - \$150,000	\$0 - \$150,000	Lump Sum	Upon signing our Real Estate Selection and Construction Management Services Agreement	Panera
Additional Funds (3 months) (See Note 7)	\$66,505 to \$150,150	\$75,805 to \$351,885	\$77,205 to \$188,135	Lump Sum	As incurred before opening	Vendors, Suppliers, Employees, Utilities, Landlord, etc.
TOTAL (excluding real estate and related costs, and landlord allowances) (See Note 8)	\$1,173,702 to \$3,572,359	\$1,337,139 to \$4,569,880	\$498,306 to \$2,518,186			

These estimated initial expenses are our best estimate of the costs you may incur in establishing and operating your Panera Bread Bakery-Cafe. We do not offer direct or indirect financing for these items. All expenditures paid to us or our Affiliates are uniform and non-refundable under any circumstances once paid. All expenses payable to third parties are non-refundable, except as you may arrange for utility deposits and other payments.

Note 1: The total estimated initial investment does not include real estate. Panera Bread Bakery-Cafes are typically located in malls, strip centers and freestanding locations. The cost of purchasing or leasing and developing a site for a Panera Bread Bakery-Cafe will vary considerably depending on such factors as location, size, and the local real estate market. For a Core Bakery-Cafe you will need to purchase or lease a building of approximately 3,200 to 3,500 square feet (but potentially up to 5,200 sq. ft.) and pay the cost of site work and/or leasehold improvements. For a Small Box Bakery-Cafe you will need to purchase or lease a building of approximately 2,400 to 2,800 square feet and pay the cost of site work and/or leasehold improvements.

During 2025, fifty (50) US sites developed by Panera were leased with lease costs (as averaged throughout the initial term of the lease plus one option period) ranging from approximately \$2,670 to approximately \$27,956 per month base rent, triple net, and with an allowance for tenant improvements ranging from \$0 to \$1,285,100. Leases may also require percentage rent. If you, one of your owners, or one of your Affiliates at any time owns the premises for your Bakery-Cafe, you must immediately notify us and we may require that you or such Owner or Affiliate (1) enter into an agreement with us in recordable form granting us the right and option, in the event of a termination (for whatever reason) of the Franchise Agreement, to lease the premises at fair market rental rates for a term coterminous (in absence of an early termination) with the term of the Franchise Agreement (with an option to extend for 10 years) for such premises; or (2) enter into a prime lease with us at fair market rental rates for a term coterminous with the term of the Franchise Agreement (with an option to extend for 10 years) for such premises and a sublease with us on the same terms as the prime lease. The prime lease and sublease referenced in the preceding sentence will be on the then-current lease and sublease forms used by us.

Note 2: The cost of purchasing equipment for your Bakery-Cafe, including ovens, will differ based on the format you choose. If you have a Non-Traditional Bakery-Cafe these expenses may vary depending on the venue, amount of space and menu limitations in which the Non-Traditional Bakery-Cafe is located, and varies significantly, but are generally less than a Bakery-Cafe. If you are developing a Non-Traditional Bakery-Cafe, you may not be required to purchase or lease the point-of-sale equipment we specify.

Note 3: This estimate includes the investment for (i) Panera technology products and services for the first year of operation as more fully described in Item 6, (ii) computer hardware to be installed at your Bakery-Cafe, and (iii) Panera's standard POS cash register system, other hardware and proprietary software. You may request optional on-site system support for each Bakery-Cafe you open.

Note 4: The consultant fees include an estimated impact fee, which may be imposed by the municipality. We estimate that the average amount of impact fee, if such fee is imposed, will be approximately \$50,000. During 2025, impact fees ranged from \$0 to \$151,376.

Note 5: Food and Beverage Products must be purchased from Approved Suppliers or other suppliers we approve (See Item 8). Other items must meet our quality standards and/or be purchased from an Approved Supplier (See Item 8). The cost of purchasing point of purchase ("POP") materials, training materials and forms is estimated to range from \$3,500 to \$8,500. We estimate the cost of the opening food, paper, chemicals and uniforms orders to range from \$20,000 to \$24,000

Note 6: As noted in Item 5, we provide optional Development Services, Real Estate Services and Construction Services. If you choose to obtain these services, we charge a fee of \$150,000 for each line of service you choose.

Note 7: This estimate includes working capital for the first three (3) months and includes general operating expenses, such as lease payments, inventory, payroll expenses, facility expenses, insurance, pest control, security, repairs and maintenance and complimentary sales and other costs. This estimate also includes your pre-opening expenses during the six months prior to opening and includes such items as professional fees, organizational expenses, utility deposits, and salaries and expenses during training of your Operating Principal (described in Item 15) and your other personnel whose training is required by the Franchise Agreement and/or the Area Development Agreement. Because you and/or your Operating Principal and your other personnel for your Bakery-Cafe, as well as personnel in management positions and personnel that will work in more than one Bakery-Cafe, are required to complete our training program prior to opening your first Bakery-Cafe (See Item 11), these expenses are included for your first Bakery-Cafe. Consequently, the additional funds necessary for your first Bakery-Cafe tend to be on the high end of the estimated range, while the additional funds required for subsequent Bakery-Cafes that you open will tend to fall on the lower end of the estimated range. These figures are estimates based upon our experience in opening and operating company-owned Bakery-Cafes, and we cannot assure you that you will not have additional expenses in starting your Panera Bread Bakery-Cafe.

Note 8: Except as otherwise noted, none of these payments are refundable. These payments are only estimates and your costs may be higher, depending on your particular circumstances. Panera relied on its experience regarding openings of both company-owned Panera Bread Bakery-Cafes and Franchisee-owned Panera Bread Bakery-Cafes to compile these estimates. In geographical areas where we have no Panera Bread Bakery-Cafes or have no significant experience regarding openings of either company-owned Bakery-Cafes or Franchisee-owned Bakery-Cafes, the foregoing estimated initial investment may be less reliable

and you may have to make a greater investment, depending on the circumstances. You should review these figures carefully with a business advisor, accountant or attorney before making any decision to purchase a franchise. We do not offer any financing for your initial investment or any other items. The availability and terms of financing with third-party lenders will depend on factors such as the availability of financing generally, your credit-worthiness and policies of lending institutions concerning the type of business to be operated.

YOUR ESTIMATED INITIAL INVESTMENT

Area Development Franchise

Type of Expenditure	Amount		Method of Payment	When Due	To Whom Paid
	Low	High			
Development Fee ⁽¹⁾	\$100,000	\$100,000	Lump Sum	When you sign your Area Development Agreement	Panera
Initial Investment for the first Panera Bread Bakery-Cafe ⁽²⁾	\$1,123,702	\$4,519,880	Per Table Above	Per Table Above	Per Table Above
TOTAL	\$1,223,702	\$4,619,880			

Notes:

1. If you sign an Area Development Agreement to develop a mutually agreed number of Panera Bread Bakery-Cafes, you will pay a Development Fee equal to \$50,000 multiplied by the number of Panera Bread Bakery-Cafes you commit to develop under the Area Development Agreement. Area Developers must open a minimum of two Panera Bread Bakery-Cafes. These amounts are included in the total estimated initial investment amounts of this Table. See Item 5 for additional information regarding the Development Fee.
2. An initial investment will be required for each Panera Bread Bakery-Cafe you open. Our current estimated initial investment for a single Panera Bread Bakery-Cafe is set forth in the Item 7 tables above. The estimate for a single Panera Bread Bakery-Cafe in this table is reduced by the Initial Franchise Fee (\$50,000), which is payable as part of the Development Fee. You must open a minimum of 2 Panera Bread Bakery-Cafes under the Area Development Agreement.

ITEM 8. RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Generally.

To ensure that high and uniform standards of quality and service are maintained, you must operate your Panera Bread Bakery-Cafe in strict conformity with our methods, standards and specifications and, as described below, you must purchase ingredients, goods, services, supplies, fixtures, equipment and inventory only from suppliers we have approved in writing.

Purchase of Designated Products.

You must purchase any and all products, goods, services or supplies in connection with developing and/or operating Panera Bread Bakery-Cafes, including (but not limited to) Food and Beverage Products, merchandise, uniforms, packaging materials, POP materials, third-party food delivery services, smallwares, menus, forms, marketing materials and labels, only from Approved Suppliers. You must maintain at all times an inventory of approved products, Food and Beverage Products, merchandise, uniforms, packaging materials, POP materials, smallwares, menus, forms, labels and other supplies and other products related to the Panera Bread concept sufficient in quantity, quality and variety as prescribed by the Operations Manual. "Food and Beverage Products" are the finished or partially finished food and beverage products we authorize to be offered and

sold at Panera Bread Bakery-Cafes. An “Approved Supplier” is any supplier, including us, an Affiliate of ours, or an independent third party, whom we authorize to manufacture, produce, and/or supply any products, goods, services or supplies in connection with developing and/or operating Panera Bread Bakery-Cafes, including (but not limited to) Food and Beverage Products, merchandise, uniforms, packaging materials, POP materials, third-party food delivery services, smallwares, menus, forms, marketing materials and labels. An “Alternative Supplier” is any supplier who has been proposed by you or by another franchisee to manufacture, produce, and/or supply any item, including Food and Beverage Products, and who must be approved by us in writing to do so.

Approved Suppliers are not liable for any delay in the delivery of ingredients as a result of any force majeure. Approved Suppliers may establish policies and procedures from time to time for the allocation and distribution of Food and Beverage Products among Panera Bread Bakery-Cafes.

If you propose to purchase any items used in the development or operation of your Panera Bread Bakery-Cafe from an Alternative Supplier who is not then an Approved Supplier, you and the proposed supplier must submit to us all information that we may request in order to determine whether to approve the Alternative Supplier. We will have the right to approve or disapprove any Alternative Supplier, including to approve an Alternative Supplier conditionally, and not list or authorize the Alternative Supplier as part of our wider distribution system. In evaluating an Alternative Supplier you propose, we may, subject to restrictions and conditions to protect our trade secrets and Confidential Information, disclose to such proposed Alternative Supplier applicable standards, specifications, ingredients, recipes, processes, equipment and procedures for the item in sufficient detail to enable the proposed supplier to demonstrate its capacity and capabilities to supply the items in accordance with our requirements. Within one hundred twenty (120) days after we receive all requested information, we will communicate to you in writing our decision to approve or disapprove your proposed Alternative Supplier. We will evaluate proposed Alternative Suppliers on their ability to comply with applicable standards, specifications, ingredients, recipes, processes, and procedures, on their consistency, reliability, financial capacity, customer relations and use of approved equipment, and we will only approve those proposed alternative suppliers that meet our high standards. You must notify us at least thirty (30) days in advance before you first start purchasing any items manufactured, produced, or supplied by an Alternative Supplier who is already approved by us in writing. We may disapprove any Alternative Supplier who we previously approved in writing, and you may not, after receipt of notice of disapproval, reorder Food and Beverage Products manufactured, produced, or supplied by any Alternative Supplier we have disapproved.

We may prescribe procedures for the submission of requests for approval and impose obligations on Alternative Suppliers, which will be incorporated in a written agreement you and the Alternative Supplier may enter and which we may be a party to. We may obtain from you and/or such Alternative Suppliers reimbursement of our reasonable costs and expenses incurred in connection with the approval process and on-going monitoring of the supplier’s compliance with our requirements, but we will not profit from the sale to you of items manufactured, produced, or supplied by an Alternative Supplier. We may impose limits on the number of Alternative Suppliers we approve. We may monitor the quality of Food and Beverage Products manufactured, produced, or supplied by Alternative Suppliers in a manner we deem appropriate and may terminate any Alternative Supplier who does not meet our quality standards and specifications. If you purchase one or more types of items manufactured, produced, or supplied by an Alternative Supplier, no Approved Supplier will have any obligation to sell you any items while you are purchasing from any Alternative Supplier. If, after commencing purchasing items from an Alternative Supplier, you want the Approved Supplier to resume supplying you with items, we may require you to submit to us an application, in such form as we may determine, which we will normally process within thirty (30) days. The Approved Supplier has no obligation to resume supplying items to you, and you may not place an order for such products with the Approved Supplier, until we have approved your application in writing for resupply.

Items We Supply or Derive Revenue From.

In the fiscal year ending December 30, 2025, we derived \$236,633,454 in total revenue or other material consideration from required purchases or leases by franchisees, which amount includes rebates on ingredients and food products produced by third parties and sold to franchisees (as further described below). The total revenue we derived from required purchases or leases by franchisees accounted for 6.7% of our overall revenue of \$3,543,525,586.

We have entered into several bakery product supply agreements (“Supply Agreements”) with outside vendors (together “Bakery Suppliers”) under which they produce certain bakery products (“Bakery Products”). Under the Supply Agreements, the

Bakery Suppliers supply Bakery Products to the Panera Bread Bakery-Cafe System through one or more distributors (“Distributors”) we designate. Distributors purchase the Bakery Products from the Bakery Suppliers at prices that we establish with the Bakery Suppliers (described below). Either the Distributor or the Bakery Supplier will pay us a rebate with respect to your purchase of Bakery Products from a Distributor equal to the difference between (a) the price you pay for Bakery Products, and (b) the agreed upon price charged to the Distributor by the Bakery Suppliers. This rebate arrangement may change or be eliminated on termination or renegotiation of the various Supply Agreements.

As noted above, we establish with the Bakery Suppliers the price at which Bakery Products will be sold to a Distributor (for resale to Company-owned and franchised Bakery-Cafes). This price is based on an estimate of certain direct costs of manufacture the Bakery Supplier expects to incur in producing the Bakery Products, plus a percentage mark-up, as specified in its supply agreements. At specified intervals during the year, the Bakery Supplier and Panera will compare the costs that were estimated and the actual costs incurred in producing the food products, and a payment will be made by the Bakery Supplier to us, or by us to the Bakery Supplier, to reflect actual costs incurred.

Acting solely as a distributor, we began offering additional items, such as produce, cream cheese, and potato chips. We have expanded this program and, as of the date of this disclosure document, we collect a delivery and handling fee from franchisees who participate in the program.

From time to time, we enter into agreements or commitments with suppliers to purchase a certain volume of items used at all Panera Bread Bakery-Cafes (company-owned and franchised) in order to take advantage of favorable pricing or anticipate product availability, among other things. We review and attempt to project these supply needs, using internal pricing and sales projection models and commit to agreed upon volumes. If the agreed upon volume for a particular item does not materialize, we may request that the supplier increase the prices paid by us and franchisees for other items in order to cover the costs payable to the supplier for the excess volume. In addition, we have entered into contracts with companies to assist in improving the functioning of the supply chain, including by negotiating sourcing costs for certain items, and assisting in quality management, assurance and control, pricing, product forecasting and selection, inventory and distribution logistics and efficiency, and supply chain engineering and redistribution. Panera expects to recover the compensation related to such services through an increase in the prices paid by both company-owned and Franchisee-owned Bakery-Cafes for products purchased through our distribution partners.

Except as noted above, we do not negotiate purchase arrangements with suppliers, including price terms, for the benefit of franchisees. There are no purchasing or distribution cooperatives. We do not provide material benefits to a franchisee based on a franchisee’s purchase of particular products or services or use of particular suppliers.

Except as described above, neither we nor any of our Affiliates derive revenues or other material consideration (including rebates) as a result of your purchases from suppliers.

None of our officers own an interest in any privately-held suppliers, or a material interest in any publicly-held suppliers of our franchise system. From time to time, our officers may own non-material interests in publicly-held companies that are suppliers to our franchise system. Panera maintains written *Standards of Business Conduct* which governs our associates’ ownership of stock or other financial interests in suppliers or potential suppliers.

Collectively, the purchases and leases described above are approximately 90% of your overall purchases and leases in establishing your Bakery-Cafe and 95% of your overall purchases and leases in operating your Bakery-Cafe.

Specifications, Standards and Procedures.

Each aspect of the interior and exterior appearance, layout, decor, services and operation of your Bakery-Cafe is subject to our specifications and standards. You must comply with all specifications, standards and operating procedures (whether contained in the Panera Operations Manual or any other written communication) relating to the appearance, function, cleanliness and operation of a Panera Bread Bakery-Cafe. No later than five (5) years during the term of the Franchise Agreement, you must refurbish and refresh your Bakery-Cafe, including to re-equip and/or upgrade your Bakery-Cafe pursuant to our plans and specifications. You will diligently complete any such refurbish and refresh of your Bakery-Cafe within a reasonable time of commencing the work. You may not make any alterations to your Bakery-Cafe, nor any replacements, relocations or alterations

of fixtures, equipment, furniture or signs, without or prior written approval. In addition, during the term of the Franchise Agreement, and no later than ten (10) years, we may require you, at your sole cost and expense, to remodel your Panera Bread Bakery-Cafe to conform your building design, trade dress, color schemes, and presentation of Marks to our then-current specified public image. Such a remodeling may include extensive structural changes to your Panera Bread Bakery-Cafe and replacement or modification of furnishings, fixtures and equipment as well as other changes as we may direct, and you must undertake such a program promptly upon notice from us. You must complete any such remodeling as expeditiously as possible, but in any event within ninety (90) days of commencing the work. You may not commence any remodeling of your Panera Bread Bakery-Cafe without our prior written approval.

Real Estate Requirements.

We may (but we have no obligation) to enter into a master lease for the premises for your Bakery-Cafe (or a substitute site you propose), whether directly or through an Affiliate, and sublease the premises for your Bakery-Cafe (or any substitute site you propose) to you upon mutually agreeable terms regarding fees, rent and deposits. Any master lease that we or our Affiliate may enter into for the premises for your Bakery-Cafe (or a substitute site you propose) will neither give rise to any liability on our part (or that of our Affiliates), nor will such master lease be construed as an express or implied warranty to you regarding the viability, profitability or merit of the premises for your Bakery-Cafe (or a substitute site you propose). You may not be a third-party beneficiary of the master lease and we do not make any representations or guarantees regarding the commercial terms of the master lease, including, but not limited to, the rent. If we or our Affiliate sublease the premises for your Bakery-Cafe (or a substitute site you propose) to you, you will execute our then current form of sublease, as may be modified or amended by us.

Website.

We or our designee may establish a website or series of websites for the Panera Bread Bakery-Cafe network: (i) to advertise, market, and promote Panera Bread Bakery-Cafes, the products and services they offer and/or the Panera Bread Bakery-Cafe franchise opportunity; and/or (ii) for any other purposes we deem appropriate for Panera Bread Bakery-Cafe (collectively, the “System Website”). If we establish a System Website, we may provide you with a separate interior webpage (accessible only through the System Website) referencing your Bakery-Cafe and/or otherwise allow you to participate in the System Website. You must develop your webpage at your own expense using a template we provide. We must approve your webpage in writing before it is posted by our webmaster on the System Website and have the continuing right to monitor and approve your webpage’s form in writing, content, and quality during the term of the Franchise Agreement. We may reject your webpage if its form or content is unacceptable to us. Other than as described above in connection with the System Website, you may not develop, maintain, or authorize any website that mentions or describes you or your Bakery-Cafe or displays any of the Marks without our prior written approval.

Credit Cards.

It is your responsibility to maintain and report your Payment Card Industry (“PCI”) compliance, which encompasses operational policies and practices as well as networks and POS systems hardware/software used to process credit card transactions, as well as attesting that you are abiding by (i) the PCI Data Security Standards enacted by the applicable Card Associations (as they may be modified from time to time or as successor standards are adopted); and (ii) all other security standards and guidelines that may be published from time to time by payment card companies and/or enacted by law, and are applicable to customer credit card and debit card information. If you know or suspect unauthorized access, use, disclosure or another security breach involving cardholder data, you must immediately notify both your credit card transaction acquirer and us, and agree to provide us with information reasonably requested in a prompt manner in connection with the security breach. You assume all responsibility for providing notice of breach or compromise, along with duties and costs associated with fraudulent transactions, penalties, and ongoing fees for monitoring customer credit card histories and/or transactions for affected customers of your Bakery-Cafe.

Delivery and Catering Services.

We may grant you a non-exclusive right to provide offsite catering and/or delivery services for certain food products we may authorize from time to time within a geographical area around your Bakery-Cafe that we may designate from time to

time (“Catering/Delivery Area”). If we provide you with the right to provide offsite catering and/or delivery services, you must make accommodations for delivery and/or catering services in compliance with our System, and as set forth in the Operations Manual or otherwise in writing by us, including without limitation, utilizing only the specified designated delivery and/or catering service providers we identify (and which we may change from time to time in our sole discretion) and making available only the menu items identified as appropriate for delivery and/or catering (and which we may change from time to time in our sole discretion).

Insurance.

You must maintain in force, at the limits we require: (a) commercial general and product liability insurance; (b) all risk property insurance, including fire and extended coverage, vandalism and malicious mischief insurance, for the replacement value of your Panera Bread Bakery-Cafe and its contents with a minimum of six months of business interruption/business income coverage; (c) commercial auto liability insurance covering owned, borrowed, hired and non-owned autos; (d) workers’ compensation (in the amount required by law, or if there is no statutory requirement, the amount we require)/employer’s liability insurance; (e) cyber liability insurance, including coverage for network security liability, privacy liability and payment card industry (PCI) liability, and (f) such other insurance policies as we may determine from time to time. We may periodically increase the amounts of coverage required under these insurance policies and/or require different or additional insurance coverage at any time to reflect inflation, identification of new risks, changes in law or standards of liability, higher damage awards or other relevant changes in circumstances. All insurance policies must: (1) be issued by carriers licensed to do business in the state with an AM Best rating of A-VIII or higher or otherwise approved by us in writing; (2) contain such types and minimum amounts of coverage, exclusions and maximum deductibles as we prescribe from time to time; (3) name us and our Affiliates and all Indemnitees (as defined in the Franchise Agreement) as additional insureds for both ongoing and completed operations, and provide for defense and indemnity coverage to the additional insured for claims arising out of or related to the operation of the Bakery-Cafe; (4) provide for thirty (30) days’ prior written notice to us of any material modification, cancellation or expiration of such policy; (5) include a waiver of subrogation against us and all named insureds; (6) include a waiver of rights of recovery against us and all named insureds; (7) a severability of interest clause for us and all named insureds, with no cross-liability for exclusion; and (8) include such other provisions as we may require from time to time. Your insurance must apply on a primary and non-contributory basis, which shall apply specifically to the additional insured coverage that we require. Any assumption of risk not covered by a third-party insurance policy or a qualified self-insured program must also be approved by us in writing.

Set forth below are the types and minimum coverage amounts that we require for each franchised Panera Bread

Bakery-Cafe per location:

COMMERCIAL GENERAL LIABILITY:

General Aggregate Limit:	\$2,000,000
Products/Completed Operations Aggregate Limit:	\$2,000,000
Personal and Advertising Injury Limit:	\$1,000,000
Damage to Premises Rented to You:	\$1,000,000
Bodily Injury and Property Damage Per Occurrence Limit:	\$1,000,000

AUTOMOBILE LIABILITY: Bodily Injury and Property Damage

Combined Single Limit:	\$1,000,000

Hired and Non-Owned Liability Limit: \$1,000,000

WORKERS' COMPENSATION:

Workers' Compensation: STATUTORY OR AS OTHERWISE REQUIRED BY US

Employer's Liability: \$1,000,000 per employee, bodily injury by disease
\$1,000,000 policy limit, bodily injury by disease
\$1,000,000 per employee, bodily injury by accident

UMBRELLA LIABILITY

1 to 10 Bakery-Cafes: \$10,000,000 each occurrence (minimum)
\$10,000,000 aggregate (minimum)

11 to 25 Bakery-Cafes: \$15,000,000 each occurrence (minimum)
\$15,000,000 aggregate (minimum)

26 to 50 Bakery-Cafes: \$20,000,000 each occurrence (minimum)
\$20,000,000 aggregate (minimum)

51 to 100 Bakery-Cafes: \$25,000,000 each occurrence (minimum)
\$25,000,000 aggregate (minimum)

101 to 200 Bakery-Cafes: \$35,000,000 each occurrence (minimum)
\$35,000,000 aggregate (minimum)

More than 201 Bakery-Cafes: \$50,000,000 each occurrence (minimum)
\$50,000,000 aggregate (minimum)

These insurance policies must (i) be primary to and without right of contribution from any other insurance policy purchased by us or any other Indemnitee, (ii) not contain a self-insured retention; (iii) must not contain a deductible in excess of \$25,000; (iv) make satisfaction of any/all deductibles your sole responsibility; and (v) extend to and provide indemnity for all of your indemnification obligations to us and the other Indemnitees under the Franchise Agreement. You will not reduce the policy limits, restrict coverage, cancel or otherwise alter or amend your insurance policies without our prior written consent. If there is a claim by us or any one or more of the other Indemnitee against you, you must, upon our request, assign to us all rights which you then have or thereafter may have with respect to the claim against the insurer(s) providing the coverages described above.

If you operate a Non-Traditional Bakery-Cafe, and if we request, the general business liability and any other required insurance policies and coverage identified above must cover all common areas within the host facility. If you operate other restaurants or businesses within the host facility, in addition to your Non-Traditional Bakery-Cafe, you must obtain and maintain comprehensive business liability insurance and an umbrella insurance policy collectively covering all of your businesses.

[THE REMAINDER OF THIS PAGE IS LEFT BLANK INTENTIONALLY]

ITEM 9. FRANCHISEE'S OBLIGATIONS

THIS TABLE LISTS YOUR PRINCIPAL OBLIGATIONS UNDER THE FRANCHISE AGREEMENT 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.

<u>Obligation</u>		<u>Section in Agreement</u>	<u>Item in Disclosure Document</u>
a.	Site selection and acquisition/lease	Sections 3.01 and 3.02 of Franchise Agreement and Area Development Agreement; Sections 3.1 and 3.2 of Development and Operations Agreement	<u>Items 7, 8 and 11</u>
b.	Pre-opening purchases/leases	Sections 3.03, 3.04 and 3.05 of Franchise Agreement; Sections 3.3 and 3.4 of Development and Operations Agreement	<u>Items 6, 7, 8, and 11</u>
c.	Site development and other pre-opening requirements	Sections 3.03, 3.04 and 3.05 of Franchise Agreement; Sections 3.3 and 3.4 of Development and Operations Agreement	<u>Items 6, 7, 8, and 11</u>
d.	Initial and ongoing training	Section 4 of Franchise Agreement; Section 4.03 of Area Development Agreement; Sections 3.1 and 3.2 of Development and Operations Agreement	<u>Item 11</u>
e.	Opening	Section 3.04 of Franchise Agreement; Section 3.3 of Development and Operations Agreement	<u>Item 11</u>
f.	Fees	Sections 6 and 10 of Franchise Agreement; Sections 2.01 and 3.04 of the Area Development Agreement; Sections 5.1 and 5.2 of Development and Operations Agreement; Section 2 of the SHS Services Agreement	<u>Items 5, 6, 7 and 11</u>
g.	Compliance with standards and policies/Panera Operations Manual	Sections 4.03 and 9 of Franchise Agreement; Section 6 of Development and Operations Agreement	<u>Items 8 and 11</u>
h.	Trademarks and proprietary information	Sections 5, 7.01 and 7.03 of Franchise Agreement; Sections 5.03, 6.01 and 6.03 of the Area Development Agreement; Section 10 of Development and Operations Agreement; Sections 4 and 15 of the SHS Services Agreement	<u>Items 13 and 14</u>
i.	Restrictions on products/services offered	Section 9 of Franchise Agreement; Section 6 of Development and Operations Agreement	<u>Item 16</u>

	<u>Obligation</u>	<u>Section in Agreement</u>	<u>Item in Disclosure Document</u>
j.	Warranty and customer service requirements	N/A	N/A
k.	Territorial development and sales quotas	Sections 2.02 and 2.03 of the Area Development Agreement	<u>Item 11</u>
l.	Ongoing product/service purchases	Sections 9.03, 9.04 and 9.05 of Franchise Agreement; Section 6 of Development and Operations Agreement	<u>Item 8</u>
m.	Maintenance, appearance and remodeling requirements	Sections 9.01, 9.02 and 9.05 of Franchise Agreement; Section 6 of Development and Operations Agreement	<u>Item 8</u>
n.	Insurance	Section 9.08 of Franchise Agreement; Section 6.9 of Development and Operations Agreement	<u>Item 8</u>
o.	Marketing and Advertising	Section 10 of Franchise Agreement; Section 7 of Development and Operations Agreement	<u>Items 6, 7, 8 and 11</u>
p.	Indemnification	Section 17.02 of Franchise Agreement; Section 5.02 of the Area Development Agreement; Section 15.2 of Development and Operations Agreement; Section 17 of the SHS Services Agreement	<u>Item 6</u>
q.	Owner's participation, management and staffing	Sections 8 and 9.07 of Franchise Agreement; Section 4.03 of the Area Development Agreement; Section 4 of Development and Operations Agreement	<u>Item 15</u>
r.	Records and reports	Section 11 of Franchise Agreement; Section 3.06 of the Area Development Agreement; Section 8 Development and Operations Agreement	<u>See Note 1 below</u>
s.	Inspections and audits	Section 12 of Franchise Agreement; Section 9 of Development and Operations Agreement; Section 21 of the SHS Services Agreement	<u>Item 6</u>
t.	Transfer	Section 13 of Franchise Agreement; Section 7 of the Area Development Agreement; Section 12 of Development and Operations Agreement; Section 25(f) of the SHS Services Agreement	<u>Items 6 and 17</u>
u.	Renewal	Section 15 of Franchise Agreement; Section 3.1 of the SHS Services Agreement	<u>Items 6 and 17</u>

<u>Obligation</u>		<u>Section in Agreement</u>	<u>Item in Disclosure Document</u>
v.	Post-termination obligations	Section 16 of Franchise Agreement; Section 9 of the Area Development Agreement; Section 14 of Development and Operations Agreement; Section 3.3 of the SHS Services Agreement	<u>Item 17</u>
w.	Non-competition covenants	Section 7.02, 13.02 and 16.03 of Franchise Agreement; Sections 6.02, 7.02 and 9.02 of the Area Development Agreement; Section 14.3	<u>Item 17</u>
x.	Dispute resolution	Section 18 of Franchise Agreement; Section 10 of the Area Development Agreement; Section 16 of Development and Operations Agreement; Section 22 of the SHS Services Agreement	<u>Item 17</u>

ITEM 10. FINANCING

We do not offer direct or indirect financing to franchisees. We do not guarantee your notes, leases or other obligations.

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

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

Pre-Opening Obligations.

We will provide the following pre-opening assistance:

1. We will provide you general guidance in selecting sites. (Area Development Agreement, Section 3.01; Franchise Agreement, Section 3; Development and Operations Agreement, Section 3.2);
2. We will provide you with an operational concept plan and specifications for your Panera Bread Bakery-Cafe. We will also provide guidance to you in developing your Panera Bread Bakery-Cafe. (Franchise Agreement, Section 3.03; Development and Operations Agreement, Sections 3.2 to 3.4);
3. We will provide training to you and/or your Operating Principal and the Bakery-Cafe general manager. However, as described in Item 6, you will be responsible for all compensation and expenses (including training materials, travel, meals and lodging) incurred in connection with any training programs. This training is described in detail later in this Item. (Franchise Agreement, Section 4.01; Development and Operations Agreement, Sections 3.5 and 4);
4. We will provide you access with the Operations Manual information, with respect to training, quality assurance, health, safety, security, site selection and acceptance processes, customer services, Approved Suppliers, operating system manuals, and the menu policy. (Franchise Agreement, Section 4.03; Development and Operations Agreement, Section 4.6). The table of contents of the Operations Manual is attached to this Disclosure Document as Exhibit F. The Operations Manual currently comprises an approximate total of 600 pages, and is revised periodically;
5. If you have not previously owned or managed a Panera Bread Bakery-Cafe, we may provide advisory opening assistance focused solely on operational and brand standards, including up to four (4) days of on-site support, as scheduled by us. (Franchise Agreement, Section 4.02);

6. We periodically hold an “Owner’s Orientation” and a “Marketing Orientation”. The “Owner’s Orientation” is to acquaint your Operating Principal with Panera’s System. Your Operating Principal is required to attend an “Owner’s Orientation” as soon as possible after entering into an Area Development Agreement. Your marketing director, Operating Principal, or other designated member of your organization must also attend at least one “Marketing Orientation”. They should attend the next “Marketing Orientation” after you enter into an Area Development Agreement (Area Development Agreement, Section 4.04) or the next meeting after joining your organization;
7. In the event that we offer an existing Franchisee or Area Developer the opportunity to own and operate a Bakery-Cafe location approved by us in writing for development, such Franchisee or Area Developer may enter into a Development Services Agreement, pursuant to which we may provide certain development, construction and related services not otherwise provided under the terms of any Franchise Agreement or Area Development Agreement. (Development Services Agreement; Section 1; Section 5); and
8. In the event that we offer to provide development related consulting services to an existing Franchisee or Area Developer with respect to a Bakery-Cafe location approved by us in writing for development, such Franchisee or Area Developer may enter into a Real Estate Selection and Construction Management Services Agreement, pursuant to which we may provide certain site selection, construction and related services not otherwise provided under the terms of any Franchise Agreement or Area Development Agreement. (Real Estate Selection and Construction Management Services Agreement, Section 1; Section 3; Section 5).

Continuing Obligations.

We will provide the following assistance during the operation of your Panera Bread Bakery-Cafe:

1. We will provide periodic guidance to you regarding the System, including improvements and changes. (Franchise Agreement, Section 4.04; Development and Operations Agreement, Section 6.6);
2. We may modify the Panera Operations Manual from time to time to reflect changes in the System Standards. (Franchise Agreement, Section 4.03; Development and Operations Agreement, Section 6.6);
3. We will periodically issue specifications, standards, methods and operating procedures for Panera Bread Bakery-Cafes. (Franchise Agreement, Section 9; Development and Operations Agreement, Section 6.6);
4. We will sell (or cause our Affiliates or Approved Suppliers, as applicable, to sell) to you Food and Beverage Products. (Franchise Agreement, Sections 9.03, Section 9.04 and Section 9.05; Development and Operations Agreement, Section 6.3);
5. We administer a National Advertising Fund for the creation and development of marketing, advertising and related programs and materials. (Franchise Agreement, Section 10; Development and Operations Agreement, Section 7.1);
6. We will provide periodic and on-going training programs for you and/or your Operating Principal (See Item 15) and your Bakery-Cafe general manager. However, as described in Item 6, you will be responsible for all compensation and expenses (including training materials, travel, meals and lodging) incurred in connection with any training programs. This training is described in detail later in this Item. (Franchise Agreement, Section 4.01; Development and Operations Agreement, Section 4.6); and
7. We may, to the fullest extent allowed by applicable law, establish maximum, minimum, or other pricing requirements with respect to the prices you may charge for products and services. (Franchise Agreement, Section 9.11; Development and Operations Agreement, Section 6.12).

Site Selection.

You select the site for your Panera Bread Bakery-Cafe, subject to our acceptance. If we do not accept a site you propose, you may select another site, subject to our acceptance. If you enter into an Area Development Agreement with us, you must

select sites within your specified geographic area as set forth in your Area Development Agreement. We will provide you with our standard site selection criteria and/or on-site evaluations of sites, as we deem appropriate.

Before you acquire, by lease or purchase, any site for a Panera Bread Bakery-Cafe, you must submit a complete site information package to us. We will review each site information package and determine whether to accept or reject the site after considering factors we deem appropriate, including, without limitation, the general location and neighborhood, demographic information, traffic patterns, access, visibility, location of other restaurants and food establishments, size, configuration, appearance and other physical characteristics of the site. If we accept the site, we will deliver to you a signed site acceptance letter. We will use reasonable efforts to make a site acceptance decision within thirty (30) days after we acknowledge receipt of a complete site information package and any other materials we have requested. (Area Development Agreement, Section 3.02). If you, one of your owners, or one of your Affiliates at any time owns the premises for your Bakery-Cafe, you must immediately notify us and we may require that you or such Owner or Affiliate (1) enter into an agreement with us in recordable form granting us the right and option, in the event of a termination (for whatever reason) of the Franchise Agreement, to lease the premises at fair market rental rates for a term coterminous (in absence of an early termination) with the term of the Franchise Agreement (with an option to extend for 10 years) for such premises; or (2) enter into a prime lease with us at fair market rental rates for a term coterminous with the term of the Franchise Agreement (with an option to extend for 10 years) for such premises and a sublease with us on the same terms as the prime lease. The prime lease and sublease referenced in the preceding sentence must be on the then-current lease and sublease forms used by us. We may (but we have no obligation) to enter into a master lease for the premises for your Bakery-Cafe (or a substitute site you propose), whether directly or through an Affiliate, and sublease the premises for your Bakery-Cafe (or any substitute site your propose) to you upon mutually agreeable terms regarding fees, rent and deposits. Any master lease that we or our Affiliate may enter into for the premises for your Bakery-Cafe (or a substitute site your propose) must neither give rise to any liability on our part (or that of our Affiliates), nor will such master lease be construed as an express or implied warranty to you regarding the viability, profitability or merit of the premises for your Bakery-Cafe (or a substitute site you propose). You must not be a third-party beneficiary of the master lease and we do not make any representations or guarantees regarding the commercial terms of the master lease, including, but not limited to, the rent. If we or our Affiliate sublease the premises for your Bakery-Cafe (or a substitute site your propose) to you, you will execute our then current form of sublease, as may be modified or amended by us.

If you operate a Non-Traditional Bakery-Cafe, we will review and approve or disapprove the lease for your Panera Bread Bakery-Cafe.

We will use reasonable efforts to help analyze your market area, to help determine site feasibility, and to assist in designating a location, although we will not conduct site selection activities for you. We will not unreasonably withhold our acceptance of a site that meets our criteria for demographic characteristics; traffic patterns; parking; character of neighborhood; competition from, proximity to, and nature of other businesses; other commercial characteristics; and the proposed site's size, appearance, and other physical characteristics. You agree to send us a description of the proposed site within the Designated Area, including a summary of the items listed above, along with a letter of intent or other evidence confirming your favorable prospects for obtaining the proposed site. Neither our acceptance of the premises nor any information communicated to you regarding our standard site selection criteria for Panera Bread Bakery-Cafes or the specific location of the premises will constitute a warranty or representation of any kind, express or implied, as to the suitability of the site for a Panera Bread Bakery-Cafe. Our acceptance of the proposed site merely signifies that we are willing to grant a franchise for a Panera Bread Bakery-Cafe at the site. Your Panera Bread Bakery-Cafe may not be relocated without first obtaining our prior written consent. Requests for our consent to any relocation should be made at least six (6) months prior to the intended closing date for the Bakery-Cafe to be relocated and identify a proposed relocation site. We are under no obligation to allow you to relocate, and to the extent we do, you must follow our then-current criteria and protocol. (Franchise Agreement Section 2.01)

In conjunction with our decision whether to accept or reject a proposed site, we will require that you and your owners furnish us financial statements (historical and pro forma), statements of the sources and uses of capital funds, budgets and other information regarding yourself, your owners and each legal entity, if any, involved in the development, ownership and operation of any Panera Bread Bakery-Cafe you propose, as well as any then existing Panera Bread Bakery-Cafes you or your Affiliates own. All such information must be verified by you and your owners as being complete and accurate in all respects, must be submitted to us in accordance with our requirements and will be relied on by us in determining whether to grant a franchise for the proposed Panera Bread Bakery-Cafe. We may refuse to grant you a franchise for a Panera Bread Bakery-Cafe if you fail to demonstrate sufficient financial and management capabilities to properly develop and operate the proposed Panera Bread

Bakery-Cafe and the then-existing Panera Bread Bakery-Cafes you and your Affiliates own. We will evaluate such financial and management capabilities in accordance with the then-current standards we use to establish Panera Bread Bakery-Cafes in other comparable market areas.

If you operate a Non-Traditional Bakery-Cafe, we must accept the site and the host facility before you sign the Franchise Agreement and any applicable addendum or Site Addendum. (Non-Traditional Location Addendum, Section 5; Development and Operations Agreement, Section 3.2).

We estimate the time from the date you sign the Franchise Agreement to the date you open your Panera Bread Bakery-Cafe to be between one (1) and nine (9) months. However, this time estimate may vary depending on numerous factors including location, construction schedules and financing.

Under the Franchise Agreement, you must lease or purchase the premises for your Panera Bakery-Cafe within one hundred eighty (180) days after the effective date of the Franchise Agreement; must start construction of your Panera Bread Bakery-Cafe within sixty (60) days after the later of (a) delivery to you of the right of possession of the premises and (b) issuance of all permits and licenses required for construction and/or renovation of the premises; and finally, you must open your Panera Bread Bakery-Cafe within one year of signing the Franchise Agreement. (Franchise Agreement, Sections 3.02 and 3.03) Under a Site Addendum signed pursuant to a Development and Operations Agreement, you must open your Panera Bakery-Cafe within one hundred eighty (180) days after the effective date of the applicable Site Addendum. (Development and Operations Agreement, Section 3.2).

Training.

If this is your first experience opening a Panera Bread Bakery-Cafe, then before your Panera Bread Bakery-Cafe opens for business, your Operating Principal (described in Item 15) and the Bakery-Cafe general manager must successfully complete our Certified Manager Program (the “CMP”). A general manager will become certified upon successful completion of subsets #1, #2, #3, #4, and #5 listed on the Retail Training Program chart on the following pages.

Your Operating Principal must complete Retail Training which includes all applicable positions and consists of hands-on training and may include classroom training, covering all phases of Bakery-Cafe operations, including food preparation, equipment operation and maintenance, cost control, inventory control and basic techniques of baking. The CMP is a fifty-six (56) to ninety (90) day program taught by a general manager who has been certified to train. Any bakery-cafe training will be conducted at a certified Panera Bread training Bakery-Cafe. Current certification status from an ANSI Accredited Program, including ServSafe from National Restaurant Association, National Registry from Environmental Health Testing, Prometrics, 360 Training or equivalent, or a Panera-approved food safety course within the operating state, if offered by the state, is required for all active managers who run shifts. This includes all General Managers and Cafe Management roles. Generally, training begins one hundred twenty (120) days before opening your Bakery-Cafe.

As of the date of this Disclosure Document, training programs and processes are under the direction of our training staff who have between five (5) and twenty (20) years of experience with training. Various members of our staff and Panera Bread Bakery-Cafe management personnel who have experience in the operation of Panera Bread Bakery-Cafes conduct the training classes.

We will not charge any fees for attending the training programs. However, as described in Item 6, you will be responsible for all compensation and expenses (including training materials, travel, meals and lodging) incurred in connection with any training programs. Neither you nor your employees will receive any compensation from us for services performed during training.

Instructional materials for the training programs, the subjects covered in training, approximate hours of classroom (which may be conducted virtually online) and on-the-job training, the instructors and the training locations are described below:

MANAGEMENT TRAINING

SUBJECT	INSTRUCTIONAL MATERIAL	HOURS OF CLASSROOM TRAINING	HOURS OF ON THE JOB TRAINING	INSTRUCTOR	LOCATION
Retail Training (required for Operating Principal and all managers)	Certified Manager Program (CMP) Certified Manager Online Curriculum Team Member Training Workbook Shift Management Booklet Cafe Transition Workbook	N/A	56-90 days	Certified Training General Managers (TGM) with support of Market Trainers and/or Multi-Unit Managers	(See below for all courses and information)

The following are subsets of the Retail Training Program:

SUBJECT	INSTRUCTIONAL MATERIAL	HOURS OF CLASSROOM TRAINING	HOURS OF ON THE JOB TRAINING	INSTRUCTOR	LOCATION
1. New Hire Training	New Hire Leader's Guide & Welcome Handout	3 hours, 15 minutes	None	Cafe Management or Bakery Leader	Home Bakery-Cafe
2. CMP Orientation	Certified Manager Program: Orientation & Team Member Training CMP Team Member Workbook	None	1 shift	Conducted by TGM, Market Trainer and/or Multi-Unit Manager.	Certified Training Bakery-Cafe (See Note 1)
3. Team Member Training for all positions	Certified Manager Program: Orientation & Team Member Training CMP Team Member Workbook	2 hours	12-17 shifts depending on business channels (Delivery, Drive Thru, Catering)	TGM oversees, Team Leads/Trainers facilitate	Certified Training Bakery-Cafe (external hires) Home cafe for internal promotes
4. Shift Management	CMP Shift Management Booklet Online CMP: Shift Management	12 hours	10-14 shifts	TGM, Cafe Management	Certified Training Bakery-Cafe (See Note 1)
5. Transition Training	CMP Cafe Transition Workbook CMP: Cafe Transition (Online) Manager Essentials (Optional): Online or Live Course	2 hours	1-7 weeks	GM and Market Trainer and/or Multi-Unit Manager	Home Bakery-Cafe

SUBJECT	INSTRUCTIONAL MATERIAL	HOURS OF CLASSROOM TRAINING	HOURS OF ON THE JOB TRAINING	INSTRUCTOR	LOCATION
6. Team Lead Certification	TLC Leader's Guide TLC Activity Workbook TLC Online Curriculum	None	5 hours	GM or Cafe Manager (People Specialist)	Home Bakery-Cafe
7. Team Lead Skill Builder	Leader's Guide Participant Guide Skill Builder Slide deck	3.5 Hours	None	Market Trainer and/or Multi-Unit Manager	Centralized market location (cafe or meeting space)
8. Cafe Specialist Program	Online Curriculum: - People Specialist - Production Service Specialist - Service Specialist	10 hours	Self-paced (varies by participant)	General Manager, Market Trainer and/or Multi-Unit Manager	Home Bakery-Cafe

Note 1: In the franchisee's market; if new market, arrangements made to conduct the training in a neighboring market.

In addition to the training program, you must ensure that the Operating Principal and Bakery-Cafe general manager complete continuing certified operations training programs from time to time as we may require to reinforce operational standards ("Continuing Operations Training"). The required frequency, duration, location, and subject matter of Continuing Operations Training must be specified by us. Thereafter, any person who replaces your Operating Principal or Bakery-Cafe general manager must successfully complete the CMP and the Continuing Operations Training before assuming the particular position.

You must implement training programs for your personnel to ensure the System Standards, as defined in your Franchise Agreement, are met. Before providing any training on System Standards to your personnel, such training must be certified by us to confirm compliance with System Standards for brand and operational requirements.

Advertising.

National Advertising Fund.

We administer a National Advertising Fund ("NAF") for the creation and development of marketing, advertising and related programs and materials, including electronic, print and Internet media as well as the planning and purchasing of national and/or regional network advertising. You must contribute to the NAF amounts we establish from time to time as described in Item 6. At our discretion, the funds may be electronically drafted. Currently, owners of Core and Small Box Bakery-Cafes must contribute 4% of their Bakery-Cafe's Net Sales to the NAF, and (ii) owners of Non-Traditional Bakery-Cafes must contribute 2.6% of their Bakery-Cafe's Net Sales to the NAF. During the term of the Franchise Agreement, NAF contributions will not increase unless voted on by either (i) 66% of all then existing company-owned and franchised Panera Bread Bakery Cafes; or (ii) 51% of all then existing franchised Panera Bakery Cafes, provided, the NAF rate for Non-Traditional Bakery-Cafes is not subject to increase based on a vote. We have the right, but no obligation, to use collection agents and institute legal proceedings to collect contributions to the NAF at the NAF's expense. We may also forgive, waive, settle and compromise all claims by or against the NAF. All Franchisee-owned Bakery-Cafes and all company-owned Bakery-Cafes will contribute the same percentage to the NAF. The NAF will not spend any money on advertising that is principally a solicitation for the sale of new franchises.

Although the NAF is intended to maximize general recognition of the Marks and patronage of the Panera Bread Bakery-Cafes for the benefit of all Panera Bread Bakery-Cafes, we cannot assure you that any particular Panera Bread Bakery-Cafe will benefit directly or pro-rata from the placement of advertising. Additionally, we may define, at any time, the measurement terms for any media coverage. We will direct all programs that the NAF finances, with sole control over the creative concepts,

materials, and endorsements used and their geographic, market, and medial placement and allocation. The NAF may be used to pay for the cost of preparing and producing materials and programs we select, including agency fees, market research and product testing, video, audio, electronic and written advertising materials, public relations programs, media planning and buying services, maintaining an e-commerce website and/or related strategies and efforts, social media strategy and execution; use of social media influencers; administering regional and multi-regional marketing and advertising programs, including without limitation, purchasing trade journal, direct mail, and the cost of employing advertising agencies and supporting market research activities; search optimization; purchasing and distributing promotional items; conducting and administering loyalty programs; research and development costs; development of new intellectual property; and maintenance of existing intellectual property. We may furnish you with marketing, advertising and promotional materials at cost, plus any related administrative, shipping, handling and storage charges. We may use the NAF to pay the reasonable salaries and benefits of personnel who manage and administer the NAF, the NAF's other administrative costs, travel expenses of personnel while they are on NAF business, meeting costs, overhead relating to NAF business, and other expenses that we incur in activities reasonably related to administering or directing the NAF and its programs, including, without limitation, conducting market research, public relations, content creation, preparing advertising, promotion, and marketing materials, and collecting and accounting for NAF contributions.

The NAF will be accounted for separately from our other funds. While our intent is to balance the NAF on an annual basis, from time to time the NAF may run at either a surplus or deficit. All disbursements from the NAF will be made first from income and then from contributions. We may spend in any fiscal year an amount greater or less than the aggregate contributions of all Panera Bread Bakery-Cafes to the NAF in that year, and the NAF may borrow from us or other lenders to cover deficits in the NAF or cause the NAF to invest any surplus for future use by the NAF. We will prepare annually an unaudited statement of funds collected and costs incurred by the NAF and furnish you a copy upon your written request. Except as otherwise expressly provided in the Franchise Agreement, we assume no direct or indirect liability or obligation with respect to the maintenance, direction or administration of the NAF. We do not act as a trustee or in any other fiduciary capacity with respect to the NAF. We may incorporate the NAF to operate it through a separate entity whenever we deem appropriate.

We may at any time defer or reduce contributions of a Panera Bread Bakery-Cafe franchise owner and, upon thirty (30) days' prior written notice to you, reduce or suspend NAF contributions and operations for one or more periods of any length and terminate (and, if terminated, reinstate) the NAF. If we terminate the NAF, we will distribute all unspent monies to our franchise owners, and to us and our Affiliates, in proportion to their, and our respective NAF contributions during the preceding twelve (12) month period. We may reinstate NAF contributions upon the same terms and conditions set forth herein upon thirty (30) days' prior written notice to you.

The funds collected in fiscal year 2025 were used as follows:

Media Placement	66.84%
Other Working	12.83%
Agency Fees and Other Non-Working	9.75%
Production	4.73%
Market Research	1.12%
Administrative Expenses	4.73%

“Other Working” includes non-paid media costs related to direct engagement with consumers, such as third-party aggregators or branded and non-branded search terms to increase and amplify our brand in such searches. “Other Non-Working” includes costs related to the production of assets for deployment in the market, including production and strategy, as well as technical costs, research and crisis communications. Portions of the amounts in the categories above include allocations of salary and benefits of Panera employees involved in the development and/or execution of advertising Panera’s products and services.

Local Advertising Funds.

In addition to your contributions to the NAF, you must spend 2% of monthly Net Sales on local advertising and promotion of your Bakery-Cafe (unless you operate a Non-Traditional Location in which case you are not required to spend

any amount on local advertising and promotion of your Bakery-Cafe). These amounts spent on local advertising and promotion will be designated as Local Advertising Funds ("LAF"). Within thirty (30) days after the end of each month, you must send us, in the manner we prescribe, an accounting of your LAF during the preceding month. We will provide you with not less than thirty (30) days' notice of any determination by us to change the minimum amount of the LAF you must spend. If we determine that you have spent less than two percent (2%) of Net Sales during any month for local advertising and promotion of your Bakery-Cafe, we may collect LAF contributions directly from you. If we collect LAF contributions directly from you, LAF contributions will be payable on the first business day following each month. The LAF monies will be used to pay for the cost of implementing local marketing plans developed by you and approved by us in writing or, if we collect LAF contributions from you, to reimburse you (up to an amount not to exceed the LAF contributions so collected) for the costs incurred by you in implementing local marketing plans developed by you and approved by us in writing. For these purposes, qualifying LAF expenditures include, but are not limited to: (a) amounts contributed to advertising associations; and (b) amounts spent by you for (i) grand opening advertising and promotional programs pursuant to the Franchise Agreement; (ii) advertising media, such as television, radio, Internet, magazine, newspaper, billboards, posters, direct mail, collateral and promotional items, advertising on public vehicles (transit and aerial) and, if not provided by us, the cost of producing approved materials necessary to participate in these media; (iii) seasonal campaign POP; and (iv) other qualifying community marketing expenses as outlined in the Marketing Standards. Non-qualifying LAF advertising expenditures include amounts spent for items which we, in our reasonable judgment, deem inappropriate for meeting the minimum advertising requirement, including permanent on-premises signs and menu board hardware, lighting, administrative costs, directory advertising, discounts/coupon offers, free offers and employee incentive programs. We may supplement the list of qualifying and non-qualifying LAF expenditures from time to time and revise such list periodically. The current list of qualifying and non-qualifying LAF expenditures will be available on request. All advertising programs and materials, including those that qualify for LAF, are subject to our approval. You agree that your advertising, promotion and marketing will be completely clear, factual and not misleading and conform to both the highest standards of ethical advertising and marketing, and the advertising and marketing policies that we prescribe at any time and from time to time. Before you use them, you agree to send us or our designated agency all advertising, promotional, and marketing materials which we have not prepared or previously approved in writing. If you do not receive written approval within ten (10) days, such materials are deemed to be disapproved. You may not use any advertising, promotional or marketing materials that we have not approved in writing or that we disapproved. We have the right to require you to use one or more required Approved Suppliers for your local advertising and to require you to spend all or a portion of your LAF expenditures with required Approved Suppliers. We may (i) collect amounts directly from you to pay such required Approved Suppliers, or (ii) require you pay your LAF expenditures directly to the NAF.

In the event you are approved in writing to participate in any operations or marketing tests, including, but not limited to, the testing of any product, program, media activity, you will be required to enter into a test agreement which will outline all requirements for the testing. All test requirements, processes and procedures must be adhered to as outlined by us, any applicable costs (smallwares, product, media or costs for any associated marketing activities) will be the franchisee's responsibility, and you must provide, complete data statistics on the test for our review and evaluation. Because the testing phase involves evaluation and analysis of pricing in a test environment, in order to effectively evaluate the full scope of the test we will recommend pricing.

Marketing Administration Fee.

In addition to the advertising and promotion expenditures and/or contributions discussed above, you must pay a Marketing Administration Fee ("MAF") described in Item 6. (At our discretion, the funds may be electronically drafted.) The MAF is our exclusive property and will be used by Panera to cover, among other things, the costs of supporting and conducting market research activities, concept development (food and customer experience, project development and testing), design development (design, store prototyping and testing), and maintenance, administration and direction of the foregoing activities. We do not have to separately account to you for the MAF or the expenditures from it.

Advertising Approvals and Initial Advertising Costs.

You must submit to us for our prior approval, a marketing plan annually for your market(s) and a marketing plan for each new Bakery-Cafe opening along with samples of all advertising and promotional materials not prepared by us or previously approved by us in writing and which vary from our standard advertising and promotional materials by following the creative approval process, which may be updated from time to time.

Grand Opening Spend.

You must implement grand opening advertising and promotional programs for your Bakery-Cafe pursuant to a grand opening marketing plan developed by us or developed by you and approved by us in writing prior to implementation. The time to complete the grand opening advertising program, as well as the minimum you must spend is identified in the Franchise Agreement. We estimate that you will spend between \$50,000 and \$200,000 during the first 12 months of operating your Bakery-Cafe on your grand opening advertising program. These amounts will be applied toward the required LAF expenditures. If you are developing a Non-Traditional Bakery-Cafe, you must spend a minimum of \$2,500 on grand opening advertising and promotional programs pursuant to a grand opening and marketing plan developed by us or developed by you and approved by us in writing prior to implementation. You must use the types of advertising media specified in Section 10.02 of the Franchise Agreement. If you elect to work with a marketing firm (including, but not limited to, an advertising agency or public relations firm) you must obtain our written approval of such marketing firm, and such marketing firm must execute a Panera approved confidentiality agreement before you sign any contracts or share any Confidential Information, as defined in your Franchise Agreement, with such marketing firm. Marketing or advertising firms employed by you will not be permitted access to any limited access online resources (including The Pantry or a similar or successor site established by Panera) or any other information regardless of a confidentiality agreement having been executed.

Creative Approval Process.

Any advertising and promotional materials not prepared by Panera must be approved by Panera in writing prior to your use. The complete creative approval process, as it may be updated from time to time, can be found in the Operations Manual. We may decline approval of any advertising or promotional materials if we believe a creative execution does not meet our brand standards. You may not use any advertising or promotional materials that we have not approved in writing.

Discounts, Giveaways and Other Promotions.

You must offer and participate in any required discounts, giveaways and other promotions (including those offered in connection with our loyalty program) at your sole cost and expense, in accordance with our specifications. You must honor the discounts, giveaways and other promotions offered by other Panera Bread Bakery-Cafes under any such program we establish, as long as such compliance does not contravene any applicable law, rule or regulation.

Gift Cards, Loyalty and Incentive Programs.

You must offer for sale, participate in, and honor for purchases by customers, all gift cards, loyalty and other incentive or convenience programs that we may periodically institute (including, without limitation, mobile apps, mobile payment, and/or other customer affinity applications (together, “Customer Apps”) and any loyalty programs that we or a third party vendor operate); and you agree to do all of those things in compliance with our standards and procedures for such programs (which may be set out in the Operations Manual or otherwise in writing). For this purpose, you must purchase the software, hardware, and other items needed to participate in, sell, and process Customer Apps, and to contact with Customer App vendors, as we may specify in writing in the Operations Manual or otherwise.

We participate in one or more wholesale gift card programs pursuant to which a third-party vendor sells gift cards through various distribution channels. As part of this program, when these gift cards are redeemed at both company-owned and Franchisee-owned Bakery-Cafes, the owner of such Bakery-Cafe receives less than the full purchase value of such transaction.

Social Media Sites.

We may maintain one or more social media sites, applications, and platforms (e.g., Panera App, X (fka Twitter), Facebook, Instagram, Blue Sky, Tik Tok, Pinterest, TikTok, LinkedIn or such other social media sites now or in the future). You may not establish or maintain any social media sites, applications, and platforms utilizing any usernames, or otherwise associating with the Marks, without our prior written consent in our sole and absolute discretion. We may designate from time to time regional or territory-specific usernames/handles to be maintained by you. To the degree we establish a social media

policy, you must adhere to the social media and internet policies that we establish from time to time and you will require all your owners to do so as well.

Advertising Associations.

We have the right to establish local and/or regional advertising associations (“Advertising Associations”) for Panera Bread Bakery-Cafes covering the geographic areas we may designate from time to time. We have the right to form, change, dissolve or merge Advertising Associations.

If we have established an Advertising Association in your market area, you must participate in the Advertising Association and its programs and abide by its bylaws. You must contribute the amounts to the Advertising Association(s) as determined by the Advertising Association members from time to time in accordance with their bylaws. All Panera Bread Bakery-Cafes, including those owned by Panera or an Affiliate, that are located in the designated local or regional area(s) will contribute to the Advertising Association(s) on the same basis. Contributions to the local and regional Advertising Associations are credited toward the LAF advertising expenditures required by the Franchise Agreement; however, if we provide you and your local and/or regional Advertising Association ninety (90) days’ notice of a special promotion, including but not limited to any regional promotions, you must participate in the promotion and also pay us any special promotion advertising fees assessed in connection with the program, beginning on the effective date of the notice and continuing until the special promotion is concluded. Any special promotion advertising fees will be in addition to, and not credited towards, the LAF advertising expenditure required by the Franchise Agreement.

We will administer the Advertising Associations and collect your Advertising Association contributions by automatic electronic withdrawal. The financial statements of the Advertising Associations may be audited and the reports will be made available to you. Each Panera Bread Bakery-Cafe located within the local or regional area of the Advertising Association will be entitled to one (1) vote. Advertising conducted by the Advertising Associations may be in various media including television, radio, Internet, magazine, newspaper, billboards, posters, direct mail, collateral and promotional items, advertising on public vehicles (transit and aerial).

Computer Hardware and Software.

You must obtain and use the computer hardware and/or operating software (including point-of-sale equipment (including kiosks) and software and other electronic information systems and all equipment components and software necessary for you to accept and process our gift and loyalty cards and participate in our gift card, customer loyalty, affinity, and similar programs) we specify at any time and from time to time (the “Computer System”). You will coordinate directly with us to ensure timely procurement of the Computer System for the premises of your Bakery-Cafe. We may modify specifications for the Computer System at any time and in our sole discretion. You will also be required to maintain a functioning e-mail address. Our modification of specifications for the Computer System, and/or other technological developments or events, might require you to purchase, lease, and/or license new or modified computer hardware and/or software and to obtain service and support for the Computer System. Although we cannot estimate the future costs of the Computer System or required service and support, and although these costs might not be fully amortizable over the term of the Franchise Agreement, you agree to incur the costs of obtaining the computer hardware and software comprising the Computer System (or additions and modifications) and required service or support. We have no obligation to reimburse you for any Computer System costs. Within sixty (60) days after you receive notice from us of any modifications required to the Computer System, or such other timeframes as may be specified within said notice, you agree to obtain the Computer System components that we designate and to ensure that your Computer System, as modified, is functioning properly.

We or our Affiliates may condition any license of proprietary software to you, or your use of technology that we or our Affiliates develop or maintain, on your signing a software license agreement or similar document that we or our Affiliates prescribe to regulate your use of, and our and your respective rights and responsibilities with respect to, the software or technology. We, our Affiliates, or Approved Suppliers may charge you a monthly or other fee for any proprietary software or technology that we or they license to you and for other maintenance and support services that we or they may require you to receive during the term of the Franchise Agreement. Despite the fact that you agree to buy, use, and maintain the Computer System according to our standards and specifications, you will have sole and complete responsibility for: (1) the acquisition, operation, maintenance, and upgrading of the Computer System; (2) the manner in which your Computer System interfaces with

our and any third party's computer system; and (3) any and all consequences if the Computer System is not properly operated, maintained, and upgraded.

You are further required to activate and honor all customer-facing technology that we may designate, which may change from time to time. This includes MyPanera Loyalty, Unlimited Sip Club, and any other programs or services we designate in the future (collectively, the "Customer-Facing Technology"). We have the sole right to enhance, modify or change the platforms, software, hardware and/or processes related to any such Customer-Facing Technology, and you must comply with all such enhancements, modifications and changes to such Customer-Facing Technology. You further must ensure that your employees receive adequate training to properly execute all Customer-Facing Technology and the collection of customer payments in your Bakery-Cafe.

If you are interested in using technology platforms including digital retail ordering, Rapid-Pickup, catering ordering, ordering kiosks, and technology tools to assist managers within the Bakery-Cafe, you are required to enter into the SHS Services Agreement, which is attached as Exhibit E. Under the SHS Services Agreement, Panera supplies Panera owned or licensed software and other technologies and any required or requested related services.

You must adopt and use any artificial intelligence ("AI") systems, tools, or applications that we may designate from time to time as part of the System and will do so at your own cost and in the manner and within the timeframe required by us. You may not disclose our Confidential Information or the System to any AI system that we do not manage without prior written consent. All AI-generated materials relating to your Bakery-Cafe must be owned by us. You must indemnify and hold us harmless from any claims, damages, or liabilities arising out of your use of AI.

You are required to record all sales on the Computer System, which must be fully compatible with our computer systems, and that includes a seamless information interface capability of fully integrating electronically into our computer systems for the purpose of, among other functions, the recording and transmission of information collected through the Computer System (including, but not limited to, gross sales, Net Sales, discounts, product mix, sales by day part) to centralized data collection systems. If the point-of-sale system in Non-Traditional Bakery-Cafes will record sales from third-party businesses such as the host facility, the point-of-sale system must differentiate between your sales from the Bakery-Cafe and those sales from other businesses at the host facility.

We will have the right from time to time to retrieve such data and information from the Computer System as deemed necessary or desirable, and you agree to fully cooperate with such efforts.

We will have the right to obtain, use, and disclose to third parties (including without limitation, prospective franchise owners, financial institutions, legal and financial advisors), for any purpose or as may be required by law, any financial or other information contained in or resulting from information, data, materials, statements and reports received by us or disclosed to us, whether by means of the Computer System or otherwise, in accordance with this Agreement. You will obtain such consents from third parties, including your customers, as are necessary in order to give effect to the foregoing.

You must upgrade or replace financial and inventory data processing and communications systems whenever we require it, and we have no obligation to assist you in obtaining hardware, software or related services. There are no contractual limits on the frequency or cost of your obligation to obtain such upgrades. The estimated cost of purchasing hardware and software and associated training is approximately \$60,000 to \$100,000.

ITEM 12. TERRITORY

Franchise Agreement.

The Franchise Agreement grants you the right to own and operate a Panera Bread Bakery-Cafe at a specific location. You may not conduct the business of your Panera Bread Bakery-Cafe at any site other than the Premises, described in your Franchise Agreement. The Franchise Agreement does not provide you with any options, rights of first refusal or similar rights to acquire additional franchises. You may not develop a Panera Bread Bakery-Cafe within another Panera Bread Bakery-Cafe's Protected Area (which is either open or has been approved by us in writing for development) in a geographic area not included in your Area Development Agreement).

Except as noted in this Item 12, we will not operate a Panera Bread Bakery-Cafe or grant to a third party the right to operate a Panera Bread Bakery-Cafe within a geographic area (the “Protected Area”) identified in Exhibit D to the Franchise Agreement. It is anticipated that a Protected Area set forth in Exhibit D to the Franchise Agreement generally will range between 0.5 miles and 2 miles. In certain urban markets that are densely populated, we may reduce the Protected Area to less than 0.5 miles. You will not receive a Protected Area if your Bakery-Cafe is located at a Non-Traditional Location.

We have no obligation to compensate you for our soliciting or accepting orders from within your Protected Area.

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

We reserve all rights not expressly granted under the Franchise Agreement. Accordingly, except for rights expressly granted to you under the Franchise Agreement, we retain all of our rights and discretion with respect to the Marks, the System and Panera Bread Bakery-Cafes anywhere in the world, including the right to:

- (a) operate, and grant others the right to operate, Panera Bread Bakery-Cafes at locations outside the Protected Area and on terms and conditions we deem appropriate (you acknowledge that such Panera Bread Bakery-Cafes may be in direct competition with your Bakery-Cafe, without regard to any adverse effects of such activities on your Bakery-Cafe and without any obligation or liability to you);
- (b) sell any products or services under any tradenames, trademarks, service marks or trade dress, including the Marks, through other channels of distribution (including but not limited to wholesale distribution of baked goods to restaurants, supermarkets, grocery stores, caterers and other outlets and using such media as deemed appropriate including the Internet, catalog sales, telemarketing or other direct marketing);
- (c) operate, and grant to others the right to operate, retail food establishments (including restaurants, cafes and bakeries) identified by trademarks, service marks or trade dress, other than the Marks, under terms and conditions we deem appropriate;
- (d) operate, and grant to others the right to operate, Panera Bread Bakery-Cafes at Non-Traditional Locations, whether inside or outside the Protected Area. “Non-Traditional Locations” are venues located at transportation facilities (such as airport facilities, train and/or bus stations, turnpikes or other limited access highway rest stops), hospitals, colleges, universities, sports arenas, entertainment facilities, and military facilities, or where any locations or its food operations are controlled by a third party or in our judgment should be operated by a third party;
- (e) market and sell products and services to national, regional and institutional accounts, whether located inside or outside the Protected Area. “National, regional and institutional accounts” are organizational or institutional customers whose presence is not confined to the Protected Area, including (by way of example only): business entities with offices or branches situated both inside and outside of your Protected Area; government agencies, branches or facilities; healthcare networks; the military; and any other customer whose presence is not confined to the Protected Area;
- (f) acquire the assets or ownership interests of one or more businesses providing products and services the same as or similar to those provided at Panera Bread Bakery-Cafes, and franchising, licensing or creating similar arrangements with respect to these businesses once acquired, wherever these businesses (or the franchise owners or licensees of these businesses) are located or operating (including in the Protected Area); and
- (g) the right to be acquired (whether through acquisition of assets, ownership interests or otherwise, regardless of the form of transaction), by a business providing products and services the same as or similar to those provided at Panera Bread Bakery-Cafes, or by another business, even if such business operates, franchises and/or licenses competitive businesses in the Protected Area.

As discussed below under Competing Businesses/Affiliate Franchise Programs, we distribute certain “Panera” branded products through other channels of distribution, and Paradise and Au Bon Pain, affiliates of ours, have the right, within the Protected Area and elsewhere: (a) to sell products and services under their respective principal marks, namely “Paradise Bakery

& Cafe” (or “Paradise Bakery”) and “Au Bon Pain”, respectively, and their related marks and trade dress; (b) to sell their branded products and services through other channels of distribution; and (c) to operate, and grant others the right to operate, retail food establishments identified by the marks “Paradise” and “Au Bon Pain”, respectively, and their related trade names, trademarks, service marks, and trade dress.

Continuation of your rights to the Protected Area is not dependent upon your achievement of a certain sales volume, market penetration or other contingency. You may not, without our prior written consent, use other channels of distribution, such as the Internet, catalog sales, telemarketing or other direct marketing, to make sales outside the Protected Area.

Under the Franchise Agreement, we may grant you a non-exclusive right to provide offsite catering and/or small order delivery services for certain food products we may authorize from time to time within a geographical area around your Bakery-Cafe that we may designate from time to time (“Catering/Delivery Area”). You may not provide any such services to or at locations outside the Catering/Delivery Area without our prior written consent, and under no circumstances may you provide any such services to or at locations within the designated Catering/Delivery Area for any Panera Bread Bakery-Cafes owned or operated by us or another franchisee. Any consent to provide such services beyond the Catering/Delivery Area may be revoked at any time. If we provide you with the right to provide offsite catering and/or delivery services, you must make accommodations for delivery and/or catering services in compliance with our System, and as set forth in the Operations Manual or otherwise in writing by us, including without limitation, utilizing only the specified designated delivery and/or catering service providers we identify (and which we may change from time to time in our sole discretion) and making available only the menu items identified as appropriate for delivery and/or catering (and which we may change from time to time in our sole discretion). We have the right, in our sole discretion, at any time and from time to time, to revoke our authorization for your Bakery-Cafe to provide offsite catering and/or delivery services and to modify or reduce any Catering/Delivery Area. In such event, you agree to promptly discontinue offsite catering and/or delivery services in the affected geographical area, notwithstanding that you may have provided such services within such area prior thereto. Any delivery and/or catering area we specify is nothing more than the geographic boundaries in which you may deliver and/or cater those menu items approved by us in writing for delivery and/or catering from your Bakery-Cafe, and no other rights are granted to you whatsoever. You will not be entitled to any compensation for any elimination or reduction of the Catering/Delivery Area.

Area Development Agreement.

The Area Development Agreement grants you the right to develop an agreed upon number of Panera Bread Bakery-Cafes within a geographic area described in Exhibit A to the Area Development Agreement (the “Development Area”). The size of the Development Area will depend on the number of Panera Bread Bakery-Cafes suitable for the Development Area, as you and we determine in light of factors such as population density and the residential or commercial character of the Development Area. Other than the Protected Area provided for under each individual Franchise Agreement you sign in connection with the Area Development Agreement, you have no exclusivity in the Development Area. You will not receive an exclusive territory. You may face competition from other franchisees, from Non-Traditional Bakery-Cafes, from outlets that we own or from other channels of distribution or competitive brands that we control.

The number of Panera Bread Bakery-Cafes and the dates they are to be open and operating will be set out in Exhibit A to the Area Development Agreement (the “Development Schedule”). The Area Development Agreement does not provide you with any options, rights of first refusal or similar rights to acquire or develop additional Panera Bread Bakery-Cafes in the Development Area or in any other geographic area. You may not develop a Panera Bread Bakery-Cafe within one (1) mile of another Panera Bread Bakery-Cafe (which is either open or operating or has been approved by us in writing for development) in a geographic area not included in your Area Development Agreement.

During the term of the Area Development Agreement and provided you, your owners and your Affiliates are in compliance with the Area Development Agreement and all other agreements with us or any of our Affiliates (including Franchise Agreements signed under the Area Development Agreement), we will grant to you, in accordance with Section 3 of the Area Development Agreement, that cumulative number of franchises for Panera Bread Bakery-Cafes in Exhibit A to the Area Development Agreement, all of which are to be located within the Development Area.

In the Development Area you must have open and operating, on the dates they are to be open and operating, the cumulative number of Panera Bread Bakery-Cafes as set forth in the Development Schedule. We have no obligation under any

circumstances to extend the Development Schedule. Your failure to develop and operate Panera Bread Bakery-Cafes in accordance with the Development Schedule will be a material breach of the Area Development Agreement.

As a condition to entering into a new Area Development Agreement for additional development in a development area where you operate Panera Bread Bakery-Cafes (whether you developed the Bakery-Cafes or purchased the Bakery-Cafes) we may require a commitment from you to remodel the existing Bakery-Cafes you own. You must re-equip, upgrade and/or remodel your Bakery-Cafes, pursuant to our then-current policy, process, plans and specifications, including, but not limited to equipment and production enhancements. Your failure to remodel the Bakery-Cafes in accordance with the Remodel Schedule will be a material breach of the Area Development Agreement.

Competing Businesses/Affiliate Franchise Programs.

As described in Item 1, we recognize that the “Saint Louis Bread” name has valuable name recognition in St. Louis, Missouri. Accordingly, some of our company-owned Bakery-Cafes in the St. Louis, Missouri market area will operate under the “Saint Louis Bread” name. All other company-owned and franchised Bakery-Cafes will operate under the “Panera Bread” name. We do not operate or franchise, or currently plan to operate or franchise, any business under a different trademark that sells goods or services similar to those that our franchisees sell.

As of the date of this Disclosure Document, we distribute Panera branded consumer packaged goods through grocery retailers and other food retail channels in the United States using third-party manufacturers and distributors. These products include, but are not limited to, refrigerated soup, refrigerated mac and cheese, refrigerated salad dressings, ground coffee products, sliced bread, bagels, and English muffins. Generally, we refer to the distribution and sale of our branded items in other retail locations as Panera at Home, or our Consumer Packaged Goods Program (“CPG”). Currently we are exploring other potential retail opportunities.

As described in Item 1, we have, through common ownership by Parent Company and JAB, affiliates whose stores/restaurants sell goods and services that are similar to the goods and services that you will sell from your Panera Bread Bakery-Cafe. There will be no restrictions on any of the stores/restaurants operating, or soliciting or accepting orders, within the Development Area under Area Development Agreements or Protected Areas under Franchise Agreements. As Panera operates independently, it is not anticipated that there will be any procedures to resolve any potential conflicts regarding territory, customers or franchisor support.

ITEM 13. TRADEMARKS

Status of Principal Mark.

Under the Franchise Agreement, we grant to you the right to operate a Panera Bread Bakery-Cafe under the name “Panera Bread” using the logo design shown in the upper left-hand corner of the Cover Page, and under any other trade names, trademarks, service marks, trade dress and logos used at this time or that may be used in the future for the operation of Panera Bread Bakery-Cafes using the System.

Pumpernickel Associates, LLC (“Pumpernickel”), an affiliate of Panera, is the owner of the following Principal Marks, which are registered on the Principal Register of the United States Patent and Trademark Office (“USPTO”) or for which an application based on actual use or an intent to use has been filed with the USPTO:

Marks	Registration/Application Number	Registration/Application Date
Panera Bread	Registration No. 2,288,311	10/19/1999
2021 Panera Bread and Mother Bread Design in Arch (in color)	Registration No. 7,502,721	09/10/2024
2021 Mother Bread Design (black & white)	Registration No. 8,060,941	12/09/2025
2021 Mother Bread Design (black & white)	Registration No. 7,214,023	11/07/2023

Panera	Registration No. 2,806,259	01/20/2004
MyPanera	Registration No. 4,038,347	10/11/2011
Panera	Registration No. 4,934,852	04/12/2016
Panera	Serial No. 97,251,429	02/03/2022
Panera	Registration No. 7,393,083	05/21/2024

All required affidavits in connection with the foregoing trademarks and service marks have been filed. We do not have a federal registration for all of the Marks listed in the above chart. For any Mark that is not registered, such Mark does not have as many legal benefits and rights as a federally registered trademark. If our right to use such Mark is challenged, you may have to change to an alternative trademark, which may increase your expenses.

As of the date of this Disclosure Document, there are no effective material final determinations of the patent and trademark office, trademark trial and appeal board, the trademark administration of any state or court, and there are no pending infringement, opposition or cancellation proceedings, or any pending material litigation, involving the Principal Marks.

You must use all Marks in full compliance with rules prescribed from time to time by Panera. You may not use any name or Mark as part of any corporate, legal or other business name (other than in connection with any legally required fictitious or assumed name filings) or with any prefix, suffix or other modifying words, terms, designs or symbols, or with the name or other approved designation of the metropolitan area or city in which the Panera Bread Bakery-Cafe is located. In addition, you may not use any name or Mark in connection with the sale of any unauthorized product or service or in any other manner that we have not explicitly authorized in writing. In addition to all other rights we may have for unauthorized use of the Marks or the sale of unauthorized products or services, you must reimburse us for any damages, liability or expenses incurred by us arising out of your sale of any unauthorized product or service or for any damages, liability or expenses incurred by us arising out of your use of the Marks in an unauthorized manner.

Except for the Royalty and Licensing Agreement described in the next paragraph, as of the date of this Disclosure Document, there are no agreements in effect that significantly limit the rights of Panera to use or license the use of the mark “Saint Louis Bread,” “Panera Bread” or the logo design in any manner material to the franchise. Panera does not know of either superior prior rights or infringing uses of the name “Saint Louis Bread,” “Panera Bread” or the logo design that could materially affect your use of the Marks.

Pumpernickel owns the Marks and has granted us the exclusive right to use the Marks in connection with the business of owning and operating Bakery-Cafes and supporting franchise operations in the United States (including the right to sublicense the Marks to our franchisees) pursuant to a license agreement dated as of January 7, 2002, as amended, (the “Royalty and Licensing Agreement”). In consideration for the right to use and sublicense the Marks, we pay to Pumpernickel a royalty fee. The Royalty and Licensing Agreement is for an initial term of twenty two (22) years (the “Initial Term”) and renews automatically, in perpetuity, for additional one (1) -year terms (each, a “Renewal Period”) unless either party terminates the Royalty and Licensing Agreement by providing notice to the other party at least ninety (90) days prior to the end of the Initial Term or any of the Renewal Periods. Any sublicense granted by us in accordance with the terms of the Royalty and Licensing Agreement may extend beyond its termination. The Royalty and Licensing Agreement may be terminated immediately in the event of certain defaults or upon failure to cure certain other defaults within fifteen (15) days after notice.

Franchise Agreement.

If, at any time, we reasonably modify or discontinue use of any Mark and/or use additional or substitute trademark, service mark or trade dress, you must comply with our directions within a reasonable time after written notice. You must bear all costs and expenses applicable to your Panera Bread Bakery-Cafe should we decide to modify the Marks or use additional or substitute Marks. We will have no liability or obligation whatsoever with respect to any such required modification or discontinuance of any Mark or the promotion of an additional or substitute intellectual property.

You must immediately notify us of any apparent infringement of any Intellectual Property (as defined in the Franchise Agreement), or any challenge to your use of any Mark, or claim by any person of any rights to any Mark, and you must not

communicate with any person other than your legal counsel, us, Pumpernickel and our respective legal counsel in connection with any infringement, challenge or claim. Pumpernickel will have sole discretion to take any action it deems appropriate and will have the right to control exclusively any litigation or USPTO or other administrative proceeding arising out of any infringement, challenge or claim or otherwise relating to any Mark. You must sign any and all instruments and documents, provide assistance and do all acts and things as, in the opinion of our or Pumpernickel's legal counsel, may be necessary or advisable to protect Pumpernickel's interests in any litigation or administrative proceeding or otherwise to protect its interests in the Marks. You must promptly notify us of any event that occurs in connection with the operation of your Bakery-Cafe that may adversely affect the System or the goodwill associated with the Marks.

We will indemnify you against, and reimburse you for, all damages for which you are held liable in any proceeding arising out of your authorized use of any Mark under the Franchise Agreement and, except as provided in the Franchise Agreement, for all costs you actually and reasonably incur in defending any claim brought against you, your owners or Affiliates or any proceeding in which you are named as a party, if you have timely notified us of the claim or proceeding and you, your owners and Affiliates are in compliance with the Franchise Agreement and all other agreements entered into with us and our Affiliates. At Pumpernickel's sole discretion, it will be entitled to prosecute, defend or settle any proceeding arising out of your use of any Mark, and, if Pumpernickel decides to prosecute, defend or settle any matter, it will have no obligation to indemnify or reimburse you for any fees or disbursements of counsel you retain. In addition to all other rights we may have for unauthorized use of the Marks or the sale of unauthorized products or services, you must reimburse us for any damages, liability or expenses incurred by us arising out of your sale of any unauthorized product or service or for any damages, liability or expenses incurred by us arising out of your use of the Marks in an unauthorized manner.

Area Development Agreement.

The Area Development Agreement does not grant you the right to use any of the Marks. Your right to use the Marks is derived solely from the Franchise Agreements you enter into with us. You may not use any Mark (or any abbreviation, modification or colorable imitation) as part of a corporate, legal or other business name (other than in connection with any legally required fictitious or assumed name filings), or with any prefix, suffix or other modifying words, terms, designs or symbols, or with the name or other designation of the metropolitan area or city in which the Panera Bread Bakery-Cafe is located, or in any other manner (including any Internet related use such as an electronic media identifier, for websites, web pages or domain names) not explicitly authorized in writing by us. You may not at any time during or after the term of the Area Development Agreement contest, or assist any other person or entity in contesting, the validity or ownership of any of the Marks.

ITEM 14. PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

Pumpernickel owns a number of issued U.S. utility patents relating to restaurant operations, as follows:

Patent	Description	Importance to Business	Patent Number	Issue Date
Method or Apparatus for Facilitation of Orders of Food Items	Systems and Method for Facilitating Customized Food Orders.	Improves restaurant processes by determining price changes as a result of a customization of food order. (related to our Panera 2.0 initiative)	9,070,175	06/30/2015
Systems and Methods for Detecting Employee Mis-Deployment	Systems and Methods for Video-Driven Analysis of Restaurant Employee Deployment.	Improves management performance by determining whether employees who have left assigned stations did so appropriately.	9,965,734	05/08/2018
Techniques for Analyzing Operations of One or More Restaurants	Systems and Methods for Data- And Video-Driven Operational Analysis.	Improves management performance by providing robust data on potential operational issues.	10,019,686	07/10/2018

Patent	Description	Importance to Business	Patent Number	Issue Date
Method or Apparatus for Facilitation of Orders of Food Items	Systems and Method for Facilitating Customized Food Ordering.	Improves restaurant processes by providing imagery to reflect customization of food ordering. (related to our Panera 2.0 initiative)	10,032,201	07/24/2018
Method or Apparatus for Facilitation of Orders of Food Items	Systems and Method for Facilitating Customized Food Ordering.	Improves restaurant processes by providing imagery to reflect customization of food ordering. (related to our Panera 2.0 initiative)	10,089,669	10/02/2018

We claim copyright protection for our Panera Operations Manual, printed advertising and promotional materials and software programs. We have not registered all the materials to which we claim copyright protection. Pumpernickel has registered the following material copyrights:

Copyright	Registration Number	Registration Date	Copyright Duration	Country
Mother Bread Design	VA 1-156-057	03/07/2003	10/2091	United States
Dough for Funds Promotional Materials	TX 4-305-268	05/08/1996	03/25/2091	United States
Mother Bread Design in Black and White	VA 1-969-218	01/13/2015	10/2091	United States
Panera Primary Image with Mother Bread Design	VA-1-926-807	09/05/2014	11/01/2108	United States

We also consider certain information relating to the development and operations of Panera Bread Bakery-Cafes trade secrets and proprietary information. This information includes:

- i. Operations Manual;
- ii. ingredients, recipes, and methods of preparation and presentation of authorized food products;
- iii. site selection criteria for Panera Bread Bakery-Cafes and plans and specifications for the development of Panera Bread Bakery-Cafes;
- iv. sales, marketing and advertising programs and techniques for Panera Bread Bakery-Cafes;
- v. identity of suppliers and knowledge of specifications, processes, procedures and equipment, and pricing for authorized food products, materials, supplies and equipment;
- vi. knowledge of operating results and financial performance of Panera Bread Bakery-Cafes, other than Panera Bread Bakery-Cafes you own;
- vii. methods of inventory control, storage, product handling, training and management relating to Panera Bread Bakery-Cafes;

- viii. all recipes, processes, ideas, concepts, advertising and promotional materials, website pages and content, methods, techniques or materials used or useful to a restaurant, grocery store, bakery-cafe, bakery or dough production business, or other business offering bakery products;
- viii. computer systems and software programs used or useful in Panera Bread Bakery-Cafes;
- ix. future business plan relating to Panera Bread Bakery-Cafes and the Panera franchise opportunity, includes expansion and development plans;
- x. all data and other information generated by, or used in, the operation of Panera Bread Bakery-Cafes, including Customer Data;
- xi. all Intellectual Property (as defined in the franchise agreement); and
- xii. any and all other information that we provide you that is labeled proprietary or confidential or which by its nature is generally considered proprietary or confidential regardless of whether such information is specifically labeled as proprietary or confidential.

Without limitation, all recipes, processes, ideas, concepts, advertising and promotional materials, website pages and content, methods or techniques useful to Panera Bread Bakery-Cafes, whether or not constituting protectable intellectual property (collectively, the “Materials”), and whether created by you or on your behalf, must be promptly disclosed to us. If adopted as part of the System, or deemed to be sufficiently related to our business to be considered proprietary, the Materials will be considered our property and deemed to be Works-made-for-Hire for us, and to the extent the Materials may for any reason not be considered a Work-made-for-Hire, you irrevocably convey, grant, transfer and assign to us all right, title and interest which you may have now or in the future in and to the Materials. You must sign whatever documents we request to evidence our ownership or to assist us in securing intellectual property rights in the Materials, and you warrant that you will obtain all rights from any third party acting on your behalf.

You may not use our Confidential Information in an unauthorized manner and may not disclose our Confidential Information to others. Your restrictions on disclosure and use of Confidential Information do not apply to information or techniques which are or become generally known in the restaurant industry (other than through your own disclosure), provided you obtain our prior written consent to such disclosure or use.

As of the date of this Disclosure Document there are no effective material final determinations of the USPTO, Copyright Office (Library of Congress) or any court regarding the patent application or any of the copyrighted materials, and there are no pending infringement, opposition or cancellation proceedings, or any pending material litigation, involving any of the patents, patent applications or copyrighted materials. Nor are there any infringing uses or superior prior rights actually known to us that could materially affect your use of any of the patents, patent applications or the copyrighted materials in any state.

Except for the Royalty and Licensing Agreement described in this paragraph, as of the date of this Disclosure Document, there are no agreements in effect that significantly limit the rights of Panera to use or license the use of the patents, patent applications and copyrights in any manner material to the franchise. Pumpernickel owns the patents, patent applications and copyrighted materials, and all renewal rights in connection therewith, and has granted us the exclusive right to use the patents, patent applications and copyrighted materials in connection with the business of owning and operating Bakery-Cafes and supporting franchise operations (including the right to sublicense the patents, patent applications and the copyrighted materials to our franchisees) pursuant to a license agreement effective as of January 7, 2002, as amended, (the “Royalty and Licensing Agreement”). In consideration for the right to use and sublicense the patents, the copyrighted materials, and other intellectual property, we pay to Pumpernickel a royalty fee. The Royalty and Licensing Agreement is for an initial term of twenty two (22) years (the “Initial Term”) and renews automatically, in perpetuity, for additional one (1) -year terms (each, a “Renewal Period”) unless either party terminates the Royalty and Licensing Agreement by providing notice to the other party at least ninety (90) days prior to the end of the Initial Term or any of the Renewal Periods. Any sublicense granted by us in accordance with the terms of the Royalty and Licensing Agreement may extend beyond its termination. The Royalty and Licensing Agreement

may be terminated immediately in the event of certain defaults or upon failure to cure certain other defaults within fifteen (15) days after notice.

Customer Data.

All information, mailing lists and databases of Customer Data (as defined in the Franchise Agreement) from whatever source derived, will be our property. You agree not to use such information, except in connection with your Bakery-Cafe in accordance with the Franchise Agreement. You agree not to use, process, copy, display, publish, store or transfer the Customer Data without our approval. You agree to comply with all applicable laws with respect to Customer Data (including laws regarding the collection, use, storage, disclosure, and disposition of Customer Data); in addition, you agree to comply with all data privacy and security requirements we may establish from time to time and to implement appropriate and commercially reasonable security safeguards, including administrative, physical, and technical measures to prevent the unauthorized access to, use, dissemination, or publication of Customer Data and to protect the confidentiality, integrity and availability of Customer Data, subject in all instances to applicable laws. You agree not to sell or rent Customer Data. You agree to obtain all necessary customer consents in order for Customer Data to become our property. You must immediately notify us if you suspect or become aware of or suspect any unauthorized access to the Customer Data, or if you become the subject of any governmental, regulatory, or other enforcement or private proceeding relating to your data handling practices of Customer Data. If there is a suspected or actual breach of security or unauthorized access involving Customer Data (a "Data Security Incident"), you must notify us immediately after becoming aware of such actual or suspected occurrence and specify the extent to which Customer Data was accessed, compromised or disclosed. You will assume all responsibility for providing notices, credit monitoring or other costs (including attorneys' fees) associated with any Data Security Incident. We (and our designed affiliates) have no obligation, but retain the right, to control the direction and handling of any Data Security Incident and any related investigation, litigation, administrative proceeding or other proceeding at your expense. We and our Affiliates will own all Customer Data, and we and they may, through the Computer System or otherwise, access Customer Data. During and after the term of the Franchise Agreement, we and our Affiliates may make any and all disclosures and use the Customer Data in our and their business activities and in any manner that we or they deem necessary or appropriate. You must secure from your vendors, customers, prospective customers and others all consents and authorizations, and provide them all disclosures, that applicable law requires to transmit the Customer Data to us and our Affiliates and for us and our Affiliates to use the Customer Data in the manner contemplated by the Franchise Agreement. You agree to bind your vendors in writing to implementing security safeguards at least as onerous as those in the Franchise Agreement, prior to sharing any Customer Data. You agree to indemnify us for all third-party claims related to your use of Customer Data.

Franchise Agreement.

If, at any time, we reasonably modify or discontinue use of any Intellectual Property (as defined in the Franchise Agreement) and/or use one or more additional or substitute Intellectual Property, you must comply with our directions within a reasonable time after notice. You must bear all costs and expenses applicable to your Panera Bread Bakery-Cafe should we decide to modify the Intellectual Property or use additional or substitute Intellectual Property. We will have no liability or obligation whatsoever with respect to any such required modification or discontinuance of any Intellectual Property or the promotion of an additional or substitute Intellectual Property.

You must immediately notify us of any apparent infringement of any Intellectual Property, or any challenge to your use of any Intellectual Property, or claim by any person of any rights to any Intellectual Property, and you must not communicate with any person other than your legal counsel, us, Pumpnickel and our respective legal counsel in connection with any infringement, challenge or claim. Pumpnickel will have sole discretion to take any action it deems appropriate and will have the right to control exclusively any litigation or USPTO or other administrative proceeding arising out of any infringement, challenge or claim or otherwise relating to any Intellectual Property. You must sign any and all instruments and documents, provide assistance and do all acts and things as, in the opinion of our or Pumpnickel's legal counsel, may be necessary or advisable to protect Pumpnickel's interests in any litigation or administrative proceeding or otherwise to protect its interests in the Intellectual Property. You must promptly notify us of any event that occurs in connection with the operation of your Bakery-Cafe that may adversely affect the System or the goodwill associated with the Marks.

We are not obligated to indemnify you against, or reimburse you for, any damages for which you are held liable in any proceeding arising out of your authorized use of any Intellectual Property under the Franchise Agreement. Neither are we

obligated to reimburse you for any costs you incur in defending any claim brought against you, your owners or Affiliates or any proceeding in which you are named as a party. In addition to all other rights we may have for unauthorized use of any Intellectual Property, you must reimburse us for any damages, liability or expenses incurred by us arising out of your use of any Intellectual Property in an unauthorized manner.

Area Development Agreement.

The Area Development Agreement does not grant you the right to use any of the Intellectual Property. Your right to use the Intellectual Property is derived solely from the Franchise Agreements you enter into with us.

SHS Services Agreement.

We will defend you against any claims arising from a third-party claim that the software, services or deliverables under the SHS Services Agreement infringe upon or misappropriates the intellectual property rights of any such third party. In such instance, we will have the right to require that you cease all use of the affected software, services and/or deliverables and, if requested by us, return the same to us. Our obligations to defend you may be limited in several instances, including without limitation as further detailed in Section 17.1 of the Franchisee Master Agreement for Software, Hardware and Support Services attached as Exhibit E to this Disclosure Document, and also generally related to your failure to comply with the specifications for, or the misuse of, the software or deliverables. Our obligations extend only to the defense of claims and exclude any obligation to indemnify you or hold you harmless. We have no obligations with respect to claims relating to hardware.

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

You must designate in Exhibit A to the Franchise Agreement as the “Operating Principal” an individual accepted by us who must: (a) meet our then-current requirements; (b) have the authority to bind you regarding all communications with us and operational decisions with respect to your Bakery-Cafe; and (c) have completed our training program to our satisfaction.

Your Operating Principal: (a) must exert his/her full-time and best efforts to the development and operation of your Panera Bread Bakery-Cafe and all other Panera Bread Bakery-Cafes you own; and (b) may not engage in any other business or activity, directly or indirectly, that requires substantial management responsibility or time commitments or otherwise may conflict with your obligations under the Franchise Agreement. You agree to provide us with copies of any arrangement, agreement or contract, and all amendments thereto, relating to your relationship with your Operating Principal. We will have no responsibility, liability or obligation to any party to any such arrangement, agreement or contract, or any amendments thereto, on account of our review thereof or otherwise, and you agree to indemnify and hold us harmless with respect thereto. Your Panera Bread Bakery-Cafe must, at all times, be managed by your Operating Principal or by an on-site general or assistant manager or a shift supervisor who has completed our training program to our satisfaction. Your manager need not have an equity interest in the franchise.

As more fully set forth in the Franchise Agreement and the Area Development Agreement, you must implement all reasonable procedures we prescribe from time to time to prevent unauthorized use or disclosure of Confidential Information. Such procedures may include the use of nondisclosure agreements with your owners, officers, directors, Operating Principals, managers, assistant managers, head bakers and the like. You and your owners must deliver such agreements to us. In addition to the non-disclosure agreements, your Owners, including your Principal Owners, must sign our current form of confidentiality and non-compete agreement attached as Exhibit E-1 to the Franchise Agreement. We have the right to regulate the form of non-disclosure agreements that you use and to be a third-party beneficiary of those agreements with independent enforcement rights. Our current form of confidentiality agreement is attached as Exhibit E-2 to the Franchise Agreement. At the end of the term of a Franchise Agreement or Area Development Agreement, you must deliver to us all Confidential Information.

If you are a partnership, corporation, limited liability company or other legal entity, one, some or all of your Principal Owners as we deem necessary must undertake to be personally bound, jointly and severally, by your obligations under the Franchise Agreement and Area Development Agreement, if any. Copies of these guarantees are attached to the forms of Area Development Agreement and Franchise Agreement in Exhibit A and Exhibit B of this Disclosure Document. “Principal Owner” means each Owner with a 5% or greater interest in you (whether a direct or indirect interest).

You alone will exercise day-to-day control over all operations, activities and elements of your Bakery-Cafe, and that under no circumstances will we do so or be deemed to do so. None of your employees or other personnel will be considered to be our employees or personnel. Neither you nor any of your employees or personnel whose compensation you pay may in any way, directly or indirectly, expressly or by implication, be construed to be our employee or personnel for any purpose, most particularly with respect to any mandated or other insurance coverage, tax or contributions, or requirements pertaining to withholdings, levied or fixed by any city, state, or federal governmental agency. We will not have the power to hire or fire your employees or personnel.

ITEM 16. RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

Franchise Agreement.

You must sell all food, beverage, other products, merchandise and services that we determine from time to time to be appropriate for your Panera Bread Bakery-Cafe. We may, in our discretion, establish certain marketing programs, including limited time offers, with which you must participate. We will not refund or exchange any unused products shipped to you in connection with these marketing programs. You are not restricted as to the customers whom you may serve at the Panera Bread Bakery-Cafe.

Your Panera Bread Bakery-Cafe will not be permitted to offer any products or services (including promotional items) we have not authorized for Panera Bread Bakery-Cafes without our prior written approval. We have the right to change the types of authorized goods and services, and there are no limits on our right to make changes. You may not use your Panera Bread Bakery-Cafe for any purpose other than the operation of a Panera Bread Bakery-Cafe in compliance with the Franchise Agreement.

Panera-owned Bakery-Cafes participate in charitable endeavors, such as providing left over products to the homeless through homeless shelters and food banks, and you are encouraged to participate in charitable and community activities. Because of the importance of maintaining quality and freshness, you are to sell baked goods the same day they are baked.

You must at all times maintain an inventory of approved food products, beverages, ingredients and other products sufficient in quantity, quality and variety to realize your Panera Bread Bakery-Cafe's full potential.

We may conduct market research to determine consumer trends and salability of new food and beverage products, merchandise and services. If we require you to participate, you must participate in our market research programs by test marketing new food and beverage products, merchandise and services in your Bakery-Cafe and providing us with timely reports and other relevant information regarding such market research. You must purchase a reasonable quantity of such test products and make a reasonable effort to sell them. If we require that you participate in any operations or marketing tests, including the testing of any product, program or media activity, you may be required to enter into a test agreement, which will outline all requirements for the testing. All test requirements, processes and procedures must be adhered to as outlined by us. Any applicable costs (smallwares, product, media or costs for any associated marketing activities) will be your responsibility, and you must provide complete data statistics on the test for our review and evaluation.

Area Development Agreement.

The Area Development Agreement contains no provisions restricting the goods and services you may offer. However, with respect to each Panera Bread Bakery-Cafe developed under the Area Development Agreement, you will be subject to the restrictions on goods and services contained in our then-current standard Franchise Agreement. The restrictions in our current Franchise Agreement are set out above.

[THE REMAINDER OF THIS PAGE IS LEFT BLANK INTENTIONALLY]

ITEM 17. RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

Franchise Agreement.

This table lists important provisions of the Franchise Agreement and related agreements. You should read these provisions in the agreements attached to this Disclosure Document.

<u>PROVISION</u>	<u>SECTION IN FRANCHISE AGREEMENT AND SHS SERVICES AGREEMENT</u>	<u>SUMMARY</u>
a. Term of the franchise	Section 2.01 of Franchise Agreement Section 3.1 of SHS Services Agreement	20 years for Core and Small Box Bakery-Cafes; 10 years for Non-Traditional Bakery-Cafes. 2 years.
b. Renewal or extension of the term	Section 15 of Franchise Agreement Section 3.1 of SHS Services Agreement	If you are in compliance with the Franchise Agreement, you may be granted a successor term of 10 years under the terms of our then-current Franchise Agreement. The new agreement may have terms and conditions materially different from the original contract. A successor franchise has no renewal rights. Automatic 2-year renewals unless either party gives 60 days' notice.
c. Requirements for you to renew or extend	Section 15 of Franchise Agreement	If you are in compliance with all terms of all agreements, sign new agreement, maintain the right to the Premises, pay a successor fee of 50% of our then-current initial franchise fee, remodel the Bakery-Cafe, and sign general release.
d. Termination by you	None in Franchise Agreement Section 3.2 of SHS Services Agreement	 You may terminate if we breach and fail to cure within 30 days.
e. Termination by us without cause	None in Franchise Agreement Section 3.2 of SHS Services Agreement	 We may terminate an Order without cause on 90 days' notice.
f. Termination by us with cause	Section 14 of Franchise Agreement Section 3.2 of SHS Services Agreement	We can terminate only for specified causes. We may terminate if you breach and fail to cure within 30 days.
g. "Cause" defined — defaults which can be cured	Section 14.01 of Franchise Agreement	You have 24 hours to cure health violations; 10 days to correct delinquent payments due us; 30 days to cure breaches of Franchise Agreement.

<u>PROVISION</u>	SECTION IN FRANCHISE AGREEMENT AND SHS SERVICES AGREEMENT	<u>SUMMARY</u>
h. “Cause” defined — defaults which cannot be cured	Section 8.06 and Section 14.01 of Franchise Agreement	Includes insolvency, failure to open or abandonment of business, cancellation of lease, misrepresentations, conviction of a felony, violation of any anti-terrorism law, unauthorized transfer, unauthorized disclosure of Confidential Information, repeated breaches of the agreements; fail 3 or more times within a period of 12 months to submit reports and other data or to otherwise comply with the Franchise Agreement, whether or not such failure is corrected; violation of any antiterrorism law or if your assets, property or interest are “blocked” under such law; termination or expiration of Area Development Agreement before the construction of your Bakery-Cafe starts; failure to maintain required insurance; you or any of your owners, representatives, or employees make any illicit statements that in our opinion negatively affects us, our employees, our operations or otherwise affects your Bakery-Cafe’s reputation or the goodwill associated with the Marks; you or any of your owners engage in any dishonest or unethical conduct which, in our opinion, adversely affects your Bakery-Cafe’s reputation or the goodwill associated with the Marks; you refuse to permit us to inspect your Bakery-Cafe’s books, records, or accounts upon request; you interfere with our right to inspect your Bakery-Cafe; you fail to pay when due any federal or state income, service, sales, or other taxes due on your Bakery-Cafe’s operation; you fail to timely refurbish and refresh or remodel your Bakery-Cafe; or we or any of our owners or Affiliates terminate any other agreement between you (or any of your owners and Affiliates) and us (or any of our owners or Affiliates) due to your (or any of your owners’ or Affiliates’) failure to comply with the terms of such agreement.
i. Your obligations on termination, nonrenewal	Section 16 of Franchise Agreement Section 3.3 of SHS Services Agreement	Discontinue use of Marks, Confidential Information, proprietary software and any mode of Internet communications; transfer to us the domain name for your Bakery-Cafe; de-identify your business; return Panera Operations Manual; notify telephone company; pay all monies owed us immediately no later than the effective date of termination or expiration; provide evidence of your compliance within 30 days of termination. Return all software equipment and materials, and pay all accrued amounts

<u>PROVISION</u>	SECTION IN FRANCHISE AGREEMENT AND SHS SERVICES AGREEMENT	<u>SUMMARY</u>
j. Assignment of contract by us	Section 13.08 and Section 19.07 of Franchise Agreement Section 25(f) of SHS Services Agreement	No restriction on our right to transfer or assign. No restriction on our right to assign or transfer.
k. “Transfer” by you — definition	Section 1.03 of Franchise Agreement	Includes sale, transfer, assignment or other disposition, whether voluntary or involuntary, by operation of law or otherwise, of the agreement rights, or any direct or indirect legal or beneficial ownership interest in Franchisee.
l. Our approval of transfer by you	Section 13.01 and Section 13.02 of Franchise Agreement Section 25(f) of SHS Services Agreement	We have the right to approve all transfers but will not unreasonably withhold approval if certain conditions satisfied. You may not transfer the agreement without our consent.
m. Conditions for our approval of transfer	Section 13.02 of Franchise Agreement	Bakery-Cafe must have opened; you must be in compliance with agreement, including payments of all amounts then-currently due; transferee must qualify, complete training and sign new or existing Franchise Agreement; transferee cannot be a public company; all your Bakery-Cafes must be transferred; transfer fee must be paid; you must subordinate debts and sign a general release and non-compete agreement; we must approve price and payment terms; there must be no adverse franchise legislation; the lessor for the premises of the Bakery-Cafe consents in writing to the transfer of the lease or sublease to the transferee; you must correct any existing deficiencies of your Bakery-Cafe of which we have notified you and/or the transferee has agreed to upgrade, remodel, expand and/or remodel your Bakery-Cafe; you must do other things we request.

<u>PROVISION</u>	SECTION IN FRANCHISE AGREEMENT AND SHS SERVICES AGREEMENT	<u>SUMMARY</u>
n. Our right of first refusal	Section 13.06 of Franchise Agreement	We can match any bona fide offer for your business within 30 days from delivery of a complete and accurate copy of offer.
o. Our right to purchase your business	Sections 16.04, 16.05, 16.06, 16.07, 16.08, and 16.09 of Franchise Agreement	We may acquire your Bakery-Cafe, at fair market value, upon termination or expiration (without renewal) of the Franchise Agreement.
p. Your death or disability	Section 13.05 of Franchise Agreement	All rights in Franchise Agreement must be assigned to an approved transferee within a reasonable time period not to exceed nine months of death/disability.
q. Non-competition covenants during the term of the franchise	Section 7.02 of Franchise Agreement	No involvement in any Competitive Business, regardless of its location.
r. Non-competition covenants after the franchise is terminated or expires	Section 16.03 of Franchise Agreement	You may not own or provide services/advice to any Competitive Business or any entity which franchises or licenses a Competitive Business for 2 years within your Protected Area or within 5 miles of any Panera Bread Bakery-Cafe.
s. Modification of the agreement	Section 10.01 and Section 19.09 of Franchise Agreement Section 25(e) of SHS Services Agreement	Generally, no modification except by written agreement signed by both parties. However, Panera Operations Manual is subject to change by us. We may also increase the NAF, LAF or MAF contributions beyond their maximum amounts with an affirmative vote by 66% of the then existing company and franchised Bakery-Cafes or 51% of then existing franchised Bakery-Cafes. No modification except by written agreement signed by both parties.
t. Integration/merger clause	Section 19.09 of Franchise Agreement Section 25(d) of SHS Services Agreement	Only the terms of the Franchise Agreement, including Panera Operations Manual, are binding (subject to state law); any other oral or written promises may not be enforceable; nothing is intended to disclaim any representation made in this disclosure document. The agreement constitutes the entire agreement as its subject matter.

<u>PROVISION</u>	SECTION IN FRANCHISE AGREEMENT AND SHS SERVICES AGREEMENT	<u>SUMMARY</u>
u. Dispute resolution by arbitration or mediation	Section 18 of Franchise Agreement Section 22.1 of SHS Services Agreement	You and we agree to attempt to resolve any dispute pursuant to mediation held at a location we designate (currently, Boston, Massachusetts), prior to commencing arbitration, except for claims involving: any payment obligation that is more than thirty (30) days past due; actual or threatened disclosure or misuse of Confidential Information; ownership, validity, or use of the Marks; insurance or indemnification provisions of the Franchise Agreement; a non-curable default; your failure to comply with the System or Operations Manual; or any action by us to enforce restrictive covenants. Arbitration required.
v. Choice of forum	Section 18 of Franchise Agreement Section 22.2 of SHS Services Agreement	State or federal court with jurisdiction in the city where our principal place of business is then-located (currently Boston, Massachusetts), subject to state law. State or federal court with jurisdiction in the city where our principal place of business is then-located (currently Boston, Massachusetts), subject to state law.
w. Choice of law	Section 19.06 of Franchise Agreement Section 23 of SHS Services Agreement	Subject to state law, Delaware law applies. Subject to state law, Delaware law applies.

Area Development Agreement.

This table lists important provisions of the Area Development Agreement and related agreements. You should read these provisions in the agreements attached to this Disclosure Document.

<u>PROVISION</u>	SECTION IN AREA DEVELOPMENT AGREEMENT	<u>SUMMARY</u>
a. Term of the Area Development Agreement	Section 2.01	Date set forth in <u>Exhibit A</u> or date upon which developer opens cumulative number of Bakery-Cafes set forth in <u>Exhibit A</u> .
b. Renewal or extension of the term	None	Upon request from developer, we will consider renewals and extensions on a case-by-case basis.
c. Requirements for you to renew or extend	None	See b. above.

<u>PROVISION</u>	<u>SECTION IN AREA DEVELOPMENT AGREEMENT</u>	<u>SUMMARY</u>
d. Termination by you	None	
e. Termination by us without cause	None	
f. Termination by us with cause	Section 8	We can terminate only for specified causes.
g. “Cause” defined — defaults which can be cured	Section 8.01	Not applicable.
h. “Cause” defined — defaults which cannot be cured	Section 8.01	Failure to meet Development Schedule or Remodel Schedule, any petition in bankruptcy, dissolution, reorganization, or appointment of receiver or custodian is filed against you or any of your Owners, misrepresentations, conviction of a felony, violation of any anti-terrorism law, unauthorized transfer, unauthorized disclosure of Confidential Information, breach of any Franchise Agreement or any other agreement between you, your owners or any of your Affiliates (as defined in the Area Development Agreement) and us; adverse franchise legislation; you, any of your owners, representatives, or employees make any illicit statements that in our opinion negatively affect us, our employees, our operations or otherwise affects your Bakery-Cafe’s reputation or the goodwill associated with the Marks; you (or any of your owners) engage in any dishonest or unethical conduct which, in our opinion, adversely affects your Bakery-Cafe’s reputation or the goodwill associated with the Marks.
i. Your obligations on termination, nonrenewal	Section 9	Comply with covenant not-to-compete and non-disclosure.
j. Assignment of contract by us	Section 11.07	No restriction on our right to transfer or assign.
k. “Transfer” by you definition	Section 7.01	Includes sale, transfer, assignment or other disposition, whether voluntary or involuntary, by operation of law or otherwise, of the agreement rights, or any direct or indirect legal or beneficial ownership interest in Developer.
l. Our approval of transfer by you	Sections 7.01 and 7.02	Your development rights under the Area Development Agreement are not assignable.
m. Conditions for Panera’s approval of transfer	Section 7.02	You may not transfer development rights under any circumstances.
n. Our right of first refusal	None	Not applicable.

<u>PROVISION</u>	<u>SECTION IN AREA DEVELOPMENT AGREEMENT</u>	<u>SUMMARY</u>
o. Your death or disability	Section 7.05	Not applicable.
p. Non-competition covenants during the term of the franchise	Section 6.02	No involvement in any Competitive Business, regardless of its location; may not divert or attempt to divert business or customers to Competitive Business.
q. Non-competition covenants after the franchise is terminated or expires	Section 9.02	You may not own or provide services/advice to any Competitive Business or any entity which franchises or licenses a competing business for 2 years within your Development Area or within 5 miles of any Panera Bread Bakery-Cafe. “Competitive Business” means any restaurant business, including a business that awards franchises or licenses others to operate or to be involved with any such restaurant business; provided, however, “Competitive Business” does not include (a) restaurant businesses that specialize in the sale of burgers, pizza, fried chicken or Mexican-style food; (b) the ownership or operation of other Panera Bread Bakery-Cafes that are licensed or franchised by us or any of our Affiliates; or (c) the ownership of shares of a class of securities that are listed on a public stock exchange or traded on the over-the-counter market and that represent less than five percent (5%) of that class of securities.
r. Modification of the agreement	Section 11.09	No modification except by written agreement signed by both parties.
s. Integration/merger clause	Section 11.09	Only the terms of the Area Development Agreement are binding (subject to state law); any other promises may not be enforceable; nothing is intended to disclaim any representation made in this disclosure document.
t. Dispute resolution by arbitration or mediation	Section 10	You and we agree to attempt to resolve any dispute pursuant to mediation held at a location we designate (currently, Boston, Massachusetts), prior to commencing arbitration, except for claims involving: any payment obligation that is more than thirty (30) days past due; actual or threatened disclosure or misuse of Confidential Information; ownership, validity, or use of the Marks; insurance or indemnification provisions of the Franchise Agreement; a non-curable default; your failure to comply with the System or Operations Manual; or any action by us to enforce restrictive covenants.

<u>PROVISION</u>	<u>SECTION IN AREA DEVELOPMENT AGREEMENT</u>	<u>SUMMARY</u>
u. Choice of forum	Section 10	State or federal court with jurisdiction in the city where our principal place of business is then-located (currently Boston, Massachusetts), subject to state law.
v. Choice of law	Section 11.06	Subject to state law, Delaware law applies.

Development and Operations Agreement.

This table lists important provisions of the Development and Operations Agreement and related agreements. You should read these provisions in the agreements attached to this Disclosure Document.

<u>PROVISION</u>	<u>SECTION IN DEVELOPMENT AND OPERATIONS AGREEMENT</u>	<u>SUMMARY</u>
a. Term of the Development and Operations Agreement	Section 2.3	Unless sooner terminated, the date on which the last effective Site Addendum expires. Each Site Addendum provides a 10 year term.
b. Renewal or extension of the term	None	Upon request from developer, we will consider renewals and extensions on a case-by-case basis.
c. Requirements for you to renew or extend	None	See b. above.
d. Termination by you	None	Not applicable
e. Termination by us without cause	None	Not applicable
f. Termination by us with cause	Section 13.1	We can terminate only for specified causes.
g. “Cause” defined — defaults which can be cured	Section 13.1	30 days to cure a breach of Development and Operations Agreement and failure to pay suppliers; 10 days to cure failure to accurately report Net Sales, to establish, maintain and/or have sufficient funds available in the designated account, and other monetary defaults; 24 hours to cure failure to comply with any mandatory specification, standard, or operating procedure prescribed by us relating to the cleanliness or sanitation of any Bakery-Cafe or violation of any health, safety or sanitation law, ordinance or regulation.

<u>PROVISION</u>	<u>SECTION IN DEVELOPMENT AND OPERATIONS AGREEMENT</u>	<u>SUMMARY</u>
h. “Cause” defined — defaults which cannot be cured	Section 13.1	You: commit fraud or a criminal offence, maintain false books or records, or submit false reports; contest our ownership or right to license the Marks; abandon any Bakery-Cafe; are convicted or please no contest to a felony or other crime that adversely affects the System or goodwill associated with the Marks; make any unauthorized use or disclosure of Confidential Information or duplicate or disclose any portion of the Operations Manual; and repeated defaults.
i. Your obligations on termination, nonrenewal	Section 14	Comply with covenant not-to-compete and non-disclosure.
j. Assignment of contract by us	Section 12.1	No restriction on our right to transfer or assign.
k. “Transfer” by you definition	Section 12.2	Includes sale, transfer, assignment or other disposition, whether voluntary or involuntary, by operation of law or otherwise, of the agreement rights, or any direct or indirect legal or beneficial ownership interest.
l. Our approval of transfer by you	Sections 12.3	We have the right to approve all transfers but will not unreasonably withhold approval if certain conditions satisfied.
m. Conditions for Panera’s approval of transfer	Section 12.3	The proposed transferee, its management and its direct and indirect owners are of good moral character and otherwise satisfies our then-current franchise qualification criteria and are not deemed to be a competitor
n. Our right of first refusal	None	
o. Your death or disability	Section 7.05	All rights in Development and Operations Agreement must be assigned to the approved buyer within a reasonable time period not to exceed nine months of death/disability.
p. Non-competition covenants during the term of the franchise	Section 11.2	No involvement in any Competitive Business, regardless of its location; may not divert or attempt to divert business or customers to Competitive Business.

<u>PROVISION</u>	<u>SECTION IN DEVELOPMENT AND OPERATIONS AGREEMENT</u>	<u>SUMMARY</u>
q. Non-competition covenants after the franchise is terminated or expires	Section 14.3	You may not own or provide services/advice to any Competitive Business or any entity which franchises or licenses a competing business for 1 year within your Development Area or within the Protected Area granted under any Site Addendum. “Competitive Business” means any restaurant business, including a business that awards franchises or licenses others to operate or to be involved with any such restaurant business; provided, however, “Competitive Business” does not include (a) restaurant businesses that specialize in the sale of burgers, pizza, fried chicken or Mexican-style food; (b) the ownership or operation of other Panera Bread Bakery-Cafes that are licensed or franchised by us or any of our Affiliates; or (c) the ownership of shares of a class of securities that are listed on a public stock exchange or traded on the over-the-counter market and that represent less than five percent (5%) of that class of securities.
r. Modification of the agreement	Section 17.6	No modification except by written agreement signed by both parties.
s. Integration/merger clause	Section 17.6	Only the terms of the Development and Operations Agreement are binding (subject to state law); any other promises may not be enforceable; nothing is intended to disclaim any representation made in this disclosure document.
t. Dispute resolution by arbitration or mediation	Section 16	You and we agree to attempt to resolve any dispute pursuant to mediation held at a location we designate (currently, Boston, Massachusetts), prior to commencing arbitration, except for claims involving: any payment obligation that is more than thirty (30) days past due; actual or threatened disclosure or misuse of Confidential Information; ownership, validity, or use of the Marks; insurance or indemnification provisions of the Franchise Agreement; a non-curable default; your failure to comply with the System or Operations Manual; or any action by us to enforce restrictive covenants.
u. Choice of forum	Section 16	State or federal court with jurisdiction in the city where our principal place of business is then-located (currently Boston, Massachusetts), subject to state law.
v. Choice of law	Section 16	Subject to state law, Delaware law applies.

Some states may have statutes and other states may have court decisions that may supersede the Franchise Agreement and Area Development Agreement in your relationship with us, including the areas of termination and renewal of your franchise.

Provisions in the Franchise Agreement and the Area Development Agreement that provide for termination upon your bankruptcy may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101 et seq.).

ITEM 18. PUBLIC FIGURES

We do not use any public figure to promote the sale of our franchises.

ITEM 19. FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and the information is included in the Disclosure Document. Financial performance information that differs from that included in Item 19 may be given only if: (1) a franchisor provides the actual records of an existing outlet you are considering buying; or (2) a franchisor supplements the information provided in this Item 19, for example, by providing information about performance at a particular location or under particular circumstances.

STATEMENT OF AVERAGE NET SALES OF PANERA BREAD BAKERY-CAFES FOR THE 52-WEEK FISCAL YEAR ENDING DECEMBER 30, 2025.

AVERAGE NET SALES

Company-owned Bakery-Cafes	\$2,680,192
Franchisee-owned Bakery-Cafes	\$2,541,217
Company-owned and Franchisee-owned Bakery-Cafes	\$2,611,155

SOME BAKERY-CAFES HAVE EARNED THIS AMOUNT. YOUR INDIVIDUAL RESULTS MAY DIFFER. THERE IS NO ASSURANCE YOU WILL EARN AS MUCH.

Information Regarding Statement of Average Net Sales.

The Statement of Average Net Sales consists of the mean averages of the reported annual Net Sales of 1,087 company-owned Bakery-Cafes and 1,073 Franchisee-owned Bakery-Cafes open during the entire fiscal year ending December 30, 2025. Substantiation of the information used in preparing the Statement of Average Net Sales will be made available to you upon reasonable request. However, we will not disclose the identity or sales data of any particular Panera Bread Bakery- Cafe without the consent of that owner, except to any applicable state registration authorities or except in connection with the sale of a particular existing Panera Bread Bakery-Cafe that we own.

Of the 2,160 Panera Bread Bakery-Cafes used for calculating the Average Net Sales for the fiscal year ending December 30, 2025, the median data is as follows: (i) the 1,087 company-owned Panera Bread Bakery-Cafes had Net Sales ranging between \$826,294 and \$5,287,088, of which 494 (45.4%) attained or surpassed \$2,680,192 in Net Sales (the average Net Sales of company-owned Panera Bread Bakery-Cafes), and (ii) the 1,073 Franchisee-owned Panera Bread Bakery-Cafes had Net Sales ranging between \$463,536 and \$5,876,372 of which 483 (45.0%) attained or surpassed \$2,541,217 in Net Sales (the average Net Sales of Franchisee-owned Panera Bread Bakery-Cafes).

The Net Sales of Franchisee-owned Bakery-Cafes were derived from unaudited financial reports submitted by Franchisees for the purpose of computing royalties. Panera compiled the Net Sales of company-owned Bakery-Cafes on the basis of generally accepted accounting principles.

If you are purchasing the assets of existing company-owned Bakery-Cafes, you should not rely on the statement of average net sales, but should instead review the actual financial results of the Bakery-Cafe(s) being purchased. Similarly, prospective franchisees of Non-Traditional Bakery-Cafes should not rely on the foregoing statement of average net sales, since

it is not relevant to those types of Panera Bread Bakery-Cafes. We make no claim regarding the actual or potential sales or profits of Non-Traditional Bakery-Cafes. These results are averages of specific Panera Bread Bakery-Cafes.

STATEMENT OF AVERAGE GROSS PROFIT AND EBITDA OF COMPANY-OWNED BAKERY-CAFES FOR THE FISCAL YEAR ENDING DECEMBER 30, 2025.¹

		<u>% of Average Gross</u>	<u>No. Attaining or Surpassing the Respective Average</u>	<u>% Attaining or Surpassing the Respective Average</u>
	<u>Average Amount</u>	<u>Revenues</u>	<u>Amount</u>	<u>Amount</u>
Gross Revenues ²	\$2,817,493	100.0	497	45.7
Discounts ³	\$137,301	4.9	504	46.4
Net Sales ⁴	\$2,680,192	95.1	494	45.4
Cost of Sales ⁵	\$751,223	26.7	495	45.5
Gross Profit	\$1,928,969	68.5	494	45.4
EBITDA⁶	\$543,080	19.3	503	46.3

SOME BAKERY-CAFES HAVE EARNED THIS AMOUNT. YOUR INDIVIDUAL RESULTS MAY DIFFER. THERE IS NO ASSURANCE YOU WILL EARN AS MUCH.

Information Regarding Statement of Average Gross Profit and EBITDA of Company-Owned Bakery-Cafes.

The Statement of Average Gross Profit and EBITDA of company-owned Bakery-Cafes consists of the mean averages of 1,087 company-owned Bakery-Cafes open during the entire fiscal year ending December 30, 2025. Substantiation of the information used in preparing the Statement of Gross Profit and EBITDA will be made available to you upon reasonable request. However, we will not disclose the identity, revenue or other items of income or expense of any particular company-owned Panera Bread Bakery-Cafe, except to any applicable state registration authorities or except in connection with the sale of a particular existing Panera Bread Bakery-Cafe that we own. The Statement of Average Gross Profit and EBITDA for company-owned Bakery-Cafes was prepared in accordance with generally accepted accounting principles and excludes inter-company adjustments made in consolidation. The footnotes are an integral part of the Statement of Average Gross Profit and EBITDA and should be read in conjunction therewith. The Statement of Average Gross Profit and EBITDA does not include, among other things, amortization of initial franchise fees or royalties, which a franchisee would have to pay to us, or bank financing charges, which can vary greatly.

¹ The 1,087 company-owned Bakery-Cafes includes twenty-one (21) delivery and carryout locations and excludes two (2) delivery only locations.

² Gross Revenues are comprised of the aggregate gross amount of all sales of food, beverages and other products and merchandise sold and services rendered but does not include sales or service taxes. The median Gross Revenue was \$2,747,534, the high amount was \$5,494,862 and the low amount was \$876,863.

³ Discounts consist of the dollar amount of coupons, MyPanera® Rewards Program, other promotional discounts, and employee meals.

⁴ Net Sales has the same meaning as set forth in the Franchise Agreement, i.e., the aggregate gross amount, determined in accordance with Panera Standards of all sales of food, beverages and other products and merchandise sold and services rendered in connection with the Panera Bread Bakery-Cafe, including monies derived from sales at or away from the Panera Bread Bakery-Cafe, whether for cash or credit, but excluding (1) all federal, state or municipal sales or service taxes collected from customers and paid to the appropriate taxing authorities; and (2) all customer refunds and adjustments and promotional discounts made by the Panera Bread Bakery-Cafe.

⁵ Cost of Sales includes the cost of food, paper and other products. (See Item 6 regarding pricing.) These figures are based on the cost of Panera Bread Bakery-Cafes within the distribution network areas. The cost of sales may vary considerably based on whether a Bakery-Cafe is located within a geographic area previously serviced by our fresh dough facilities, approved suppliers and distributors.

⁶ EBITDA means earnings (i.e. net profit) before interest, taxes, depreciation and amortization.

Sales volumes of Panera Bread Bakery-Cafes vary considerably due to a variety of factors, such as: local popularity of Panera Bread Bakery-Cafes; hours of operation; size of the Bakery-Cafe; competition from other restaurants, especially fast food businesses in proximity to the Bakery-Cafe; weather conditions; traffic flow, accessibility and visibility of the Bakery-Cafe; the economic conditions in the locality of the Bakery-Cafe; and the business abilities and efforts of franchisees. In addition, sales volumes of individual Panera Bread Bakery-Cafes could be adversely impacted by certain conditions affecting the franchisor or the System as a whole, such as our inability to execute our growth strategy, including, among other things, variations in the number, timing, and successful nature of company-owned and franchisee- owned Bakery-Cafe openings; continued successful operation of Bakery-Cafes; failure or inability to protect our brand, trademarks, or other proprietary rights and health concerns about the consumption of certain products.

Operating costs and expenses for a Panera Bread Bakery-Cafe may vary considerably and be different than those disclosed in the foregoing statement, as a result of higher food and distribution costs, labor shortages, and competitive real estate markets, among other factors.

If you are purchasing the assets of existing company-owned bakery-cafes, you should not rely on the average gross profit and EBITDA information set forth above, but should instead review the actual financial results of the bakery-cafe(s) being purchased. Similarly, prospective franchisees of Non-Traditional Bakery-Cafes should not rely on the foregoing statement of average gross profit and EBITDA since such statement is not relevant to those types of Panera Bread Bakery-Cafes. We make no claim regarding the actual or potential revenues or profits of Non-Traditional Bakery-Cafes.

* * *

Except for the above Statements, and except as otherwise expressly stated in this Item 19, no representations or statements of actual, average, projected or forecasted sales, expenses, profits or earnings of Panera Bread Bakery-Cafes are made to prospective franchisees. None of our officers or employees is authorized to make any claims or statements as to the earnings, expenses, sales or profits or prospects or chances of success that you can expect or that have been experienced by us or by present or past Panera Bread Bakery-Cafes. We have specifically instructed our officers and employees that they are not permitted to make claims or statements as to the earnings, expenses, sales or profits or the prospects or chances of success, nor are they authorized to represent or estimate dollar figures as to any particular Panera Bread Bakery-Cafe or any particular site for a Panera Bread Bakery-Cafe.

ITEM 20. OUTLETS AND FRANCHISEE INFORMATION

Our 2023, 2024 and 2025 fiscal years ended on December 26, December 31 and December 30, respectively.

Table No. 1

System-wide Outlet Summary For years 2023 to 2025

Column 1 Outlet Type	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets at the End of the Year	Column 5 Net Change
Franchised	2023	1089	1113	+24
	2024	1113	1105	-8
	2025	1105	1106	+1
Company-Owned (1)	2023	1005	1038	+33
	2024	1038	1080	+42

	2025	1080	1108	+28
Total Outlets	2023	2094	2151	+57
	2024	2151	2185	+35
	2025	2185	2214	+29

Note 1: Includes twenty-one (21) delivery and carryout locations and excludes two (2) catering only locations. These Item 20 Tables include Non-Traditional Locations.

Table No. 2

**Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)
For years 2023 to 2025**

Column 1 State	Column 2 Year	Column 3 Number of Transfers
Alabama	2023	2
	2024	0
	2025	0
Arizona	2023	0
	2024	0
	2025	1
Florida	2023	0
	2024	0
	2025	1
Georgia	2023	2
	2024	0
	2025	0
Louisiana	2023	10
	2024	0
	2025	0
New York	2023	11
	2024	0
	2025	0
North Carolina	2023	0
	2024	2
	2025	1
Ohio	2023	0
	2024	1
	2025	0
Oklahoma	2023	0

Column 1 State	Column 2 Year	Column 3 Number of Transfers
	2024	0
	2025	0
Tennessee	2023	10
	2024	0
	2025	0
Virginia	2023	0
	2024	11
	2025	0
West Virginia	2023	0
	2024	2
	2025	0
Total	2023	35
	2024	16
	2025	3

Table No. 3

**Status of Franchised Outlets
For years 2023 to 2025**

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of Year	Col. 4 Outlets Opened	Col. 5 Terminations	Col. 6 Non- Renewals	Col. 7 Reacquired by Franchisor	Col. 8 Ceased Operations- Other Reasons	Col. 9 Outlets at End of the Year
Alabama	2023	3	0	0	0	0	0	3
	2024	3	0	0	0	0	0	3
	2025	3	0	0	0	0	0	3
Arizona	2023	7	0	0	0	0	0	7
	2024	7	1	0	0	0	0	8
	2025	8	0	1	0	0	0	7
Arkansas	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
California	2023	101	4 ⁽¹⁾	2	0	0	1 ⁽¹⁾	102
	2024	102	2	1	0	6 ⁽²⁾	0	97
	2025	97	0	1	0	0	0	96
Colorado	2023	39	2	0	0	0	0	41
	2024	41	0	2	0	0	0	39

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of Year	Col. 4 Outlets Opened	Col. 5 Terminations	Col. 6 Non- Renewals	Col. 7 Reacquired by Franchisor	Col. 8 Ceased Operations- Other Reasons	Col. 9 Outlets at End of the Year
	2025	39	0	2	0	0	0	37
Connecticut	2023	16	0	1	0	0	0	15
	2024	15	0	0	0	0	0	15
	2025	15	0	0	0	0	0	15
Delaware	2023	6	0	0	0	0	0	6
	2024	6	0	0	0	0	0	6
	2025	6	0	0	0	0	0	6
District of Columbia	2023	0	1	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Florida	2023	102	3 ⁽¹⁾	1	0	0	1 ⁽¹⁾	103
	2024	103	1	2	0	0	0	102
	2025	102	0	1	0	0	0	101
Georgia	2023	56	3	2	0	0	0	57
	2024	57	1	0	0	0	0	58
	2025	58	1	1	0	0	0	58
Illinois	2023	37	3 ⁽¹⁾	0	0	0	1 ⁽¹⁾	39
	2024	39	0	1	0	0	0	38
	2025	38	0	1	0	0	0	37
Indiana	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
Iowa	2023	19	0	0	0	0	0	19
	2024	19	0	0	0	0	0	19
	2025	19	0	0	0	0	0	19
Kansas	2023	23	1 ⁽¹⁾	0	0	0	1 ⁽¹⁾	23
	2024	23	1 ⁽¹⁾	0	0	0	1 ⁽¹⁾	23
	2025	23	2	0	0	0	0	25
Kentucky	2023	8	0	0	0	0	0	8
	2024	8	0	0	0	0	0	8
	2025	8	0	0	0	0	0	8
Louisiana	2023	10	0	0	0	0	0	10
	2024	10	0	0	0	0	0	10
	2025	10	0	0	0	0	0	10

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of Year	Col. 4 Outlets Opened	Col. 5 Terminations	Col. 6 Non- Renewals	Col. 7 Reacquired by Franchisor	Col. 8 Ceased Operations- Other Reasons	Col. 9 Outlets at End of the Year
Maine	2023	6	0	0	0	0	0	6
	2024	6	0	0	0	0	0	6
	2025	6	0	0	0	0	0	6
Maryland	2023	52	2	0	0	0	0	54
	2024	54	2 ⁽¹⁾	2	0	0	1 ⁽¹⁾	53
	2025	53	1	0	0	0	0	54
Massachusetts	2023	61	2	0	0	0	0	63
	2024	63	4 ⁽¹⁾	1	0	0	1 ⁽¹⁾	65
	2025	65	0	0	0	0	0	65
Michigan	2023	22	0	0	0	0	0	22
	2024	22	0	0	0	0	0	22
	2025	22	1	0	0	0	0	23
Mississippi	2023	5	0	0	0	0	0	5
	2024	5	0	0	0	0	0	5
	2025	5	0	0	0	0	0	5
Missouri	2023	21	2 ⁽¹⁾	1	0	0	2 ⁽¹⁾	20
	2024	20	0	1	0	0	0	19
	2025	19	0	0	0	0	0	19
Montana	2023	3	0	0	0	0	0	3
	2024	3	1	0	0	0	0	4
	2025	4	0	0	0	0	0	4
Nevada	2023	14	3	0	0	0	0	17
	2024	17	0	1	0	0	0	16
	2025	16	3	0	0	0	0	19
New Hampshire	2023	13	1 ⁽¹⁾	0	0	0	1 ⁽¹⁾	13
	2024	13	0	0	0	0	0	13
	2025	13	0	0	0	0	0	13
New Jersey	2023	16	0	0	0	0	0	16
	2024	16	1	0	0	0	0	17
	2025	17	1	0	0	0	0	18
New York	2023	54	6 ⁽¹⁾	1	0	0	1 ⁽¹⁾	58
	2024	58	5	0	0	0	0	63
	2025	63	0	3	0	0	0	60
North Carolina	2023	24	2	0	0	0	0	26

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of Year	Col. 4 Outlets Opened	Col. 5 Terminations	Col. 6 Non- Renewals	Col. 7 Reacquired by Franchisor	Col. 8 Ceased Operations- Other Reasons	Col. 9 Outlets at End of the Year
	2024	26	1	2	0	0	0	25
	2025	25	0	0	0	0	0	25
Ohio	2023	127	4 ⁽¹⁾	0	0	0	2 ⁽¹⁾	129
	2024	129	0	3	0	0	0	126
	2025	126	0	2	0	0	0	124
Oklahoma	2023	16	0	0	0	0	0	16
	2024	16	1	0	0	0	0	17
	2025	17	1	0	0	0	0	18
Oregon	2023	15	2	0	0	0	0	17
	2024	17	0	0	0	0	0	17
	2025	17	0	0	0	0	0	17
Pennsylvania	2023	69	3	1	0	0	0	71
	2024	71	0	0	0	0	0	71
	2025	71	3	3	0	0	0	71
Rhode Island	2023	7	0	0	0	0	0	7
	2024	7	0	0	0	0	0	7
	2025	7	0	0	0	0	0	7
South Carolina	2023	20	1 ⁽¹⁾	0	0	0	1 ⁽¹⁾	20
	2024	20	0	1	0	0	0	19
	2025	19	1	1	0	0	0	19
Tennessee	2023	19	0	1	0	0	0	18
	2024	18	0	1	0	0	0	17
	2025	17	0	0	0	0	0	17
Texas	2023	42	0	1	0	0	0	41
	2024	41	2	0	0	5 ⁽³⁾	0	38
	2025	38	10 ⁽²⁾	16	0	0	0	32
Utah	2023	1	1	0	0	0	0	2
	2024	2	1	0	0	0	0	3
	2025	3	4	0	0	0	0	7
Virginia	2023	15	0	1	0	0	0	14
	2024	14	0	0	0	0	0	14
	2025	14	2	0	0	0	0	16
Washington	2023	26	1	0	0	0	0	27
	2024	27	0	0	0	0	0	27

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of Year	Col. 4 Outlets Opened	Col. 5 Terminations	Col. 6 Non- Renewals	Col. 7 Reacquired by Franchisor	Col. 8 Ceased Operations- Other Reasons	Col. 9 Outlets at End of the Year
	2025	27	2	0	0	0	0	29
West Virginia	2023	10	0	0	0	0	0	10
	2024	10	0	0	0	0	0	10
	2025	10	1	0	0	0	0	11
Wyoming	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Totals	2023	1089	47	12	0	0	11	1113
	2024	1113	24	18	0	11	3	1105
	2025	1105	33	32	0	0	0	1106

Note 1: In this year a franchisee closed one or more Bakery-Cafes in the state and reopened (or will reopen) at a new location.

Note 2: In 2025, Houston Bread, LLC opened eight (8) Bakery-Cafes in Texas which are temporarily closed for remodeling.

Table No. 4

**Status of Company-Owned Outlets
For years 2023 to 2025**

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of the Year	Col. 4 Outlets Opened	Col. 5 Outlets Reacquired From Franchisee	Col. 6 Outlets Closed	Col. 7 Outlets Sold to Franchisee	Col. 8 Outlets at End of the Year
Alabama	2023	26	0	0	0	0	26
	2024	26	0	0	0	0	26
	2025	26	0	0	0	0	26
Arizona	2023	28	2	0	0	0	30
	2024	30	2	0	1	0	31
	2025	31	0	0	1	0	30
Arkansas	2023	6	0	0	0	0	6
	2024	6	2	0	0	0	8
	2025	8	0	0	0	0	8
California	2023	78	4	0	0	0	82
	2024	82	7	6	1	0	94
	2025	94	3	0	0	0	97
	2023	18	1	0	0	0	19

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of the Year	Col. 4 Outlets Opened	Col. 5 Outlets Reacquired From Franchisee	Col. 6 Outlets Closed	Col. 7 Outlets Sold to Franchisee	Col. 8 Outlets at End of the Year
Connecticut	2024	19	1	0	1	0	19
	2025	19	0	0	1	0	18
District of Columbia	2023	3	1	0	0	0	4
	2024	4	1	0	0	0	5
	2025	5	0	0	0	0	5
Florida	2023	84	3	0	1	0	86
	2024	86	4	0	0	0	90
	2025	90	6	0	2	0	94
Georgia	2023	7	0	0	0	0	7
	2024	7	0	0	0	0	7
	2025	7	1	0	0	0	8
Idaho	2023	7	0	0	0	0	7
	2024	7	0	0	0	0	7
	2025	7	1	0	0	0	8
Illinois	2023	72	1	0	0	0	73
	2024	73	1	0	0	0	74
	2025	74	1	0	0	0	75
Indiana	2023	39	3	0	0	0	42
	2024	42	0	0	0	0	42
	2025	42	0	0	0	0	42
Iowa	2023	2	0	0	0	0	2
	2024	2	0	0	0	0	2
	2025	2	0	0	0	0	2
Kentucky	2023	23	0	0	0	0	23
	2024	23	1	0	0	0	24
	2025	24	0	0	0	0	24
Louisiana	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	0	1
Michigan	2023	57	4 ⁽¹⁾	0	2 ⁽¹⁾	0	59
	2024	59	0	0	0	0	59
	2025	59	0	0	1	0	58
Minnesota	2023	31	1 ⁽¹⁾	0	1 ⁽¹⁾	0	31
	2024	31	0	0	0	0	31

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of the Year	Col. 4 Outlets Opened	Col. 5 Outlets Reacquired From Franchisee	Col. 6 Outlets Closed	Col. 7 Outlets Sold to Franchisee	Col. 8 Outlets at End of the Year
	2025	31	1	0	0	0	32
Missouri	2023	46	3	0	0	0	49
	2024	49	0	0	0	0	49
	2025	49	1	0	0	0	50
Nebraska	2023	12	0	0	0	0	12
	2024	12	0	0	0	0	12
	2025	12	1	0	0	0	13
New Jersey	2023	63	0	0	0	0	63
	2024	63	0	0	0	0	63
	2025	63	0	0	0	0	63
New Mexico	2023	7	0	0	0	0	7
	2024	7	0	0	0	0	7
	2025	7	0	0	0	0	7
New York	2023	54	8	0	1	0	61
	2024	61	2	0	0	0	63
	2025	63	4	0	0	0	67
North Carolina	2023	63	3	0	1	0	65
	2024	65	1	0	2	0	64
	2025	64	1	0	2	0	63
North Dakota	2023	4	0	0	0	0	4
	2024	4	0	0	0	0	4
	2025	4	0	0	0	0	4
Ohio	2023	8	1	0	0	0	9
	2024	9	0	0	0	0	9
	2025	9	0	0	0	0	9
Oklahoma	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	0	1
Pennsylvania	2023	42	0	0	1	0	41
	2024	41	0	0	0	0	41
	2025	41	1	0	0	0	42
Rhode Island	2023	0	0	0	0	0	0
	2024	0	1	0	0	0	1
	2025	1	0	0	0	0	1

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of the Year	Col. 4 Outlets Opened	Col. 5 Outlets Reacquired From Franchisee	Col. 6 Outlets Closed	Col. 7 Outlets Sold to Franchisee	Col. 8 Outlets at End of the Year
South Carolina	2023	15	0	0	0	0	15
	2024	15	0	0	0	0	15
	2025	15	1	0	0	0	16
South Dakota	2023	3	0	0	0	0	3
	2024	3	0	0	0	0	3
	2025	3	0	0	0	0	3
Tennessee	2023	22	1	0	0	0	23
	2024	23	1	0	0	0	24
	2025	24	2	0	0	0	26
Texas	2023	72	1	0	0	0	73
	2024	73	5	5 ⁽³⁾	0	0	83
	2025	83	5	0	0	0	88
Vermont	2023	3	0	0	0	0	3
	2024	3	0	0	0	0	3
	2025	3	0	0	0	0	3
Virginia	2023	65	3	0	0	0	68
	2024	68	5	0	0	0	73
	2025	73	5	0	0	0	78
Washington	2023	4	0	0	0	0	4
	2024	4	0	0	0	0	4
	2025	4	1	0	0	0	5
Wisconsin	2023	39	0	0	0	0	39
	2024	39	2	0	0	0	41
	2025	41	1	0	1	0	41
Totals	2023	1005	40	0	7	0	1038
	2024	1038	36	11	5	0	1080
	2025	1080	36	0	8	0	1108

Note 1: In this year Panera closed one or more Bakery-Cafes in the state and reopened at a new location.

Table No. 5

Openings for Fiscal Year 2026 Projected As Of December 30, 2025

Column 1 State	Column 2 Franchise Agreements Signed But Outlet Not Opened	Column 3 Projected New Franchised Outlet In The Next Fiscal Year	Column 4 Projected New Company-Owned Outlet In the Next Fiscal Year
Arizona	0	1	3
Arkansas	0	0	1
California	0	2	2
Colorado	0	1	0
District of Columbia	0	2	1
Florida	0	0	6
Idaho	0	0	2
Kentucky	0	0	2
Maryland	0	1	0
Michigan	0	0	3
Minnesota	0	0	2
Missouri	0	1	0
Montana	0	1	0
New Hampshire	0	1	0
New Jersey	0	0	1
New York	0	2	1
Oklahoma	0	1	0
South Carolina	0	0	1
Tennessee	0	0	2
Texas	0	2	3
Virginia	0	1	1
West Virginia	0	1	0
Total	0	17	31

The names, addresses, and telephone numbers of our Area Developers and their Panera Bread Bakery-Cafes are listed in Exhibit H-1.

The name, city and state, and current business telephone number (or if unknown, the last known home telephone number) of every Panera franchisee in the U.S. who has had a franchise terminated, cancelled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under their franchise during the most recently completed fiscal year, or has

not communicated with us within 10 weeks of the date of issuance of this Disclosure Document are listed in Exhibit H-2. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

If we offer to sell any previously-owned franchised Panera Bread Bakery-Cafe that we now own, specific information about that Bakery-Cafe will be provided to you in a separate supplement to this Disclosure Document.

In some instances, in connection with settling disputes, in the last three (3) fiscal years, former franchisees have signed provisions restricting their ability to speak openly about their experience with the Panera franchise system. 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.

The Franchise Advisory Council is an advisory committee that functions at Panera's discretion and includes Panera senior officers and franchisees. Inquiries about the Franchise Advisory Council may be directed to the current Chair, Mike Hamra, Hamra Enterprises LLC, 1855 S. Ingram Mill Road, Springfield, MO 65804 (417-887-7677) or the current co-Chair, Jeff Harman, Chief Restaurant Officer of Panera, LLC.

ITEM 21. FINANCIAL STATEMENTS

Panera Brands, Inc. has agreed to absolutely and unconditionally guarantee and to assume the obligations or duties of Panera under the Franchise Agreement. Therefore, the consolidated financial statements of Panera Brands, Inc. listed below are attached to this Disclosure Document as Exhibit I:

1. Audited financial statements for the fiscal years ended December 31, 2025, December 31, 2024 and December 31, 2023.

ITEM 22. CONTRACTS

Attached as Exhibits to this Disclosure Document are the following contracts and their attachments:

1. Area Development Agreement (Exhibit A)
2. Franchise Agreement (Exhibit B)
3. Non-Traditional Location Addendum to Franchise Agreement (Exhibit C-1)
4. Development and Operations Agreement (Exhibit C-2)
5. Development Services Agreement (Exhibit D-1)
6. Real Estate Selection and Construction Management Services Agreement (Exhibit D-2)
7. Franchisee Master Agreement for Software, Hardware and Support Services (Exhibit E)

ITEM 23. RECEIPTS

The last two pages of the Disclosure Document are identical pages acknowledging receipt of this entire document (including the exhibits). Please sign and return to us one copy; please keep the other copy along with the Disclosure Document.

[THE REMAINDER OF THIS PAGE IS LEFT BLANK INTENTIONALLY]

EXHIBIT A TO FDD
AREA DEVELOPMENT AGREEMENT

PANERA, LLC
AREA DEVELOPMENT AGREEMENT

AREA DEVELOPER

AREA

DATE OF AGREEMENT

PANERA, LLC
AREA DEVELOPMENT AGREEMENT
TABLE OF CONTENTS

	<u>Page</u>
1. INTRODUCTION.....	1
1.01 Panera Bread Bakery-Cafes	1
1.02 Your Acknowledgments	1
1.03 Your Representations.....	1
1.04 Certain Definitions	2
2. DEVELOPMENT RIGHTS.....	4
2.01 Term and Development Fee.....	4
2.02 Development Rights	5
2.03 Development Obligations	5
2.04 Our Reservation of Rights	5
3. GRANT OF FRANCHISES.....	6
3.01 Site Selection Assistance	6
3.02 Site Evaluation and Acceptance	6
3.03 Financial Qualifications	7
3.04 Grant of Franchise	7
3.05 Restrictions on Debt	7
3.06 Periodic Reports	8
4. YOUR ORGANIZATION AND MANAGEMENT.....	8
4.01 Organizational Documents	8
4.02 Disclosure of Ownership Interests	9
4.03 Operating Principal/Management of Business	9
4.04 Orientation Meetings	9
5. RELATIONSHIP OF THE PARTIES.....	9
5.01 Independent Contractors	9
5.02 Indemnification.....	10
5.03 Ownership of the Marks.....	11
6. RESTRICTIVE COVENANTS.....	12
6.01 Confidential Information	12
6.02 In-Term Covenants	12
6.03 Information Exchange.....	12

7.	RIGHT TO TRANSFER.....	13
7.01	No Assignment by Area Developer.....	13
7.02	Franchisor's Right to Transfer.....	13
8.	TERMINATION OF THE AGREEMENT.....	13
8.01	Immediate Termination Upon Notice.....	13
9.	EFFECT OF TERMINATION AND EXPIRATION.....	14
9.01	Continuing Obligations	14
9.02	Post-Term Covenants	14
9.03	Non-Disclosure.....	15
10.	DISPUTE RESOLUTION.....	15
10.01	Mediation	15
10.02	Arbitration	15
10.03	Jurisdiction.....	16
10.04	Survival.....	17
11.	MISCELLANEOUS.....	17
11.01	Severability and Substitution of Provisions	17
11.02	Waiver of Obligations	17
11.03	Exercise of Rights.....	17
11.04	Injunctive Relief.....	17
11.05	Attorneys' Fees	18
11.06	Governing Law	18
11.07	Successors and Assigns.....	18
11.08	Limitations on Legal Actions.....	18
11.09	Construction; Electronic Signature.....	18
11.10	Approvals and Consents.....	19
11.11	Notices	19
11.12	No Recourse.....	19
11.13	The Exercise of Franchisor's Judgment.....	20
11.14	Multiple Forms of Agreement.....	20
EXHIBIT A -	DEVELOPMENT AREA AND SCHEDULE	
EXHIBIT A-1	PLAN OF DEVELOPMENT AREA	
EXHIBIT B -	AREA DEVELOPER AND ITS OWNERS	
EXHIBIT C -	PRINCIPAL OWNERS' PERSONAL GUARANTY OF AREA DEVELOPER'S OBLIGATIONS	
EXHIBIT D -	OWNER PERSONAL COVENANTS REGARDING CONFIDENTIALITY AND NON- COMPETITION	

PANERA, LLC
AREA DEVELOPMENT AGREEMENT

This Area Development Agreement (this “Agreement”) is made as of the _____ day of _____, _____, between **PANERA, LLC** (“Franchisor,” “we,” “us” or “Panera Bread”), a Delaware limited liability company, with its principal place of business located at 1400 South Highway Drive, Suite 100, Fenton Missouri 63026, and _____ (“Area Developer” or “you”), a(n) _____, whose principal address is _____.

1. INTRODUCTION.

1.01 Panera Bread Bakery-Cafes. We own, operate and franchise Panera Bread Bakery-Cafes, specializing in the retail sale of high-quality food in a warm, friendly and comfortable environment. Our key menu groups are sandwiches, salads, soups, baked goods, pasta dishes and side items, and beverages, as well as other menu items and merchandise related to the Panera Bread concept that we authorize from time to time. Panera Bread Bakery-Cafes operate using the System and Marks.

1.02 Your Acknowledgments. You have read this Agreement and acknowledge and agree with the following:

- (a) you understand the terms of this Agreement and accept them as being necessary to maintain the uniformity of our high-quality standards at all Panera Bread Bakery-Cafes in order to protect and preserve the goodwill of the Marks and the integrity of the System;
- (b) you have conducted an independent investigation of the business contemplated by this Agreement and recognize that the restaurant industry is highly competitive, with constantly changing market conditions;
- (c) you recognize that the nature of Panera Bread Bakery-Cafes may change over time, that an investment in a Panera Bread Bakery-Cafe involves business risks, and that the success of the venture is largely dependent on your own business abilities, efforts and financial resources;
- (d) you have not received from us, and are not relying upon, any representations or guarantees, express or implied, as to the potential volume, sales, income or profits of a Panera Bakery-Cafe;
- (e) you and your Principal Owners have received as one document at one time a copy of this form of Agreement, the exhibits thereto, and the applicable complete franchise disclosure document not less than fourteen (14) days prior to the earlier of: (i) the date on which this Agreement or any other agreement relating thereto was executed, and (ii) the payment of any consideration by or on behalf of you relating to this Agreement, and the franchise associated therewith (except, where applicable, any deposited permitted under applicable law); and
- (f) you have been afforded an opportunity to ask any questions you have, to review any materials of interest to you concerning the franchise opportunity for Panera Bread Bakery-Cafes, and we have encouraged you to have this Agreement and all other agreements and materials we have given or made available to you reviewed by an attorney and have either done so or waive your right to do so.

1.03 Your Representations. You and your Principal Owners jointly and severally represent and warrant to us that: (a) neither you nor any of your Principal Owners has made any untrue statement of any material fact or has omitted to state any material fact in the Franchise Candidate Qualification Packet or any other written information in obtaining the rights granted hereunder; (b) neither you nor any of your Owners has any direct or indirect legal or beneficial interest in any business that may be deemed a Competitive Business;

and (c) the execution and performance of this Agreement will not violate any other agreement to which you or any of your Owners may be bound. You recognize that we have executed this Agreement in reliance on all of the statements you and your Owners have made in the Franchise Candidate Qualification Packet and any other written information.

1.04 Certain Definitions. The terms listed below have the meanings that follow them and include the plural as well as the singular. Other terms are defined elsewhere in this Agreement in the context in which they arise.

“Affiliate” – any person or entity that directly or indirectly owns or controls the referenced party, that is directly or indirectly owned or controlled by the referenced party, or that is under common control with the referenced party. The term “control” means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of an entity, whether through ownership of voting securities, by contract or otherwise. Without limiting the foregoing, the term “Affiliate” when used herein in connection with Franchisor shall be limited to Franchisor and the entities whose ownership interest are directly or indirectly controlled by Franchisor’s immediate and direct parent company, Panera Brands, Inc.

“Assumed Net Sales” – the mean average annual Net Sales of all Panera Bread Bakery-Cafes in the U.S. that continuously operated during the entirety of the most recently concluded fiscal year divided by the number of Reporting Periods (whether 52 or 53 Reporting Periods) in the most recently concluded fiscal year.

“Competitive Business” – any restaurant business, including a business that awards franchises or licenses others to operate or to be involved with any such restaurant business; provided, however, “Competitive Business” does not include (a) restaurant businesses that specialize in the sale of burgers, pizza, fried chicken or Mexican-style food; (b) the ownership or operation of other Panera Bread Bakery-Cafes that are licensed or franchised by us or any of our Affiliates; or (c) the ownership of shares of a class of securities that are listed on a public stock exchange or traded on the over-the-counter market and that represent less than five percent (5%) of that class of securities.

“Confidential Information” – our proprietary and confidential information relating to the development and operation of Panera Bread Bakery-Cafes, including: (1) all information contained in our Operations Manual; (2) ingredients, recipes and methods of preparation and presentation of authorized food products; (3) site selection criteria for Panera Bread Bakery-Cafes and plans and specifications for the development of Panera Bread Bakery-Cafes; (4) sales, marketing and advertising programs and techniques for Panera Bread Bakery-Cafes; (5) identity of suppliers and knowledge of specifications, processes, procedures and equipment, and pricing for authorized food products, materials, supplies and equipment; (6) knowledge of operating results and financial performance of Panera Bread Bakery-Cafes, other than Panera Bread Bakery-Cafes you own; (7) methods of inventory control, storage, product handling, training and management relating to Panera Bread Bakery-Cafes; (8) computer systems and software programs used or useful in Panera Bread Bakery-Cafes; (9) future business plans relating to Panera Bread Bakery-Cafes and the Panera franchise opportunity, including expansion and development plans; (10) all data and other information generated by, or used in, the operation of Panera Bread Bakery-Cafes, including customer data; (11) all Intellectual Property; and (12) any and all other information which is provided to you that is designated orally or in writing as proprietary or confidential or by its nature would reasonably be understood to be proprietary or confidential regardless of whether such information is specifically designated as proprietary or confidential.

“Development Deficiency Period” – the period of time starting on the date of a breach of the Development Schedule and ending on the earlier to occur of (a) the date that the breach of the Development Schedule is cured, and (b) the effective date of termination of this Agreement.

“Development Deficiency Royalty Fees” – an amount equal to five percent (5%) of the Assumed Net Sales for the Reporting Period for each Panera Bread Bakery-Cafe that you have failed to open in accordance with the development requirements of Section 2.03 hereof.

“Force Majeure” – any of the following events or circumstances beyond the reasonable control of the party claiming relief: (i) casualty or condemnation; (ii) storm, earthquake, hurricane, tornado, flood or other act of God; (iii) war, insurrection, pandemic, epidemics, quarantine restrictions, civil commotion or act of terrorism; (iv) strikes or lockouts; or (v) embargoes, lack of water, materials, power or telephone transmissions specified or reasonably necessary in connection with the production, storage, shipment or sale of ingredients.

“Franchise Candidate Qualification Packet” – the personal, financial, business and other information relating to you and your Owners set forth in the Franchise Candidate Qualification Packet which you and your Owners have completed and submitted to us.

“Immediate Family” – spouse, parents, brothers, sisters and children, whether natural or adopted, of the referenced person.

“Marks” – the current and future trade names, trademarks, service marks and trade dress that we and our Affiliates authorize from time to time, that are used to identify the services and/or products offered by Panera Bread Bakery-Cafes, including the mark “PANERA BREAD” and the distinctive building design and color scheme of Panera Bread Bakery-Cafes.

“Net Sales” – the aggregate amount, determined in accordance with Panera Standards, of all sales of food, beverages and other products and merchandise sold and services rendered at the Premises or otherwise rendered in connection with your Bakery-Cafes or your use of the Marks, including monies (whether for cash or credit) (a) derived from sales at or away from your Bakery-Cafes (e.g., catering and delivery), and (b) you receive from the proceeds of any business interruption insurance policies, but excluding: (1) all federal, state or municipal sales or service taxes collected from customers and paid to the appropriate taxing authorities; and (2) all documented customer refunds and adjustments and promotional discounts made by your Bakery-Cafes, which we approve in writing. For the avoidance of doubt, any discount not approved by us in writing, including unilateral promotions or discounts initiated or applied by a third-party delivery provider, will not reduce Net Sales, and in such cases, Net Sales will be computed using the undiscounted menu price of the item sold. Each sale will be deemed made, and included in Net Sales, at the time the customer is charged, regardless of when or whether payment is actually received from a third-party delivery provider or other intermediary.

“Non-Traditional Locations” – locations located at transportation facilities (such as airport facilities, train and/or bus stations, turnpikes, or other limited access highway rest stops), hospitals, colleges, universities, sports arenas, entertainment facilities, and military facilities, or where any locations or its food operations are controlled by a third party or in our judgment, should be operated by a third party.

“Operating Principal” – the individual you so designate in Exhibit B and any replacement thereof approved by us in writing.

“Operations Manual” – all information for the development, establishment and operation of a Panera Bread Bakery-Cafe that contains the System Standards necessary to maintain brand consistency, product quality and customer experience. This includes information communicated in writing, electronically (such as in bulletins, updates, guidelines, newsletters, e-mails, presentations, limited access online resources), or through other media as supplemented and amended from time to time. The Operations Manual may address areas such as training, quality assurance, health, safety, security, site selection and acceptance processes, customer service, Approved Suppliers, operating system

manuals, and the menu policy. The Operations Manual and any revisions or updates thereto may be provided in electronic format including via the Internet, intranet, or other electronic means.

“Owner” – each person or entity that has a direct or indirect legal or beneficial ownership interest in Area Developer.

“Panera Bread Bakery-Cafes” – Bakery-cafes which we or any of our Affiliates own, operate or franchise and which use the Marks and the System.

“Panera Standards” – the accounting, audit and tax standards, methods, practices and procedures as may be established from time to time by us, in our sole discretion, with respect to, among other things, the maintenance of books and records, and the preparation and presentation of financial information and financial statements, but which shall not be materially inconsistent with generally accepted accounting principles consistently applied and which are utilized by us in connection with our Panera Bread Bakery-Cafes. In absence of any particular standard, method, practice or procedure established by us, the term “Panera Standards” shall refer to generally accepted accounting principles, consistently applied.

“Principal Owner” – each Owner with a five percent (5%) or greater interest in Area Developer (whether a direct or indirect interest).

“Reporting Period” – the fifty-two (52) or fifty-three (53) reporting periods (Wednesday through following Tuesday, subject to change by us) in our fiscal year.

“System” – the business methods, designs and arrangements for developing and operating Panera Bread Bakery-Cafes, including the System Standards, the Operations Manual, Intellectual Property, building design and layouts, equipment, technologies, ingredients, recipes, methods of preparation and specifications for authorized food products, training, methods of inventory control and certain operating and business standards and policies, all of which we may improve, further develop or otherwise modify from time to time.

“System Standards” – the mandatory specifications, standards and operating procedures that we periodically prescribe for the development and operation of a Panera Bread Bakery-Cafe, which shall include establishing, designating and modifying Approved Suppliers, distributors, equipment, manuals, guides, specifications, standards, programs, policies, materials, procedures, and alerts and amendments thereto.

“Term” – as defined in Section 2.01.

“your Bakery-Cafes” – The Panera Bread Bakery-Cafes operated by you under Franchise Agreements.

2. DEVELOPMENT RIGHTS.

2.01 Term and Development Fee. Unless sooner terminated in accordance with Section 8, the term of this Agreement (the **“Term”**) starts on the date hereof and expires on the earlier of the expiration date set forth in Exhibit A or the date upon which Area Developer opens for operation the cumulative number of Panera Bread Bakery-Cafes in the Development Area (as such term is defined in Section 2.02 hereof) set forth in Exhibit A. You have no right to renew or extend your rights under this Agreement. At the time you sign this Agreement, you must pay us the nonrefundable development fee set forth in Exhibit A, which amount represents the initial franchise fee due under our current form of Franchise Agreement (\$50,000) multiplied by the number of Panera Bakery-Cafes you commit to develop under this Agreement. For the avoidance of doubt, no initial franchise fee will be due under any Franchise Agreement you sign in connection with this Agreement.

after you pay us the development fee. The development fee is fully earned by us at the time you sign this Agreement, and is non-refundable under any circumstances.

2.02 Development Rights. During the Term and provided you and your Affiliates are in compliance with this Agreement and all other agreements with us or any of our Affiliates (including Franchise Agreements signed pursuant to this Agreement), we will grant to you, in accordance with Section 3, the right to develop the cumulative number of Panera Bread Bakery-Cafes set forth in Exhibit A, all of which are to be located within the geographic area described in Exhibit A (the “Development Area”). Other than the “Protected Area” provided for under each individual Franchise Agreement you sign in connection with this Agreement, the Development Area is non-exclusive. We and our Affiliates may own and operate a Panera Bread Bakery-Cafe and/or similar business in the Development Area (including a Competitive Business) and may grant other third parties the right to own and operate Panera Bread Bakery-Cafes and/or any other business (including a Competitive Business) in the Development Area.

2.03 Development Obligations. You must have open and operating in the Development Area in accordance with and pursuant to Franchise Agreements, that cumulative number of Panera Bread Bakery-Cafes set forth in Exhibit A by the corresponding dates set forth therein (“Development Schedule”); and if applicable, you must have remodeled that cumulative number of Panera Bread Bakery-Cafes set forth in Exhibit A by the corresponding dates set forth therein (“Remodel Schedule”). Time is of the essence in this Agreement, and any requests by you to extend the Development Schedule or, if applicable, the Remodel Schedule may be granted or denied by us for any reason or no reason. Your failure to develop and operate Panera Bread Bakery-Cafes in accordance with the Development Schedule is a breach of this Agreement for which we have the right to exercise any and all rights and remedies conferred under this Agreement and applicable law, including the right, in our sole discretion, to: (a) terminate this Agreement immediately pursuant to Section 8.01 without prejudice to our recovery of damages; or (b) at our discretion, offer you the option of deferring the termination of the Agreement on the condition that you pay to us Development Deficiency Royalty Fees, payable concurrently with the royalty fees due under Franchise Agreements during the Development Deficiency Period. In the event termination of this Agreement is deferred in accordance with section (b) of the preceding sentence, and Area Developer fails to pay any Development Deficiency Royalty Fee when due, then we have the right to revoke the deferral of termination and terminate this Agreement immediately, effective on notice thereof, without prejudice to our recovery of damages. The Development Deficiency Royalty Fees are not refundable under any circumstances. To the extent the Development Deficiency Period commences during the middle of a Reporting Period, the first Development Deficiency Royalty Fee due shall be prorated by Franchisor beginning with the first day of the Development Deficiency Period. The exercise of our rights to offer you the option of deferring termination under section (b) above does not preclude us from exercising any other rights and/or remedies, including the right to terminate this Agreement immediately as described in section (a) above at any time after we first exercise our rights under section (b).

If your right to develop Panera Bread Bakery-Cafes expires or is terminated, we shall have the right thereafter to develop and operate, or to allow others to develop and operate, Panera Bread Bakery-Cafes in the Development Area, subject to such radius protection as may be granted pursuant to Franchise Agreements executed pursuant hereto. Notwithstanding any other term or condition of this Section 2.03, you shall not be deemed to be in breach of this Section 2.03 or the Development Schedule set forth in Exhibit A if your failure to timely open the requisite number of Panera Bread Bakery-Cafes results solely from a Force Majeure event. Any delay resulting from any of such Force Majeure event shall extend performance accordingly, in whole or in part, as may be reasonable, except that no such cause, alone or in combination with other causes, shall extend performance more than ninety (90) days without our prior written consent, which consent may be withheld in our sole discretion.

2.04 Our Reservation of Rights. You acknowledge and agree that we and all of our Affiliates (and our respective successors and assigns, by purchase, merger, consolidation or otherwise) retain all of our rights and discretion with respect to the Marks, the System and Panera Bread Bakery-Cafes anywhere in the

world, and the right to engage in any business whatsoever, including the right to: (a) operate, and grant to others the right to operate, Panera Bread Bakery-Cafes at such locations and on such terms and conditions as we deem appropriate (including within the Development Area); (b) sell any products or services under any trade names, trademarks, service marks or trade dress, including the Marks, through other channels of distribution (including wholesale distribution of baked goods to restaurants, supermarkets, grocery stores, caterers and other outlets and using such media as deemed appropriate, including the Internet, catalog sales, telemarketing or other direct marketing); (c) operate, and grant to others the right to operate, retail food establishments (including restaurants, cafes or bakeries) identified by trade names, trademarks, service marks or trade dress, other than the Marks, pursuant to such terms and conditions as we deem appropriate; (d) operate, and grant to others the right to operate, Panera Bread Bakery-Cafes at Non-Traditional Locations, whether inside or outside the Development Area; (e) acquire the assets or ownership interests of one or more businesses providing products and services the same as or similar to those provided at Panera Bread Bakery-Cafes, and franchising, licensing or creating similar arrangements with respect to these businesses once acquired, wherever these businesses (or the franchise owners or licensees of these businesses) are located or operating, (including the Development Area); (f) the right to be acquired (whether through the acquisition of assets, ownership interests or otherwise, regardless of the form of transaction), by a business providing products and services the same as or similar to those provided at Panera Bread Bakery-Cafes, or by another business, even if such business operates, franchises and/or licenses competitive businesses in the Development Area.

3. GRANT OF FRANCHISES.

3.01 Site Selection Assistance. We will furnish you with our standard site selection criteria and assistance for Panera Bread Bakery-Cafes, as we may establish from time to time. We also will provide such on-site evaluation of sites proposed pursuant hereto as we deem necessary or appropriate.

3.02 Site Evaluation and Acceptance. Subject to Section 2.02, we will accept sites for the cumulative number of Panera Bread Bakery-Cafes set forth in Exhibit A located within the Development Area in accordance with the following provisions:

(a) You must submit to us, in accordance with procedures we establish from time to time, a complete site information form, as we may establish from time to time (the “Site Information Package”), containing all information that we require for each site for a Panera Bread Bakery-Cafe that you propose to develop and operate and that you in good faith believe to conform to our then-current standard site selection criteria for Panera Bread Bakery-Cafes;

(b) We will accept or reject each site for which you submit to us a complete Site Information Package in accordance with Section 3.02(a) and, if we accept the site, we will do so by delivering our Site Acceptance Letter. Our Site Acceptance Letter, duly executed by us, is the exclusive means by which we accept a proposed site, and no other direct or indirect representation, approval or acceptance, whether in writing or verbally, by any of our officers, employees or agents, shall be effective or bind us. We will use all reasonable efforts to make a site acceptance decision and, if the site is accepted, deliver a Site Acceptance Letter to you within thirty (30) days after we receive the complete Site Information Package and any other materials we have requested. In deciding whether to accept or reject a site you propose, we may consider such factors as we, in our sole discretion, deem appropriate, including the general location and neighborhood, demographic information, traffic patterns, access, visibility, location of other retail food establishments (including other Panera Bread Bakery-Cafes) and size, condition, configuration, appearance and other physical characteristics of the site. Neither our acceptance of a proposed site, nor any information communicated to you regarding our standard site selection criteria or the proposed site, constitutes a warranty or representation of any kind, express or implied, as to the suitability of the proposed site for a Panera Bread Bakery-Cafe or for any other purpose. Our acceptance of a proposed site merely signifies that we are willing to grant a franchise for a Panera Bread Bakery-Cafe at that location in accordance with the terms of this Agreement. Your

decision to develop and operate a Panera Bread Bakery-Cafe at any site is based solely on your own independent investigation of the suitability of the site for a Panera Bread Bakery-Cafe. In consideration of our acceptance of a proposed site, you and your Owners agree to release us, and our Affiliates, shareholders, members, officers, directors, managers, employees, agents, successors and assigns from any and all loss, damages and liability arising from or in connection with the selection and/or acceptance of such site for the development of a Panera Bread Bakery-Café

(c) To the extent we provide site selection assistance, including to review the Site Information Package or provide on-site evaluations of a prospective sites, and you fail to comply with your Development Schedule in any given Development Period, then in addition to the other rights and remedies we maintain under this Agreement, you agree to repay us our reasonable costs and expenses in providing site selection assistance to you during that Development Period.

3.03 Financial Qualifications. In conjunction with our decision whether to accept or reject a proposed site, we will require that you and your Principal Owners furnish us financial statements (historical and pro forma), statements of the sources and uses of capital funds, budgets and other information regarding yourself, your Principal Owners and each legal entity, if any, involved in the development, ownership and operation of any Panera Bread Bakery-Cafe you propose, as well as any then existing Panera Bread Bakery-Cafes you or your Affiliates own. The information we request may include evidence of your ability to comply with the Development Schedule, which request may be made in any manner, and at any time, we choose. All such information shall be verified by you and your Principal Owners as being complete and accurate in all respects, shall be submitted to us in accordance with our requirements and will be relied on by us in determining whether to grant a franchise for the proposed Panera Bread Bakery-Cafe. We may refuse to grant you a franchise for a Panera Bread Bakery-Cafe if you fail to demonstrate sufficient financial and management capabilities and liquidity to properly develop and operate the proposed Panera Bread Bakery-Cafe and the then-existing Panera Bread Bakery-Cafes you and your Affiliates own. We will evaluate such financial and management capabilities in accordance with the then-current standards we use to establish Panera Bread Bakery-Cafes in other comparable market areas.

3.04 Grant of Franchise. If we accept a proposed site pursuant to Section 3.02, and you demonstrate the requisite financial and management capabilities pursuant to Section 3.03, then we agree to offer you a franchise to operate a Panera Bread Bakery-Cafe at the proposed site by delivering to you our then-current form of standard franchise agreement, together with all standard ancillary documents (including exhibits, addenda, riders, collateral assignments of leases, Principal Owner guarantees and other related documents) and a purchase option addendum that we then customarily use in granting franchises for the operation of Panera Bread Bakery-Cafes in the state in which the Panera Bread Bakery-Cafe is to be located (the “Franchise Agreement”), as follows: the Franchise Agreement must be executed by you and your Owners and returned to us not later than fifteen (15) business days after we deliver it to you. If we do not receive the fully executed Franchise Agreement as required hereunder, we may revoke our offer to grant you a franchise to operate a Panera Bread Bakery-Cafe at the proposed site and may revoke our acceptance of the proposed site. Concurrently with your execution and delivery to us of each Franchise Agreement, you and your Owners and Affiliates must, except to the extent limited or prohibited by applicable law, execute and deliver to us a general release in form and substance satisfactory to us, of any and all claims against us, our Affiliates and shareholders, members, officers, directors, managers, employees, agents, successors and assigns.

3.05 Restrictions on Debt. In connection with the development of Panera Bread Bakery-Cafes in the Development Area, you and each Owner represent, warrant, covenant and agree that neither you nor any Owner borrowed any funds or otherwise incurred any debt to obtain any funds for the payment of any of such fees, costs and expenses, except as specifically permitted in this Section 3.05. You and each Owner shall not, without our prior written consent, which we may grant or deny in our sole discretion, directly or indirectly borrow any money or incur any debt or liability (other than lease obligations for the Panera Bread Bakery-Cafe’s land and building and trade payables in the ordinary course of business) to

develop the Development Area or to establish, operate and maintain your Bakery-Cafes to be established in the Development Area pursuant to this Agreement. You acknowledge any security interest in or pledge of assets or ownership interest in connection therewith constitutes a transfer subject to the terms of this Agreement, and is otherwise prohibited under Section 7.01 of this Agreement. To receive our pre-approval, we may require that you execute certain agreements and/or certificates, including to require that the lender or creditor sign our then-current form of lender consent agreement to protect our rights under this Agreement. For purposes of this Section 3.05, any equity or other interest that we deem to be substantially similar to debt or borrowed funds (e.g., equity interests with preferences, dividends, etc.) shall be deemed debt or borrowed funds. You shall not extend, renew, refinance, modify or amend any debt or liability permitted by this Section 3.05 without our prior written consent, which consent we may grant or deny in our sole discretion.

3.06 Periodic Reports. You must furnish us: (a) within ninety (90) days after the end of each calendar year, (i) a consolidated year-end balance sheet and income statement and statement of cash flow for you and all of your Affiliates that develop, own or operate Panera Bread Bakery-Cafes, all prepared in accordance with Panera Standards, and reflecting all year-end adjustments and accruals; (ii) similar information from all Principal Owners who have executed guarantees of this Agreement; and (iii) such summaries of financial information as we may require from time to time; (b) within fifteen (15) days after the conclusion of each month, a monthly balance sheet and income statement and statement of cash flow for you and all Affiliates that develop, own or operate Panera Bread Bakery-Cafes for such month, all prepared in accordance with Panera Standards; and (c) within thirty (30) days of our request, such other information as we may require from time to time, including income tax statements and evidence that you are compliant with our then-current financial policies for Panera Bread Bakery-Cafes operating in the United States (the “Financial Policies”). All such reports shall use our then-current standard chart of accounts. You must execute a verification that the information in each such report and financial statement is complete and accurate. We reserve the right to require that your annual financial statements be audited, at your expense, by an independent certified public accountant approved by us in writing. We reserve the right to publish or disclose information that we obtain under this Section 3.06 in any data compilations, collections, or aggregations that we deem appropriate, in our sole discretion.

Additionally, and at our request, you must complete and submit to us a franchisee financial qualification summary in the form designated by us, as it may change from time to time, with your submission.

4. YOUR ORGANIZATION AND MANAGEMENT.

4.01 Organizational Documents. You and each of your Owners represent, warrant and agree that: (a) you are duly organized and validly existing under the laws of the state of your organization, and, if a foreign business corporation, partnership, limited liability company or other legal entity, you are duly qualified to transact business in the state(s) in which the Development Area is located; (b) you have the authority to execute and deliver this Agreement and to perform your obligations hereunder; (c) true and complete copies of the articles of incorporation, articles of organization, operating agreement or principles, partnership agreement, bylaws, subscription agreements, buy-sell agreements, voting trust agreements, trust agreements and all other documents relating to your ownership, organization, capitalization, management and control, and any amendments thereto (“Organizational Documents”) shall be promptly delivered to us; (d) your activities are restricted to those necessary solely for the development, ownership and operation of Panera Bread Bakery-Cafes in accordance with this Agreement and in accordance with any other agreements entered into with us or any of our Affiliates; (e) the Organizational Documents recite that the issuance, transfer or pledge of any direct or indirect legal or beneficial ownership interest is restricted by the terms of this Agreement; and (f) all certificates representing direct or indirect legal or beneficial ownership interests now or hereafter issued must bear a legend in conformity with applicable law reciting or referring to such restrictions. You and your Owners, jointly and severally, represent and warrant to us that (a) neither you nor any of your Owners has made any untrue statement of any material fact or has omitted to state any material fact in the written information you

have submitted in obtaining the rights granted hereunder; (b) neither you nor any of your Owners has any direct or indirect beneficial interest in any business that may be deemed a Competitive Business; and (c) the execution and performance of this Agreement will not violate any other agreement to which you or any of your Owners may be bound. You recognize that we have executed this Agreement in reliance on all of the statements you and your Owners have made in writing in connection with this Agreement.

4.02 Disclosure of Ownership Interests. You and each of your Owners represent, warrant and agree that Exhibit B is current, complete and accurate. You agree that updated Exhibits B will be furnished promptly to us, so that Exhibit B (as so revised and signed by you) is at all times current, complete and accurate. Each person who is or becomes a Principal Owner must execute an agreement in the form we prescribe, undertaking to be bound jointly and severally by the terms of this Agreement, the current form of which is attached hereto as Exhibit C. All Owners, including Principal Owners, must execute an agreement in the form we prescribe, undertaking to be bound by the confidentiality and non-competition covenants contained in the Agreement, the current form of which is attached hereto as Exhibit D. Each Owner must be an individual acting in his/her individual capacity, except as otherwise approved by us in writing.

4.03 Operating Principal/Management of Business. You must designate in Exhibit B as the “Operating Principal” an individual approved by us in writing who must: (a) be a Principal Owner or executive-level employee accepted by us; (b) have the authority to bind you regarding all communications with us and operational decisions with respect to your Bakery-Cafes; and (c) have completed our training program to our satisfaction.

Your Operating Principal: (a) shall exert his/her full-time and best efforts to the development and operation of all Panera Bread Bakery-Cafes you own; and (b) may not engage in any other business or activity, directly or indirectly, that requires substantial management responsibility or time commitments or otherwise may conflict with your obligations hereunder. You agree to provide us with copies of any arrangement, agreement or contract, and all amendments thereto, relating to your relationship with your Operating Principal. We shall have no responsibility, liability or obligation to any party to any such arrangement, agreement or contract, or any amendments thereto, on account of our review thereof or otherwise, and you agree to indemnify and hold us harmless with respect thereto. Each of your Bakery-Cafes at all times must be managed by your Operating Principal or by an on-site general manager, assistant general manager, or shift supervisor who has completed our training program to our satisfaction.

Prior to opening your first Bakery-Cafe, your Operating Principal and any other personnel who are intended to have, or who actually have, responsibilities for more than one Panera Bread Bakery-Cafe must complete the appropriate training program to our satisfaction. Thereafter, subsequently hired personnel must complete the appropriate training program to our satisfaction before assuming their position.

4.04 Orientation Meetings. We periodically hold an “Owner’s Orientation” and a “Marketing Orientation”. The “Owner’s Orientation” is to acquaint your Operating Principal with Panera’s System. Your Operating Principal is required to attend an “Owner’s Orientation” as soon as possible after entering into this Agreement. Your marketing director, Operating Principal, or other designated member of your organization must also attend at least one “Marketing Orientation”. They should attend the next “Marketing Orientation” after you enter into this Agreement or the next meeting after joining your organization.

5. RELATIONSHIP OF THE PARTIES.

5.01 Independent Contractors. Neither this Agreement nor the dealings of the parties pursuant to this Agreement shall create any fiduciary relationship or any other relationship of trust or confidence. Franchisor and Area Developer, as between themselves, are and shall be independent contractors.

You understand and agree that we may operate and change the System and our business in any manner that is not expressly and specifically prohibited by this Agreement. Whenever we have expressly reserved in this Agreement or are deemed to have a right and/or discretion to take or withhold an action, or to grant or decline to grant you a right to take or withhold an action, except as otherwise expressly and specifically provided in this Agreement, we may make our decision or exercise our right and/or discretion on the basis of our judgment of what is in our best interests, including our judgment of what is in the best interests of our franchise network, at the time our decision is made or our right or discretion is exercised, without regard to whether: (a) other reasonable alternative decisions or actions could have been made by us; (b) our decision or the action we take promotes our financial or other individual interest; (c) our decision or the action we take applies differently to you and one or more other franchisees or our company-owned operations; or (d) our decision or the exercise of our right or discretion is adverse to your interests. In the absence of an applicable statute, we will have no liability to you for any such decision or action. We and you intend that the exercise of our right or discretion will not be subject to limitation or review. If applicable law implies a covenant of good faith and fair dealing in this Agreement, we and you 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 us the right to make decisions, take actions and/or refrain from taking actions not inconsistent with your rights and obligations hereunder.

Nothing contained in this Agreement, or arising from the conduct of the parties hereunder, is intended to make either party a general or special agent, joint venturer, partner or employee of the other for any purpose whatsoever. You must conspicuously identify yourself in all dealings with customers, lessors, contractors, suppliers, public officials, employees and others as the owner of development rights granted hereunder and must place such other notices of independent ownership on such forms, business cards, stationery, advertising and other materials as we may require from time to time. None of your employees or other personnel will be considered to be our employees or personnel. Neither you nor any of your employees or personnel whose compensation you pay may in any way, directly or indirectly, expressly or by implication, be construed to be our employee or personnel for any purpose, most particularly with respect to any mandated or other insurance coverage, tax or contributions, or requirements pertaining to withholdings, levied or fixed by any city, state, or federal governmental agency. We will not have the power to hire or fire your employees or personnel. You expressly agree, and will never contend otherwise, that our authority under this Agreement to certify certain of your employees or personnel for qualification to perform certain functions for your Bakery-Cafes does not directly or indirectly vest in us the power to hire, fire or control any such employee. You acknowledge and agree, and will never contend otherwise, that you alone will exercise day-to-day control over all operations, activities and elements of your Bakery-Cafes, and that under no circumstance shall we do so or be deemed to do so. You further acknowledge and agree, and will never contend otherwise, that the various requirements, restrictions, prohibitions, specifications and procedures of the System which we are required to comply with under this Agreement, whether set forth in the Operations Manual or otherwise, do not directly or indirectly constitute, suggest, infer or imply that we control any aspect or element of the day-to-day operations of your Bakery-Cafes, which you alone control, but only constitute standards you must adhere to when exercising your control of the day-to-day operations of your Bakery-Cafes.

You may not make any express or implied agreements, warranties, guarantees or representations or incur any debt in our name or on our behalf or represent that the relationship of the parties hereto is anything other than that of independent contractors. We will not be obligated by or have any liability under any agreements made by you with any third party or for any representations made by you to any third party. We will not be obligated for any damages to any person or property arising directly or indirectly out of the operation of your business hereunder.

5.02 Indemnification. You agree to indemnify us, our Affiliates and our respective directors, officers, employees, shareholders, members, managers, agents, successors and assigns (collectively the “Indemnitees”), and to hold the Indemnitees harmless to the fullest extent permitted by law, from any and all losses and expenses (as defined below) incurred in connection with any litigation or other form of adjudicatory

procedure, claim, demand, investigation, formal or informal inquiry (regardless of whether it is reduced to judgment) or any settlement thereof which arises directly or indirectly from, or as a result of, a claim of a third party against any one or more of the Indemnitees in connection with (i) your failure to perform or breach of any covenant, agreement, term or provision of this Agreement; (ii) your breach of any representation or warranty contained in this Agreement; (iii) your development, ownership, operation and/or closing of any of your Bakery-Cafes; and (iv) any allegedly unauthorized service or act rendered or performed in connection with this Agreement (collectively “Event”), and regardless of whether it resulted from any strict or vicarious liability imposed by law on the Indemnitees. The foregoing indemnity shall apply even if it is determined that the Indemnitees’ negligence caused such loss, liability or expense, in whole or in part, provided, however, that this indemnity will not apply to any liability arising from a breach of this Agreement by the Indemnitees or the gross negligence or willful acts of Indemnitees (except to the extent that joint liability is involved, in which event the indemnification provided herein will extend to any finding of comparative or contributory negligence attributable to you). The term “losses and expenses” includes compensatory, exemplary and punitive damages; fines and penalties; attorneys’ fees; experts’ fees; court costs; costs associated with investigating and defending against claims; settlement amounts; judgments; compensation for damages to our reputation and goodwill; and all other costs associated with any of the foregoing losses and expenses. You agree to give us and the Indemnitees written notice of any action, suit, proceeding, claim, demand, inquiry or investigation that could be the basis for a claim for indemnification by any of the Indemnitees within three (3) days of your actual or constructive knowledge of it. We agree to give you reasonable notice of any event of which we become aware for which indemnification may be required and we may elect (but are not obligated) to direct the defense thereof. The Indemnitees shall have the right, in their sole discretion to: (i) retain counsel of their own choosing to represent them with respect to any claim; and (ii) control the response thereto and the defense thereof, including the right to enter into settlements or take any other remedial, corrective, or other actions. You agree to give your full cooperation to the Indemnitees in assisting the Indemnitees with the defense of any such claim, and to reimburse the Indemnitees for all of their costs and expenses in defending any such claim, including court costs and reasonable attorneys’ fees, within ten (10) days of the date of each invoice delivered by the Indemnitees to you enumerating such costs, expenses and attorneys’ fees. Notwithstanding the foregoing, if the insurer on a policy or policies obtained in compliance with your Franchise Agreement agrees to undertake the defense of an event (an “Insured Event”), we agree not to exercise our right to select counsel to defend the Event if such would cause your insurer to deny coverage. We reserve the right to retain counsel to represent us with respect to an Insured Event at our sole cost and expense. This Section 5.02 shall continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement. An Indemnitee need not seek recovery from any insurer or other third party, or otherwise mitigate its or their losses and expenses, in order to maintain and recover from third parties fully a claim against you under this Section 5.02. You agree that a failure to pursue a recovery or mitigate a loss will not reduce or alter the amounts that an Indemnitee may recover from you under this Section 5.02. Our or any of the other Indemnitees’ undertaking of defense and/or settlement will in no way diminish your obligation to indemnify us and the other Indemnitees and to hold us and any of the Indemnitees harmless.

5.03 Ownership of the Marks. You acknowledge that you are not granted the right under this Agreement to use the Marks. Your right to use the Marks arises solely from, and is limited to, Franchise Agreements entered into between you and us. You may not use any Mark (or any abbreviation, modification or colorable imitation) as part of any corporate, legal or other business name (other than in connection with any legally required fictitious or assumed name filings), or with any prefix, suffix or other modifying words, terms, designs or symbols, or with the name or other designation of the metropolitan area or city in which the Panera Bread Bakery-Cafe is located, or in any other manner (including any Internet related use such as an electronic media identifier, for websites, web pages or domain names) not explicitly authorized in writing by us. You may not at any time during or after the Term contest, or assist any other person or entity in contesting, the validity or ownership of any of the Marks.

6. RESTRICTIVE COVENANTS.

6.01 Confidential Information. We will disclose (or will cause to be disclosed) parts of our Confidential Information to you solely for your use in connection with this Agreement. The Confidential Information is proprietary and includes our trade secrets. You acknowledge and agree that you will not acquire any interest in Confidential Information, other than the right to use it as we specify in operating your Bakery-Cafes pursuant to the Franchise Agreements. During the Term and thereafter: (a) you and your Owners may not use the Confidential Information in any other business or capacity (you acknowledge such use is an unfair method of competition); (b) you and your Owners must maintain the confidentiality of the Confidential Information; (c) you and your Owners may not make unauthorized copies, nor permit unauthorized access to, or any portion of the Confidential Information disclosed in written, electronic or other form; and (d) you and your Owners must implement all reasonable procedures we prescribe from time to time to prevent unauthorized use or disclosure of the Confidential Information, including the use of nondisclosure agreements with your Owners, officers, directors, Operating Principal, managers, assistant managers, lead bakers and the like, and you and your Owners must deliver such agreements to us. We have the right to regulate the form of non-disclosure agreements that you use and to be a third-party beneficiary of those agreements with independent enforcement rights. At the end of the Term, you and your Owners must deliver to us all such Confidential Information in your possession or control, except for such information as you are permitted to retain pursuant to Franchise Agreements then in effect. Your restrictions on disclosure and use of Confidential Information do not apply to information or techniques which you can demonstrate lawfully came to your attention before we provided it to you directly or indirectly; which, at the time we disclosed it to you, already become generally known in the restaurant industry (other than through your own disclosure), provided that we agree this exclusion applies and you obtain our prior written consent to any such disclosure or use.

6.02 In-Term Covenants. During the Term, neither you nor any of your Owners may, without our consent (which consent may be withheld at our discretion):

- (a) directly or indirectly (such as through an Affiliate or a member of his/her or their Immediate Families) own any legal or beneficial interest in, or render services or give advice to: (1) any Competitive Business located anywhere; or (2) any entity located anywhere that grants franchises, licenses or other interests to others to operate any Competitive Business; or
- (b) divert or attempt to divert any business, customer, vendor or supplier of Panera Bread Bakery-Cafes to any competitor or do anything injurious or prejudicial to the goodwill associated with the Marks or the System.

6.03 Information Exchange. All recipes, processes, ideas, concepts, advertising and promotional materials, website pages and content, methods, techniques or materials used or useful to a restaurant, grocery store, bakery-cafe, bakery or dough production business, or other business offering bakery products, whether or not constituting protectable intellectual property (collectively, the “Materials”), that you create, or that are created on your behalf, in connection with the development or operation of your Bakery-Cafes must be promptly disclosed to us. If we adopt any of such Materials as part of the System, or deem them to be sufficiently related to us and our business to be considered proprietary, they will be deemed to be our sole and exclusive property and deemed to be Works-made-for-Hire (as such term is defined under Section 101 of the Copyright Act) for us, and to the extent the Materials may for any reason not be considered a Work-made-for-Hire, you irrevocably convey, grant, transfer and assign to us all right, title and interest which you may have now or in the future in and to the Materials. You agree to sign whatever assignment or other documents we request, during and after the Term of this Agreement, to evidence our ownership or to assist us in securing intellectual property rights in the Materials, and you warrant that you will obtain all rights from any third party acting on your behalf to comply with this provision.

7. RIGHT TO TRANSFER.

7.01 No Assignment by Area Developer. Your development rights under this Agreement are not assignable at all. This means that we will not under any circumstances allow the development rights to be transferred. A transfer of the development rights would be deemed to occur (and would be prohibited) if there is an assignment of any Franchise Agreement, any change in your ownership (whether or not it is a controlling ownership interest), any change in your Owners' ownership (if such Owners are legal entities and whether or not it is a controlling ownership interest), a transfer of this Agreement separate and apart from a Franchise Agreement, or any other event attempting to assign the development rights.

7.02 Franchisor's Right to Transfer. You acknowledge that we maintain a staff to manage and operate the System and that staff members can change as employees come and go. You represent that you have not signed this Agreement in reliance on any particular shareholder, director, officer, member, partner, manager or employee remaining with us in that capacity. We may change our ownership or form and/or assign this Agreement or any interest therein and any other agreement to a third party without restriction or notice to you. After our assignment of this Agreement to a third party who expressly assumes the obligations under this Agreement, we no longer will have any performance or other obligations under this Agreement.

8. TERMINATION OF THE AGREEMENT.

8.01 Immediate Termination Upon Notice. We may terminate this Agreement, effective upon delivery of written notice of termination to you, if:

- (a) you become insolvent by reason of your inability to pay your debts as they mature;
- (b) you are adjudicated bankrupt or insolvent; if you file a petition in bankruptcy, reorganization or similar proceeding under the bankruptcy laws of the United States or have such a petition filed against you;
- (c) a receiver or other custodian, permanent or temporary, is appointed for your business, assets or property;
- (d) you request the appointment of a receiver or make a general assignment for the benefit of creditors;
- (e) a final judgment against you in the amount of Twenty Five Thousand Dollars (\$25,000.00) is levied against you or any of your Owners;
- (f) your bank accounts, property or accounts receivable are attached; if execution is levied against your business or property; if suit is filed to foreclose any lien or mortgage against any of your assets;
- (g) you voluntarily dissolve or liquidate or have a petition filed for corporate or partnership dissolution; or if your assets, property or interest are "blocked" under any law, ordinance or regulation relating to terrorist activities or if you are otherwise in violation of any such law, ordinance or regulation;
- (h) you fail to meet the Development Schedule, or, if applicable, the Remodel Schedule;
- (i) you make an unauthorized transfer pursuant to Section 7.01;
- (j) you make any material misstatement or omission in the Franchise Candidate Qualification Packet or in any other written information provided to us;

- (k) you are convicted of, or plead no contest to, a felony or other crime or offense that we believe may adversely affect the System or the goodwill associated with the Marks;
- (l) you make any unauthorized use or disclosure of the Confidential Information;
- (m) you are in breach of any Franchise Agreement such that we have the right to terminate the Franchise Agreement, whether or not we elect to exercise our right to terminate the Franchise Agreement;
- (n) you are in breach of any other agreement between you or any of your Affiliates and us or any of our Affiliates such that we have a right to terminate any such agreement, whether or not we elect to exercise our right to terminate such agreement;
- (o) you, any of your Owners, representatives, or employees make any illicit statements, including in an email to our employees, officers, or directors, or in any social media posts, or any other unlawful, threatening, abusive, libelous, defamatory, obscene, vulgar, pornographic, gambling-related, drug-related, alcohol-related, profane, racist, sexually explicit or indecent comments that in our opinion negatively affects us, our employees, our operations or otherwise affects your Bakery-Cafes' reputation or the goodwill associated with the Marks;
- (p) you (or any of your Owners) engage in any dishonest or unethical conduct which, in our opinion, adversely affects your Bakery-Cafe's reputation or the goodwill associated with the Marks;
- (q) at the time measured by us, which measurement shall occur on a quarterly basis as set forth in our then-current Financial Policies, you fail to meet the minimum financial criteria set forth in the Financial Policies;
- (r) we determine that any applicable federal or state statute, regulation, rule or law, which is enacted, promulgated or amended after the date hereof, may have a material adverse effect on our rights, remedies or discretion in franchising Panera Bread Bakery-Cafes; or
- (s) you fail to comply with any other provision of this Agreement.

The development fee shall be fully earned by us upon execution of this Agreement for administrative and other expenses incurred by us and for the development opportunities lost or deferred as a result of the rights granted to you herein. We have no obligation whatsoever to refund any portion of the development fee upon any termination, except that we will refund the unapplied portion of the development fee in the event of a termination pursuant to Section 8.01(r).

9. EFFECT OF TERMINATION AND EXPIRATION.

9.01 Continuing Obligations. All obligations under this Agreement, which expressly or by their nature survive the expiration or termination of this Agreement, shall continue in full force and effect until they are satisfied in full or by their nature expire.

9.02 Post-Term Covenants. For a period of two (2) years, starting on the effective date of termination or expiration, neither you nor any of your Owners directly or indirectly (such as through an Affiliate or through your or their Immediate Families) shall: (1) own a legal or beneficial interest in, or render services or give advice to: (i) any Competitive Business operating within the Development Area; (ii) any Competitive Business operating within a radius of five (5) miles of any Panera Bread Bakery-Cafe in operation or under construction on the effective date of termination or expiration; or (iii) any entity that grants franchises or licenses interests to others to operate any Competitive Business; (2) solicit for employment, hire, engage, or

otherwise retain any individual who is, or within the preceding twelve (12) months was, an executive-level employee of ours, our Affiliates or of suppliers and vendors to Panera Bread Bakery-Cafes; or (3) solicit, induce, or attempt to induce any supplier or vendor of Panera Bread Bakery-Cafe to cease or reduce its business with us or the Panera Bread Bakery-Cafe System.

You and each of your Owners expressly acknowledge the possession of skills and abilities of a general nature and other opportunities for exploiting such skills in other ways, so that enforcement of the covenants contained in this Section 9.02 will not deprive any of you of your personal goodwill or ability to earn a living. If you or any of your Owners fail or refuse to abide by any of the foregoing covenants and we obtain enforcement in a judicial or arbitration proceeding, the obligations under the breached covenant will be tolled during the period(s) of time that the covenant is breached and/or we seek to enforce it and will continue in effect for a period of time ending two (2) years after the date of the order enforcing the covenant.

9.03 Non-Disclosure. Except as may be required by applicable laws, we agree that neither you nor your Owners, Affiliates, agents or employees will make any statements or communications, directly or indirectly, about us or our Owners, Affiliates, officers, employees, franchisees, businesses, properties, financial condition, sales trends, management, ownership, past or current business practices or strategies to any person, including the media, including social media, or any financial analysts, whether verbally or in writing, including any communications or statements that would be expected to adversely affect our or our Affiliates' business or the reputation of the System or goodwill of the Marks.

10. DISPUTE RESOLUTION.

10.01 Mediation. Except as otherwise provided herein, if a dispute arises out of or relates to this Agreement, the breach hereof, the rights and obligations of the parties hereto, or the making, interpretation, or performance of either party under this Agreement, the parties agree first to try in good faith to settle the dispute by mediation administered by the American Arbitration Association ("AAA") in accordance with its commercial mediation rules before resorting to arbitration or litigation in accordance with the terms of this Agreement. Such mediation shall take place before a sole mediator at a location we designate (currently, Boston, Massachusetts). The parties shall each bear all of their own costs of mediation; provided, however, the fees of the mediator shall be divided equally between you and us. All aspects of the mediation, including statements made and documents produced as part of or within the mediation, will be confidential in nature and will not be admissible in any subsequent arbitration or other legal proceeding. If the matter is not settled by mediation within thirty (30) days of the commencement of the mediation, or such further period as the parties shall agree in writing, the matter shall be referred to arbitration as described in Section 10.02 below for final resolution. The parties hereto agree that mediation shall not be required with respect to: (a) any claim or dispute involving any payment obligation of us that is more than thirty (30) days past due; (b) any claim or dispute involving actual or threatened disclosure or misuse of our Confidential Information; (c) any claim or dispute involving the ownership, validity, or use of the Marks; (d) any claim or dispute involving the insurance or indemnification provisions of this Agreement; (e) any claim or dispute involving a non-curable default; (f) any claim or dispute involving your failure to comply with the System or Operations Manual; or (g) any action by us to enforce the covenants set forth in Section 6, or Section 9.02 of this Agreement. The object of any mediation subject to this Section 10.01 is to assist the parties in reaching a mutually acceptable resolution of the dispute. Such mediation will, in all circumstances, be consistent with the rights and obligations created by this Agreement and will not be premised on the derogation or diminution of those rights or disregard of those rights.

10.02 Arbitration. Subject to Section 10.01, all controversies, disputes, or claims between the parties, including their respective Affiliates, owners, officers, directors, agents, and employees, arising from or relating to this Agreement, including the scope and validity of any provision of this Agreement (such as this Section 10.02), shall on demand of either party be submitted for arbitration to the AAA. The arbitration shall be governed exclusively by the Federal Arbitration Act (9 U.S.C. § 1, et seq.), without reference to any state arbitration statutes. There shall be one (1) arbitrator if the amount of the claim is Five Hundred Thousand

Dollars (\$500,000) or less, or three (3) arbitrators if the amount of the claim is more than Five Hundred Thousand Dollars (\$500,000). If there is one (1) arbitrator, the arbitrator shall be appointed by the AAA. If there are three (3) arbitrators, the claimant shall appoint one (1) arbitrator in its notice of arbitration and statement of claim; the respondent shall appoint one (1) arbitrator in its statement of defense, and the third arbitrator, who shall act as the Chairman, shall be appointed by the two (2) arbitrators appointed by the parties within thirty (30) days of the appointment of the second arbitrator. If any arbitrators are not appointed within these time periods, the AAA shall make the appointments. The parties agree that, in connection with any such arbitration proceeding, each shall submit or file any claim that would constitute a compulsory counterclaim (as defined by Rule 13 of the Federal Rules of Civil Procedure) within the same proceeding as the claim to which it relates. Any such claim that is not submitted or filed in such proceeding shall be barred. The arbitration proceedings shall be conducted in the city where we then have our principal place of business (currently Boston, Massachusetts) in accordance with the then-current commercial arbitration rules of the AAA ("AAA Rules"), except the parties shall be entitled to limited discovery at the discretion of the arbitrator(s) who may, but are not required to, allow depositions. The parties acknowledge that the arbitrators' subpoena power is not subject to geographic limitations. The arbitration proceedings shall be conducted on an individual basis and not on a multi-plaintiff, consolidated, collective or class-wide basis. The foregoing sentence is an integral provision of the arbitration procedures set forth in this paragraph, and may not be severed therefrom, notwithstanding Section 10.01 of this Agreement. If such sentence is determined to be invalid or unenforceable in connection with a particular controversy, dispute, or claim, then this Section 10.02 shall be stricken from this Agreement and neither party shall be deemed to have consented to arbitration of such controversy, dispute, or claim.

The parties agree to resolve all controversies, disputes, or claims between the parties where the aggregate amount claimed is Five Hundred Thousand Dollars (\$500,000) or less in accordance with the AAA's Expedited Procedures ("Expedited Procedures") as set out in the AAA Rules. Where the aggregate amount claimed is more than Five Hundred Thousand Dollars (\$500,000), the Expedited Procedures will not apply unless otherwise agreed to by the parties.

The arbitrator(s) shall have the right to award the relief that he or she deems proper, consistent with the terms of this Agreement, including compensatory damages (with interest on unpaid amounts from date due), specific performance, injunctive relief, legal fees and costs, provided that the arbitrators may not declare any Mark generic or otherwise invalid or, except as expressly provided in Section 10.03, award any punitive or exemplary damages against either party (we and you hereby waiving to the fullest extent permitted by law, except as expressly provided in Section 10.03 below, any right to or claim for any punitive or exemplary damages against the other). The award by the arbitrator(s) shall be in writing and present the reasons in fact and law upon which it is based and rendered within 30 days of the final hearing or final submission of briefs, whichever is later, unless otherwise agreed to by the parties. The award and decision of the arbitrator(s) shall be conclusive and binding on all parties, and judgment upon the award may be entered in any court of competent jurisdiction. Any right to contest the validity or enforceability of the award shall be governed exclusively by the Federal Arbitration Act.

The parties undertake to keep confidential all arbitral proceedings and awards rendered in the arbitration, together with all materials in the proceedings created for the purpose of the arbitration and all other documents produced by another party in the proceedings not otherwise in the public domain, save and to the extent that disclosure may be required of a Party by legal duty, to protect or pursue a legal right or to enforce or challenge an award in legal proceedings before a court or other judicial authority. In all cases, any documents exchanged between the parties as part of the discovery process must be returned or destroyed (with proof of destruction) within thirty (30) days of the final award or dismissal of the arbitration.

10.03 Jurisdiction. All disputes and claims not subject to arbitration under Section 10.02 must be brought in the state or federal court with jurisdiction in the city where our principal place of business is then-located (currently Boston, Massachusetts); provided that we have the option to bring a suit against you in any state or federal court within the jurisdiction where your Bakery-Cafe is or was located or where any of your

Owners lives. The parties consent to the exercise of personal jurisdiction over them by these courts, and to the propriety of venue in these courts for the purpose of this Agreement, and the parties waive any objections that they would otherwise have in this regard. Each of the parties specifically waives any defense of inconvenient forum to the maintenance of any action or proceeding so brought and waives any bond, surety, or other security that might be required of any other party with respect thereto.

10.04 Survival. The provisions of this Section 10 shall continue in full force and effect subsequent to and notwithstanding expiration or termination of this Agreement.

11. MISCELLANEOUS.

11.01 Severability and Substitution of Provisions. Every part of this Agreement shall be considered severable. If for any reason any part of this Agreement is held to be invalid, that determination shall not impair the other parts of this Agreement. If any covenant herein, which restricts competitive activity, is deemed unenforceable by virtue of its scope or in terms of geographic area, type of business activity prohibited and/or length of time, but could be rendered enforceable by reducing any part or all of it, you and we agree that it will be enforced to the fullest extent permissible under applicable law and public policy.

If any applicable law requires a greater prior notice of the termination than is required hereunder, a different standard of “good cause” to terminate this Agreement or the taking of some other action not required hereunder, the prior notice, the “good cause” standard and/or the other action required by such law shall be substituted for the comparable provisions hereof. If any provision of this Agreement is invalid or unenforceable under applicable law, we have the right, in our sole discretion, to modify such invalid or unenforceable provision to the extent required to make it valid and enforceable.

11.02 Waiver of Obligations. You and we may by written instrument unilaterally waive or reduce any obligation of the other under this Agreement. Any such waiver granted shall be without prejudice to any other rights the waiving party may have, will be subject to continuing review by such party and may be revoked, in such party’s sole discretion, at any time and for any reason, effective upon delivery to the other party of ten (10) days’ prior notice. You and we shall not be deemed to have waived any right reserved by this Agreement or be deemed to have modified this Agreement by virtue of any custom or practice of the parties at variance with it.

11.03 Exercise of Rights. Except as otherwise expressly provided herein, the rights of Franchisor and Area Developer hereunder are cumulative and no exercise or enforcement by Franchisor or Area Developer of any right or remedy hereunder shall preclude the exercise or enforcement by Franchisor or Area Developer of any other right or remedy hereunder, which Franchisor or Area Developer is entitled to enforce by applicable law. Notwithstanding the foregoing, and except as otherwise prohibited or limited by applicable law, any failure, neglect, or delay of a party to assert any breach or violation of any legal or equitable right arising from or in connection with this Agreement, shall constitute a waiver of such right and shall preclude the exercise or enforcement of any legal or equitable remedy arising therefrom, unless written notice specifying such breach or violation is provided to the other party within twenty four (24) months after the later of: (a) the date of such breach or violation; or (b) the date of discovery of the facts (or the date the facts could have been discovered, using reasonable diligence) giving rise to such breach or violation.

11.04 Injunctive Relief. Notwithstanding the provisions of Section 10.01 and Section 10.02, we may obtain in any court of competent jurisdiction any preliminary relief, including temporary restraining orders and preliminary injunctions, against conduct or threatened conduct for which no adequate remedy at law may be available or which may cause us irreparable harm. Any such action for preliminary relief shall be in aid of arbitration and shall not be deemed incompatible with the agreement to mediate or arbitrate or constitute a waiver of our right to mediate or arbitrate under Section 10.01 and Section 10.02. We may have such injunctive relief, without bond, but upon due notice, in addition to such further and other relief as may be available at

equity or law, and your sole remedy in the event of the entry of such injunction, shall be its dissolution, if warranted, upon hearing duly held (all claims for damages by reason of the wrongful issuance of any such injunction being expressly waived). You and each of your Owners acknowledges that any violation of Sections 6 or 9.02 would result in irreparable injury to us for which no adequate remedy at law may be available. Accordingly, you and each of your Owners consent to the issuance of an injunction at our request prohibiting any conduct in violation of any of those Sections and agree that the existence of any claim you or any of your Owners may have against us, whether arising from this Agreement, shall not constitute a defense to the enforcement of any of those Sections.

11.05 Attorneys' Fees. In a judicial or arbitration proceeding, the non-prevailing party agrees to reimburse the prevailing party for all of the prevailing party's costs and expenses, including reasonable accounting, paralegal, expert witness and attorneys' fees.

11.06 Governing Law. This Agreement shall be construed under the laws of the State of Delaware, provided the foregoing shall not constitute a waiver of any of your rights under any applicable franchise law of another state. Otherwise, in the event of any conflict of law, Delaware law will prevail, without regard to its conflict of law principles.

11.07 Successors and Assigns. This Agreement is binding on the parties hereto and their respective executors, administrators, heirs, assigns and successors in interest. This Agreement is fully transferable and assignable by us, whether by operation of law or otherwise (without notice to you, or approval by you), and shall inure to the benefit of any transferee or other legal successor to our interest herein.

11.08 Limitations on Legal Actions. Except with respect to your obligations regarding use of the Marks in Section 5 and the Confidential Information in Section 6.01, and your indemnity obligations in Section 5.02, Franchisor and Area Developer (and its Owners) each waives, to the fullest extent permitted by law, any right to or claim for any punitive or exemplary damages against the other. You and each of your Owners waive, to the fullest extent permitted by applicable law, the right to recover consequential damages (including lost future profits) for any claim directly or indirectly arising from or relating to this Agreement.

You agree that, for our franchise system to function properly, we should not be burdened with the costs of litigating system-wide disputes. Accordingly, any disagreement between you (and your Owners) and us shall be considered unique as to its facts and shall not be brought as a class action, and you (and each of your Owners) waive any right to proceed against us or any of our Affiliates, shareholders, members, managers, officers, directors, employees, agents, successors and assigns by way of class action, or by way of a multi-plaintiff, consolidated or collective action. In any legal action between the parties, the court shall not be precluded from making its own independent determination of the issues in question, notwithstanding the similarity of issues in any other legal action involving us and any other area developer, and each party waives the right to claim that a prior disposition of the same or similar issues precludes such independent determination.

Furthermore, the parties agree that in the event any legal action is filed in connection with this Agreement, such action shall be tried to the court sitting without a jury, and all parties hereto waive any right to have any action tried by jury.

11.09 Construction; Electronic Signature. The language of this Agreement shall be construed according to its fair meaning and not strictly against any party. The introduction, personal guarantees, exhibits and riders (if any) to this Agreement are a part of this Agreement, which constitutes the entire agreement of the parties with respect to the subject matter hereof. Except as otherwise expressly provided herein, there are no other oral or written agreements, understandings, representations or statements between us and you relating to the subject matter of this Agreement, other than our franchise disclosure document, that either party may or does rely on or that will have any force or effect. Nothing in this Agreement is intended or shall be deemed to

confer any rights or remedies on any person or legal entity not a party hereto. This Agreement shall not be modified except by written agreement signed by both parties. Time is of the essence in this Agreement.

To facilitate the execution of this Agreement by geographically separated parties, it may be executed in two or more counterparts, all of which shall constitute one agreement. The execution by one party of any counterpart shall be sufficient execution by that party whether or not the same counterpart has been executed by any other party.

The counterparts of this Agreement and all ancillary documents executed or delivered in connection with this Agreement may be executed and signed by electronic signature by any of the parties to this Agreement, and delivered by electronic or digital communications to any other party to this Agreement, and the receiving party may rely on the receipt of such document so executed and delivered by electronic or digital communications signed by electronic signature as if the original has been received. For the purposes of this Agreement, electronic signature means, without limitation, an electronic act or acknowledgement (e.g., clicking an "I Accept" or similar button), sound, symbol (digitized signature block), or process attached to or logically associated with a record and executed or adopted by a person with the intent to sign the record.

The headings of Sections are for convenience only and do not limit or construe their contents. The word "including" is meant to be illustrative and not exhaustive, and shall be construed to include the words "without limitation." The term "Area Developer" or "you" is applicable to one or more persons, a corporation, limited liability company or a partnership and its owners, as the case may be. If obligations and liabilities to us shall be joint and several. References to a controlling interest in an entity shall mean more than fifty percent (50%) of the equity or voting control of such entity, or the power to direct or cause the direction of management and policies of such entity.

11.10 Approvals and Consents. Whenever this Agreement requires the approval or consent of either party, the other party shall make written request therefor, and such approval or consent shall be obtained in writing; provided however, unless specified otherwise in this Agreement, such party may withhold approval or consent, for any good faith reason. Furthermore, unless specified otherwise in this Agreement, no such approval or consent shall be deemed to constitute a warranty or representation of any kind, express or implied, and the approving or consenting party shall have no responsibility, liability or obligation arising therefrom.

11.11 Notices. All notices, requests and reports permitted or required to be made by the provisions of this Agreement shall be in writing and shall be deemed delivered: (a) at the time delivered by hand to the recipient party or any officer, director or partner of the recipient party; (b) one (1) business day after transmission by email, if the sender has confirmation of successful transmission, or the same day it is sent by email if the sender has a confirmation of receipt on that same day; (c) one (1) business day after being placed in the hands of a commercial courier service for guaranteed overnight delivery; or (d) five (5) business days after placement in the United States Mail by Registered or Certified Mail, Return Receipt Requested, postage prepaid. All notices to us must include a copy to our General Counsel and our Chief Financial Officer to be effective. Such notices, requests and reports shall be sent to the addresses identified in this Agreement unless and until a different address has been designated by appropriate written notice to the other party.

11.12 No Recourse. You acknowledge and agree that except as provided under an express statutory liability for such conduct, none of our past, present or future directors, officers, employees, incorporators, members, partners, stockholders, subsidiaries, Affiliates, controlling parties, entities under common control, ownership or management, vendors, service providers, agents, attorneys or representatives will have any liability for (a) any of our obligations or liabilities relating to or arising from this Agreement, (b) any claim against us based on, in respect of, or by reason of, the relationship between you and us, or (c) any claim against us based on any of our alleged unlawful act or omission. For the avoidance of doubt, this provision constitutes an express waiver of any claims based on a theory of vicarious liability, unless such vicarious claims are authorized

by a guarantee of performance or statutory obligation. It is not meant to bar any direct contractual, statutory or common law claim that would otherwise exist.

11.13 The Exercise of Franchisor's Judgment. Whenever Franchisor has reserved in this Agreement a right to take or to withhold an action, or to grant or decline to grant Area Developer a right to take or omit an action, Franchisor may, except as otherwise specifically provided in this Agreement, make its decision or exercise its rights based on information readily available to Franchisor and Franchisor's judgment of what is in the best interests of Franchisor and its Affiliates or the System at the time Franchisor's decision is made, without regard to whether Franchisor could have made other reasonable or even arguably preferable alternative decisions or whether Franchisor's decision promotes Franchisor's or its Affiliates' financial or other individual interest. Franchisor has the absolute right to refuse any request that Area Developer makes or to withhold its approval of any of Area Developer's proposed, initiated or completed actions that require Franchisor's approval.

11.14 Multiple Forms of Agreement. You acknowledge and agree that there may be more than one form of franchise agreement in effect between us and our various Panera Bread Bakery-Cafe franchise owners; those other agreements may contain provisions that may be materially different from the provisions contained in this Agreement; and you are not entitled to rely on any provision of any other agreement with any other Panera Bread Bakery-Cafe franchise owners whether to establish course of dealing, waiver, or estoppel, or for any other purpose.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement on the day and year first above written.

THIS CONTRACT CONTAINS A BINDING ARBITRATION PROVISION WHICH MAY BE ENFORCED BY THE PARTIES.

FRANCHISOR

PANERA, LLC,

a Delaware limited liability company

By: _____

Print Name: _____

Title: _____

AREA DEVELOPER

a _____

By: _____

Print Name: _____

Title: _____

EXHIBIT A

**TO THE AREA DEVELOPMENT AGREEMENT
BETWEEN PANERA, LLC
AND**

DATED _____, ____

1. The Term expires on _____, ____.
2. Development Area. The Development Area is the geographic area described as follows and shown on the map attached hereto as Exhibit A-1:

Political boundaries described above shall be considered fixed as of the date of this Agreement and shall not change for the purpose hereof, notwithstanding a political reorganization or change to such boundaries or regions. All street boundaries shall be deemed to end at the street center line unless otherwise specified above.

3.1 Development Schedule. You and your Affiliates must have open and in operation in the Development Area, pursuant to Franchise Agreements, that cumulative number of Panera Bread Bakery-Cafes set forth below as of each of the following dates (each a “Development Period”):

<u>Cumulative Number of Panera Bread Bakery-Cafes</u>	<u>Date</u>
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

For purposes hereof, no Panera Bread Bakery-Cafes that are open and operating as of the date of this Agreement shall be counted for purposes of the Development Schedule. In addition, a Panera Bread Bakery-Cafe that is permanently closed after having been opened, other than as a result of noncompliance by you with the terms of the applicable Franchise Agreement, shall be deemed open for a period of six (6) months after the last day it was open for business, provided that: (i) during such period of time, you continuously and diligently take such actions as may be required to develop and open a substitute Panera Bread Bakery-Cafe within the Development Area pursuant to a new Franchise Agreement therefor; and (ii) by the end of such period you have the substitute Panera Bread Bakery-Cafe open and operating in compliance with the Franchise Agreement therefor.

3.2 Bakery-Cafe Remodel Schedule (If Applicable). You must re-equip, upgrade and/or remodel your Bakery-Cafes, pursuant to Franchisor’s then-current policy, process, plans and specifications, including,

EXHIBIT A
(continued)

but not limited to equipment and production enhancements, that cumulative number of Panera Bread Bakery-Cafes set forth below as of each of the following dates:

<u>Cumulative Number of Bakery-Cafes to be Remodeled</u>	<u>Date</u>
_____	_____
_____	_____
_____	_____

The Bakery-Cafe Remodel Schedule, if applicable, shall be in addition to and independent of the Development Schedule. As of the date first listed above, there are no Panera Bread Bakery-Cafes that have been remodeled that shall be counted for purposes of the above Bakery-Cafe Remodel Schedule.

4. The development fee shall be \$_____ and is determined by multiplying Fifty Thousand Dollars (\$50,000.00) by the total number of Franchise Agreements to be entered into pursuant to this Agreement.

FRANCHISOR

PANERA, LLC,

a Delaware limited liability company

By: _____

Print Name: _____

Title: _____

AREA DEVELOPER

a _____

By: _____

Print Name: _____

Title: _____

EXHIBIT A-1

MAP OF DEVELOPMENT AREA

(attach)

EXHIBIT B

**TO THE AREA DEVELOPMENT AGREEMENT
BETWEEN PANERA, LLC
AND**

DATED _____, ____

1. Operating Principal The name and home address of the Operating Principal is as follows:

2. Form of Entity of Area Developer.

(a) Corporation or Limited Liability Company. Area Developer was organized on _____, _____ under the laws of the State of _____. Its Federal Identification Number is _____. It has not conducted business under any name other than its corporate or company name. The following is a list of all of Area Developer's directors and officers or managing members as of the date of the Agreement.

Name of Each Director/Officer/Managing Member

Position(s) Held

(b) Partnership. Area Developer is a [general] [limited] partnership formed on _____, _____ under the laws of the State of _____. Its Federal Identification Number is _____. It has not conducted business under any name other than its partnership name. The following is a list of all of Area Developer's general partners as of the date of the Agreement.

Name of Each General Partner

3. Owners. Area Developer and each of its Owners represents and warrants that the following is a complete and accurate list of all Owners of Area Developer, including the full name and mailing address of each Owner, and fully describes the nature and extent of each Owner's interest in Area Developer. Area Developer and each Owner as to his/her ownership interest, represents and warrants

EXHIBIT B
(continued)

that each Owner is the sole and exclusive legal and beneficial owner of his/her ownership interest in Area Developer, free and clear of all liens, restrictions, agreements and encumbrances of any kind or nature, other than those required or permitted by this Agreement.

<u>Owner's Name and Address</u>	<u>Percentage and Nature of Ownership Interest</u>
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Submitted by Area Developer
Accepted by Franchisor and
made a part of the Area Development Agreement
as of _____, _____.

Accepted by Franchisor and
Submitted by Area Developer
on _____, _____.

PANERA, LLC,
a Delaware limited liability company

a _____

By: _____
Print Name: _____
Title: _____

By: _____
Print Name: _____
Title: _____

EXHIBIT C

PRINCIPAL OWNERS' PERSONAL GUARANTY OF AREA DEVELOPER'S OBLIGATIONS ("Guaranty")

In consideration of, and as an inducement to, the execution of the Panera, LLC Area Development Agreement dated as of _____, ____ (the "Agreement") by and between PANERA, LLC ("Franchisor"), and _____ ("Area Developer"), each of the undersigned Principal Owners (each a "Guarantor") of a five percent (5%) or greater interest in Area Developer hereby personally and unconditionally: (1) guarantees to Franchisor and its successors and assigns, for the term of the Agreement and thereafter as provided in the Agreement, that Area Developer shall punctually pay and perform each and every undertaking, agreement and covenant set forth in the Agreement (and any amendments) and that each and every representation of Area Developer made in connection with the Agreement (and any amendments) are true, correct and complete in all respects at and as of the time given; and (2) agrees personally to be bound by each and every provision in the Agreement (and any amendments), both monetary obligations and obligations to take or refrain from taking specific actions or to engage or refrain from engaging in specific activities, including, without limitation, the non-competition, confidentiality, and transfer requirements. (All capitalized terms used but not defined in this Guaranty will have the meanings set forth in the Agreement.)

Each of Guarantor waives: (a) acceptance and notice of acceptance by Franchisor of the foregoing undertakings; (b) notice of demand for payment of any indebtedness or nonperformance of any obligations hereby guaranteed; (c) protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed; (d) any right that any Guarantor may have to require that an action be brought against Area Developer or any other person as a condition of liability; (e) notice of any amendment to the Agreement; and (f) any and all other notices and legal or equitable defenses to which any Guarantor may be entitled.

Each Guarantor consents and agrees that: (i) his or her direct and immediate liability under this Guaranty shall be joint and several; (ii) he or she shall render any payment or performance required under the Agreement upon demand if Area Developer fails or refuses to do so punctually; (iii) such liability shall not be contingent or conditioned upon pursuit by Franchisor of any remedies against Area Developer or any other person; (iv) such liability shall not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence which Franchisor may from time to time grant to Area Developer or to any other person including the acceptance of any partial payment or performance or the compromise or release of any claims, none of which shall in any way modify or amend this Guaranty, which shall be continuing and irrevocable until satisfied in full; and (v) this Guaranty will continue in full force and effect for (and as to) any extension or modification of the Agreement and despite the transfer of any direct or indirect interest in the Agreement or Area Developer, and each Guarantor waives notice of any and all renewals, extensions, modifications, amendments or transfers.

Franchisor shall have no present or future duty or obligation to Guarantors under this Guaranty, and each Guarantor waives any right to claim or assert any such duty or obligation, to discover or disclose to Guarantors any information, financial or otherwise, concerning Area Developer, any other guarantor, or any collateral securing any obligations of Area Developer to Franchisor. Without affecting the obligations of Guarantors under this Guaranty, Franchisor may, without notice to Guarantors, extend, modify, supplement, waive strict compliance with, or release all or any provisions of the Agreement or any indebtedness or obligation of Area Developer, or settle, adjust, release, or compromise any claims against Area Developer or any other guarantor, make advances for the purpose of performing any obligations of Area Developer under the Agreement, and/or assign the Agreement or the right to receive any sum payable under the Agreement, and each Guarantor hereby waives notice of same. Each Guarantor expressly acknowledges that the obligations hereunder survive the expiration or termination of the Agreement.

EXHIBIT C
(continued)

In addition, each Guarantor waives any defense arising by reason of any of the following: (a) any disability, counterclaim, right of set-off or other defense of Area Developer, (b) any lack of authority of Area Developer with respect to the Agreement, (c) the cessation from any cause whatsoever of the liability of Area Developer, (d) any circumstance whereby the Agreement shall be void or voidable as against Area Developer or any of Area Developer's creditors, including a trustee in bankruptcy of Area Developer, by reason of any fact or circumstance, (e) any event or circumstance that might otherwise constitute a legal or equitable discharge of Guarantor's obligations hereunder, except that Guarantor does not waive any defense arising from the due performance by Area Developer of the terms and conditions of the Agreement, (f) any right or claim of right to cause a marshaling of the assets of Area Developer or any other guarantor, and (g) any act or omission of Area Developer.

If Franchisor is required to enforce this Guaranty in a judicial proceeding, and prevails in such proceeding, Franchisor shall be entitled to reimbursement of Franchisor's costs and expenses, including, but not limited to, reasonable accountants', attorneys', attorneys' assistants', and expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses, and travel and living expenses, whether incurred prior to, in preparation for, or in contemplation of the filing of any such proceeding. If Franchisor is required to engage legal counsel in connection with any failure by Guarantors to comply with this Guaranty, Guarantors shall reimburse Franchisor for any of the above-listed costs and expenses Franchisor incurs.

All actions arising under this Guaranty or the Agreement, or otherwise as a result of the relationship between Franchisor and any Guarantor, will be resolved in accordance with, and subject to, the dispute resolution provisions in the Agreement. For purpose of clarification, the applicable Guarantor(s) and Area Developer will be deemed to be one party under such dispute resolution provisions.

[signatures appear on following page]

EXHIBIT C
(continued)

IN WITNESS WHEREOF, each of the undersigned has hereunto affixed his/her signature as of the ____ day of __, ____.

**PERCENTAGE OF OWNERSHIP
INTERESTS IN AREA DEVELOPER**

GUARANTOR(S)

(Signature)

(Print Name)

(Signature)

(Print Name)

(Signature)

(Print Name)

(Signature)

(Print Name)

Subscribed and sworn to before me this ____ day
of _____, ____.

Notary Public

My Commission expires: _____

EXHIBIT D

OWNER PERSONAL COVENANTS REGARDING CONFIDENTIALITY AND NON-COMPETITION

In conjunction with your investment in _____ (“Area Developer”) a _____, you (“Owner” or “you”), acknowledge and agree as follows:

1. Area Developer owns and operates, or is developing, Panera Bread Bakery-Cafes pursuant to an area development agreement dated _____, _____ (“Area Development Agreement”) with Panera, LLC (“Franchisor”), which Area Development Agreement requires persons with legal or beneficial ownership interests in Area Developer under certain circumstances to be personally bound by the confidentiality and noncompetition covenants contained in the Area Development Agreement. All capitalized terms contained herein shall have the same meaning set forth in the Area Development Agreement.
2. You own or intend to own a legal or beneficial ownership interest in Area Developer and acknowledge and agree that your execution of this Agreement is a condition to such ownership interest and that you have received good and valuable consideration for executing this Agreement. Franchisor may enforce this Agreement directly against you and your Owners (as defined below).
3. If you are a corporation, partnership, limited liability company or other entity, all persons who have a legal or beneficial interest in you (“Owners”) must also execute this Agreement.
4. You and your Owners, if any, may gain access to parts of Franchisor’s Confidential Information as a result of investing in Area Developer. The Confidential Information is proprietary and includes Franchisor’s trade secrets. You and your Owners hereby agree that while you and they have a legal or beneficial ownership interest in Area Developer and thereafter you and they: (a) will not use the Confidential Information in any other business or capacity (such use being an unfair method of competition); (b) will maintain the confidentiality of the Confidential Information; and (c) will not make unauthorized copies of any portion of the Confidential Information disclosed in written, electronic or other form. If you or your Owners cease to have an interest in Area Developer, you and your Owners, if any, must deliver to Franchisor any such Confidential Information in your or their possession or control.
5. During the term of the Area Development Agreement and during such time as you and your Owners, if any, have any legal or beneficial ownership interest in Area Developer, you and your Owners, if any, agree that you and they will not, without Franchisor’s consent (which consent may be withheld at Franchisor’s discretion) directly or indirectly (such as through an Affiliate or through your or their Immediate Families) own any legal or beneficial interest in, or render services or give advice in connection with: (a) any Competitive Business located anywhere; or (b) any entity located anywhere that grants franchises or licenses interests to others to operate any Competitive Business.
6. For a period of two (2) years, starting on the earlier to occur of the date you or your Owners cease to have any legal or beneficial ownership interest in Area Developer and the effective date of termination or expiration of the Area Development Agreement, neither you nor any of your Owners directly or indirectly (such as through an Affiliate or through your or their Immediate Families) shall own a legal or beneficial interest in, or render services or give advice to: (a) any Competitive Business operating within a radius of five (5) miles of any Panera Bread Bakery-Cafe then in operation or under construction; or (b) any entity that grants franchises or licenses other interests to others to operate any Competitive Business. If you or any of your Owners fail to or refuse to abide by any of the foregoing covenants and Franchisor obtains enforcement in a judicial or arbitration proceeding, the obligations under the breached covenant will be tolled during the period(s) of time that the covenant is breached and/or we seek to enforce it and will continue in effect for a period of time ending two (2) years after the date of the order enforcing the covenant.

EXHIBIT D
(continued)

7. You and each of your Owners expressly acknowledge the possession of skills and abilities of a general nature and the opportunity to exploit such skills in other ways, so that enforcement of the covenants contained in Sections 5 and 6 will not deprive any of you of your personal goodwill or ability to earn a living. If any covenant herein, which restricts competitive activity, is deemed unenforceable by virtue of its scope or in terms of geographic area, type of business activity prohibited and/or length of time, but could be rendered enforceable by reducing any part or all of it, you and Franchisor agree that it will be enforced to the fullest extent permissible under applicable law and public policy. Franchisor may obtain in any court of competent jurisdiction any injunctive relief, including temporary restraining orders and preliminary injunctions, against conduct or threatened conduct for which no adequate remedy at law may be available or which may cause it irreparable harm. You and each of your Owners acknowledges that any violation of Sections 4, 5, or 6 hereof would result in irreparable injury for which no adequate remedy at law may be available. If Franchisor files a claim to enforce this Agreement and prevails in such proceeding, you agree to reimburse Franchisor for all its costs and expenses, including reasonable attorneys' fees.

IN WITNESS WHEREOF, the undersigned have executed and delivered this Agreement on the ____ day of _____, ____.

OWNER

If an Individual:

If a corporation, partnership, limited liability company or other legal entity:

(Signature)

(Print Name)

(Name of corporation, partnership, limited liability company or other legal entity)

By: _____
Print Name: _____
Title: _____

EXHIBIT D
(continued)

OWNERS

By: _____
Print Name: _____

By: _____
Print Name: _____

By: _____
Print Name: _____

By: _____
Print Name: _____

EXHIBIT B TO FDD
FRANCHISE AGREEMENT

PANERA, LLC
FRANCHISE AGREEMENT

PANERA, LLC
FRANCHISE AGREEMENT

	<u>Page</u>
1. INTRODUCTION.....	1
1.01 Panera Bread Bakery-Cafes	1
1.02 Your Acknowledgments	1
1.03 Certain Definitions	2
2. GRANT OF RIGHTS.....	5
2.01 Grant of Franchise.....	5
2.02 Your Protected Area.....	6
2.03 Our Reservation of Rights.....	6
2.04 Catering/Delivery Services.....	7
3. DEVELOPMENT OF YOUR BAKERY-CAFE	7
3.01 Site Acceptance	7
3.02 Purchase or Lease of Premises	8
3.03 Development of the Premises	9
3.04 Equipment, Furniture, Fixtures and Signs.....	10
3.05 Computer System.....	10
4. TRAINING	11
4.01 Training Programs	11
4.02 Opening Assistance	11
4.03 Operations Manual	12
4.04 On-Going Guidance.....	12
4.05 Your Certified System Standards Training Programs for Your Personnel.....	12
4.06 Delegation of Performance.....	12
5. INTELLECTUAL PROPERTY	12
5.01 Ownership of the Intellectual Property.....	12
5.02 Authorized Use of the Intellectual Property	12
5.03 No Unauthorized Use of Intellectual Property.....	12
5.04 Intellectual Property Notices	13
5.05 Discontinuance of Use of Intellectual Property	13
5.06 Notification of Infringements and Claims for Intellectual Property.....	13
5.07 Indemnification of Franchisee Regarding Marks.....	13
6. FEES.....	13
6.01 Initial Franchise Fee	13
6.02 Royalty Fees	14
6.03 National Advertising Fund (NAF) Contribution.....	14
6.04 Designated Account	14
6.05 Interest On Late Payments.....	14
6.06 Application of Payments.....	14
7. RESTRICTIVE COVENANTS.....	14
7.01 Confidential Information.....	14
7.02 In-Term Covenants	15
7.03 Information Exchange	15
8. YOUR ORGANIZATION AND MANAGEMENT	15
8.01 Organizational Documents	15
8.02 Disclosure of Ownership Interests	16
8.03 Operating Principal/Management of Business.....	16
8.04 Store Organization.....	16
8.05 Restrictions on Debt	17
8.06 Compliance with Anti-Terrorism and Other Laws	17

9.	PANERA BREAD BAKERY-CAFE OPERATING STANDARDS.....	17
9.01	Condition of Your Bakery-Cafe	17
9.02	Uniform Image.....	18
9.03	Purchase of Products and Services	18
9.04	Purchases from Alternative Suppliers.....	19
9.05	Specifications and Standards	20
9.06	Compliance With Laws	20
9.07	Personnel.....	20
9.08	Insurance	21
9.09	Quality Control.....	22
9.10	Test Marketing.....	22
9.11	Pricing.....	22
9.12	Customer Data	22
9.13	Credit Cards	23
9.14	Discounts, Giveaways and Other Promotions.....	23
9.15	Gift Cards, Loyalty and Incentive Programs	23
10.	MARKETING AND ADVERTISING	24
10.01	National Advertising Fund (NAF).....	24
10.02	Local Advertising Funds (LAF).....	25
10.03	Marketing Administration Fee (MAF).....	25
10.04	Advertising Approvals and Initial Advertising Costs.....	26
10.05	Advertising Associations.....	26
10.06	System Website; Franchisee Websites	27
10.07	Social Media Sites.....	27
11.	RECORDS AND REPORTS	27
11.01	Records	27
11.02	Periodic Reports.....	28
11.03	Business Plans	28
12.	INSPECTIONS OF YOUR BAKERY-CAFE; AUDITS.....	28
12.01	Inspections	28
12.02	Audits.....	29
13.	FRANCHISEE’S RIGHT TO TRANSFER.....	29
13.01	Franchisor’s Approval.....	29
13.02	Conditions for Approval.....	29
13.03	Effect of Approval.....	31
13.04	Special Transfers	31
13.05	Death or Disability of Franchisee	31
13.06	Franchisor’s Right of First Refusal	31
13.07	Securities Offerings	32
13.08	Franchisor’s Right to Transfer.....	32
14.	TERMINATION OF AGREEMENT	32
14.01	Immediate Termination Upon Notice.....	32
14.02	Our Alternate Remedies Upon Your Default	34
14.03	Failure to Cure May be Deemed Termination by You	35
14.04	Assumption of Management.....	35
15.	RENEWAL RIGHTS.....	36
15.01	Your Right To Acquire a Successor Franchise	36
15.02	Notices.....	36
15.03	Agreements	36
16.	EFFECT OF TERMINATION OR EXPIRATION	36
16.01	Payment of Amounts Owed to Us.....	36
16.02	Discontinue Use of Marks and Confidential Information	36

16.03	Post-Term Covenants	37
16.04	Our Option to Purchase Your Bakery-Cafe.....	37
16.05	Purchase Price	38
16.06	Right to Assign	38
16.07	Purchase Notice	38
16.08	Pre-Closing Conduct	38
16.09	Closing of Purchase Option Exercise.....	39
16.10	Non-Disclosure	39
16.11	Liquidated Damages	40
16.12	Continuing Obligations.....	40
16.13	Failure to Comply with Post-Term Obligations	40
17.	RELATIONSHIP OF THE PARTIES	40
17.01	Independent Contractors.....	40
17.02	Indemnification	41
17.03	Taxes	42
18.	DISPUTE RESOLUTION	42
18.01	Mediation.....	42
18.02	Arbitration.....	43
18.03	Jurisdiction	44
18.04	Survival	44
19.	MISCELLANEOUS	44
19.01	Severability and Substitution of Provisions	44
19.02	Waiver of Obligations	44
19.03	Exercise of Rights	44
19.04	Injunctive Relief.....	45
19.05	Attorneys' Fees	45
19.06	Governing Law.....	45
19.07	Successors and Assigns	45
19.08	Limitations on Legal Actions.....	45
19.09	Construction; Electronic Signatures	46
19.10	Approvals and Consents.....	46
19.11	Notices and Payments	46
19.12	No Recourse	47
19.13	The Exercise of Franchisor's Judgment.....	47
19.14	Multiple Forms of Agreement	47

EXHIBIT A - DISCLOSURE OF OWNERSHIP INTERESTS

EXHIBIT B - PRINCIPAL OWNERS' PERSONAL GUARANTY OF FRANCHISEE'S OBLIGATIONS

EXHIBIT C - ADDENDUM TO LEASE

EXHIBIT D - INFORMATION SHEET

EXHIBIT E-1 - OWNER COVENANTS REGARDING CONFIDENTIALITY AND NON-COMPETITION

EXHIBIT E-2 - PERSONAL COVENANTS REGARDING CONFIDENTIALITY

PANERA, LLC
FRANCHISE AGREEMENT

This Franchise Agreement (this “Agreement”) is made as of this _____ day of _____, _____ (the “Effective Date”), between **PANERA, LLC** (“Franchisor”, “we”, “us” or “Panera Bread”), a Delaware limited liability company, with its principal place of business located at 1400 South Highway Drive, Suite 100, Fenton Missouri 63026, and _____ (“Franchisee” or “you”), a(n) _____, whose principal address is _____.

1. INTRODUCTION.

1.01 Panera Bread Bakery-Cafes. We own, operate and franchise Panera Bread Bakery-Cafes, specializing in the retail sale of high-quality food in a warm, friendly and comfortable environment. Our key menu groups are sandwiches, salads, soups, baked goods, pasta dishes and side items, and beverages, as well as other menu items and merchandise related to the Panera Bread concept, as we may authorize from time to time. Panera Bread Bakery-Cafes operate using the System and the Marks.

1.02 Your Acknowledgments. You have read this Agreement and acknowledge and agree with the following:

(a) you understand the terms of this Agreement and accept them as being necessary to maintain the uniformity of our high-quality standards at all Panera Bread Bakery-Cafes in order to protect and preserve the goodwill of the Marks and the integrity of the System;

(b) you have conducted an independent investigation of the business contemplated by this Agreement and recognize that the restaurant industry is highly competitive, with constantly changing market conditions;

(c) you recognize that the nature of Panera Bread Bakery-Cafes may change over time, that an investment in a Panera Bread Bakery-Cafe involves business risks, and that the success of the venture is largely dependent on your own business abilities, efforts and financial resources;

(d) you understand that attracting customers to your Bakery-Cafe will require you to make consistent marketing efforts in your community through various methods, including media advertising, social media advertising, search engine marketing, search engine optimization, direct mail advertising, and display and use of in-Bakery-Cafe promotional materials;

(e) you understand that retaining customers for your Bakery-Cafe will require you to have a high-level of customer service and adhere strictly to the System, and that you are committed to maintaining the System;

(f) you have not received from us, and are not relying upon, any representations or guarantees, express or implied, as to the potential volume, sales, income or profits of a Panera Bakery-Cafe;

(g) you and your Principal Owners have received as one document at one time a copy of this form of Agreement, the exhibits thereto, and the applicable complete franchise disclosure document not less than fourteen (14) days prior to the earlier of: (i) the date on which this Agreement or any other agreement relating thereto was executed, and (ii) the payment of any consideration by or on behalf of you relating to this Agreement, and the franchise associated therewith (except, where applicable, any deposited permitted under applicable law);

(h) that we have the right to restrict your sources of Food and Beverage Products and other goods and services, as provided in various sections of this Agreement, including Section 9; and

(i) you have been afforded an opportunity to ask any questions you have, to review any materials of interest to you concerning the franchise opportunity for Panera Bread Bakery-Cafes, and we have encouraged you to have this Agreement and all other agreements and materials we have given or made available to you reviewed by an attorney and have either done so or waive your right to do so.

1.03 Certain Definitions. The terms listed below have the meanings which follow them and include the plural as well as the singular. Other terms are defined elsewhere in this Agreement in the context in which they arise.

“Affiliate” – any person or entity that directly or indirectly owns or controls the referenced party, that is directly or indirectly owned or controlled by the referenced party, or that is under common control with the referenced party. The term “control” means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of an entity, whether through ownership of voting securities, by contract or otherwise. Without limiting the foregoing, the term “Affiliate” when used herein in connection with Franchisor shall be limited to Franchisor and the entities whose ownership interest are directly or indirectly controlled by Franchisor’s immediate and direct parent company, Panera Brands, Inc.

“Alternative Supplier” – any supplier who has been proposed by you or by another franchisee to manufacture, produce, and/or supply any item, including Food and Beverage Products, and who must be approved by us in writing to do so in accordance with the terms of this Agreement.

“Approved Supplier” – any supplier, including us, an Affiliate of ours, or an independent third party, whom we authorize to manufacture, produce, and/or supply any products, goods, services or supplies in connection with developing and/or operating Panera Bread Bakery-Cafes, including (but not limited to) Food and Beverage Products, merchandise, uniforms, packaging materials, POP materials, third-party food delivery services, smallwares, menus, forms, marketing materials and labels.

“Competitive Business” – any restaurant business, including a business that awards franchises or licenses others to operate or to be involved with any such restaurant business; provided, however, “Competitive Business” does not include (a) restaurant businesses that specialize in the sale of burgers, pizza, fried chicken or Mexican-style food; (b) the ownership or operation of other Panera Bread Bakery-Cafes that are licensed or franchised by us or any of our Affiliates; or (c) the ownership of shares of a class of securities that are listed on a public stock exchange or traded on the over-the-counter market and that represent less than five percent (5%) of that class of securities.

“Confidential Information” – our proprietary and confidential information relating to the development and operation of Panera Bread Bakery-Cafes, including: (1) all information contained in our Operations Manual; (2) ingredients, recipes, and methods of preparation and presentation of authorized food products; (3) site selection criteria for Panera Bread Bakery-Cafes and plans and specifications for the development of Panera Bread Bakery-Cafes; (4) sales, marketing and advertising programs and techniques for Panera Bread Bakery-Cafes; (5) identity of Approved Suppliers and knowledge of specifications, processes, procedures and equipment, and pricing for authorized food products, materials, supplies and equipment; (6) knowledge of operating results and financial performance of Panera Bread Bakery-Cafes, other than Panera Bread Bakery-Cafes you own; (7) methods of inventory control, storage, product handling, training and management relating to Panera Bread Bakery-Cafes; (8) computer systems and software programs used or useful in Panera Bread Bakery-Cafes; (9) future business plans relating to Panera Bread Bakery-Cafes and the Panera franchise opportunity, including expansion and development plans; (10) all data and other information generated

by, or used in, the operation of Panera Bread Bakery-Cafes, including Customer Data; (11) all Intellectual Property; and (12) any and all other information which is provided to you that is designated orally or in writing as proprietary or confidential or by its nature would reasonably be understood to be proprietary or confidential regardless of whether such information is specifically designated as proprietary or confidential.

“Copyrights” – works of authorship and other categories of work entitled to copyright protection that we license for use in connection with the operation of Panera Bread Bakery-Cafes and for which we or any of our Affiliates claims copyright protection.

“Customer Data” – any information of customers of your Bakery-Cafe that identifies or can be used to identify, contact, locate, or be traced back to the specific person to whom such information pertains, or from which identification or contact information of an individual person can be derived. Customer Data includes any personally identifiable information, such as a person’s name, address, phone number, e-mail address, and any other identifiable information derived from the transaction, including, but not limited to, information derived from participation in the loyalty program (such as privacy designations, opt outs, etc.).

“Food and Beverage Products” – the finished or partially finished food and beverage products we authorize to be offered and sold at Panera Bread Bakery-Cafes.

“Force Majeure” – any of the following events or circumstances beyond the reasonable control of the party claiming relief: (i) casualty or condemnation; (ii) storm, earthquake, hurricane, tornado, flood or other act of God; (iii) war, insurrection, pandemic, epidemics, quarantine restrictions, civil commotion or act of terrorism; (iv) strikes or lockouts; or (v) embargoes, lack of water, materials, power or telephone transmissions specified or reasonably necessary in connection with the production, storage, shipment or sale of ingredients.

“Immediate Family” – spouse, parents, brothers, sisters and children, whether natural or adopted of the referenced person.

“Intellectual Property” – the Copyrights, Marks, Patents, Operations Manual and any of our trade secrets and know-how.

“Internet” – all communications between computers and between computers and television, telephone and similar communications devices, including the World Wide Web, proprietary online services, e-mail, news groups and electronic bulletin boards.

“LAF” – Local Advertising Funds, as defined in Section 10.02.

“MAF” – the Marketing Administration Fee.

“Marks” – the current and future trade names, trademarks, service marks and trade dress that we and our Affiliate authorize from time to time, that are used to identify the services and/or products offered by Panera Bread Bakery-Cafes, including the mark “PANERA BREAD” and the distinctive building design and color scheme of Panera Bread Bakery-Cafes.

“NAF” – our National Advertising Fund.

“Net Sales” – the aggregate amount, determined in accordance with Panera Standards, of all sales of food, beverages and other products and merchandise sold and services rendered at the Premises or otherwise rendered in connection with your Bakery-Cafe or your use of the Marks, including monies

(whether for cash or credit) (a) derived from sales at or away from your Bakery-Cafe (e.g., catering or delivery), and (b) you receive from the proceeds of any business interruption insurance policies, but excluding: (1) all federal, state or municipal sales or service taxes collected from customers and paid to the appropriate taxing authorities; and (2) all documented customer refunds and adjustments and promotional discounts made by your Bakery-Cafe, which we approve in writing. For the avoidance of doubt, any discount not approved by us in writing, including unilateral promotions or discounts initiated or applied by a third-party delivery provider, will not reduce Net Sales, and in such cases, Net Sales will be computed using the undiscounted menu price of the item sold. Each sale will be deemed made, and included in Net Sales, at the time the customer is charged, regardless of when or whether payment is actually received from a third-party delivery provider or other intermediary.

“Non-Traditional Locations” – locations located at transportation facilities (such as airport facilities, train and/or bus stations, turnpikes or other limited access highway rest stops), hospitals, colleges, universities, sports arenas, entertainment facilities, and military facilities, or where any locations or its food operations are controlled by a third party or in our judgment should be operated by a third party.

“Operations Manual” – all information for the development, establishment and operation of a Panera Bread Bakery-Cafe that contains the System Standards necessary to maintain brand consistency, product quality and customer experience. This includes information communicated in writing, electronically (such as in bulletins, updates, guidelines, newsletters, e-mails, presentations, limited access online resources), or through other media as supplemented and amended from time to time. The Operations Manual may address areas such as training, quality assurance, health, safety, security, site selection and acceptance processes, customer service, Approved Suppliers, operating system manuals, and the menu policy. The Operations Manual and any revisions or updates thereto may be provided in electronic format including via the Internet, intranet, or other electronic means.

“Operating Principal” – the individual you so designate in Exhibit A and any replacement thereof accepted by us.

“Owner” – each person or entity that has a direct or indirect legal or beneficial ownership interest in Franchisee.

“Panera Bread Bakery-Cafes” – Bakery-cafes which we, or any of our Affiliates, own, operate or franchise and which use the Marks and the System.

“Panera Standards” – the accounting, audit and tax standards, methods, practices and procedures as may be established from time to time by us, in our sole discretion, with respect to, among other things, the maintenance of books and records, and the preparation and presentation of financial information and financial statements, but which shall not be materially inconsistent with generally accepted accounting principles consistently applied and which are utilized by us in connection with our Panera Bread Bakery-Cafes. In absence of any particular standard, method, practice or procedure established by us, the term “Panera Standards” shall refer to generally accepted accounting principles, consistently applied.

“Patents” – the current and future patents and patent applications, if any, that cover business methods, processes, products, structures, equipment and designs that we license for use in connection with the operation of Panera Bread Bakery-Cafes.

“Personnel” – all individuals employed by you in connection with the development, management, or operation of your Bakery-Cafe, including but not limited to those in general and district management positions, crew trainers, unit general and assistant managers, shift supervisors, hourly associates, and any other persons who work in or for your Bakery-Cafe.

“Premises” – the location identified in Exhibit D.

“Principal Owner” – each Owner with a five percent (5%) or greater interest in Franchisee (whether a direct or indirect interest).

“System” – the business methods, designs and arrangements for developing and operating Panera Bread Bakery-Cafes, including the System Standards, the Operations Manual, Intellectual Property, building design and layouts, equipment, technologies, ingredients, recipes, methods of preparation and specifications for authorized food products, training, methods of inventory control and certain operating and business standards and policies, all of which we may improve, further develop or otherwise modify from time to time.

“System Standards” – the mandatory specifications, standards and operating procedures that we periodically prescribe for the development and operation of a Panera Bread Bakery-Cafe, which shall include establishing, designating and modifying Approved Suppliers, distributors, equipment, manuals, guides, specifications, standards, programs, policies, materials, procedures, and alerts and amendments thereto.

“Term” – as defined in Section 2.01.

“Transfer of the Franchise” – or similar words – The direct or indirect sale, assignment, transfer, exchange, conversion, license, sublicense, lease, sublease, mortgage, pledge, collateral assignment, grant of a security, collateral or conditional interest or other encumbrance in or on, or other disposition, whether voluntary, involuntary, by operation of law or otherwise, of this Agreement, any interest in or right under this Agreement, any form of legal or beneficial ownership interest in you, or any form of ownership interest or right to participate in or receive the benefit of the assets, revenues, income or profits of your Bakery-Cafe, or any one or more other acts or events not covered by the foregoing that we determine to be a form of direct or indirect transfer, including: (1) any transfer, redemption or issuance of a legal or beneficial ownership interest in the capital stock of, a membership interest in, or a partnership interest in, you or of any interest convertible into or exchangeable for capital stock of, a membership interest in or a partnership interest in, Franchisee; (2) any merger or consolidation between you and another entity, whether or not you are the surviving entity, or any conversion of Franchisee from one form of legal entity into another form of legal entity, or any sale, exchange, encumbrance or other disposition of your assets; (3) any transfer in connection with or as a result of a divorce, dissolution of marriage or similar proceeding or a property settlement or legal separation agreement in the context of a divorce, dissolution of marriage or similar proceeding, an insolvency, bankruptcy or assignment for benefit of creditors, a judgment, a corporate, limited liability company or partnership dissolution or otherwise by operation of law; (4) any transfer by gift, declaration of trust, transfer in trust, revocation of trust, trustee succession, trust termination, discretionary or mandatory trust distribution, occurrence of any event (e.g., death of a person) that affects or ripens the rights of contingent beneficiaries, exercise of a power of appointment, exercise of a withdrawal right, adjudication of any Principal Owner as legally disabled, or upon or after the death of any of your Principal Owners by will or the laws of intestate succession or otherwise; or (5) any foreclosure upon your Bakery-Cafe or the transfer, surrender or loss by you of possession, control or management of your Bakery-Cafe.

“your Bakery-Cafe” – the Panera Bread Bakery-Cafe operated by you at the Premises.

2. GRANT OF RIGHTS.

2.01 Grant of Franchise. Subject to the terms of this Agreement, we grant to you the right, and you assume the obligation, to operate your Bakery-Cafe at the Premises identified on Exhibit D and to use the

System and the Marks solely in connection therewith, for a term starting from and after the date hereof and, unless sooner terminated as provided herein, expiring on the twentieth (20th) anniversary of the opening of your Bakery-Cafe (the “Term”). The location details and opening date, as applicable, are provided in Exhibit D. You will have the right, but not the obligation, to enter into a Successor Franchise Agreement (as defined in Section 15) for an additional consecutive ten (10) year term following the Term (a “Successor Term”), as long you have the right to maintain possession of the Premises and provided that you have complied with the procedures and conditions detailed in Section 15.01. You may not conduct the business of your Bakery-Cafe or use the System at any site other than the Premises without our prior written consent. You may not relocate your Bakery-Cafe, without our prior written consent, which we are under no obligation to provide. To the extent we do allow you to relocate, you must follow our then-current criteria and protocol, which may require you to sign a new franchise agreement. You acknowledge that the System is designed to protect our brand standards and the Marks, and not to control the day-to-day operation of your Bakery-Cafe. You agree that changes in our System Standards may become necessary and desirable from time to time and you agree to accept and comply with such modifications, revisions and additions to the System Standards, which we in good faith exercise of our judgment believe to be desirable and reasonably necessary. System Standards are confidential and proprietary to us and shall be used by you only in connection with the operation your Bakery-Cafe at the premises identified on Exhibit D and other franchised Panera Bread Bakery-Cafes. System Standards and other specifications, standards, and operating procedures communicated in writing or electronically to you shall be deemed a part of this Agreement.

2.02 Your Protected Area. During the Term, we will not operate (directly or through an Affiliate), nor grant to another person the right to operate, any Panera Bread Bakery-Cafes located within the geographic area (the “Protected Area”) identified in Exhibit D. For the avoidance of doubt, you shall not receive a Protected Area if your Bakery-Cafe is located at a Non-Traditional Location.

2.03 Our Reservation of Rights. Except as otherwise expressly provided in Section 2.02 above, we and all of our Affiliates (and our respective successors and assigns, by purchase, merger, consolidation or otherwise) retain all rights and discretion with respect to the Marks, the System and Panera Bread Bakery-Cafes anywhere in the world, including the Protected Area, and the right to engage in any business whatsoever, including the right to:

(a) operate, and grant to others the right to operate, Panera Bread Bakery-Cafes at such locations outside the Protected Area and on such terms and conditions as we deem appropriate (you acknowledge that such Panera Bread Bakery-Cafes may be in direct competition with your Bakery-Cafe, without regard to any adverse effects of such activities on your Bakery-Cafe and without any obligation or liability to you);

(b) sell any products or services under any trade names, trademarks, service marks or trade dress, including the Marks, through other channels of distribution (including wholesale distribution of baked goods to restaurants, supermarkets, grocery stores, caterers and other outlets and using such media as deemed appropriate, including the Internet, catalog sales, telemarketing, and direct marketing);

(c) operate, and grant to others the right to operate, retail food establishments (including restaurants, cafes, or bakeries) identified by tradenames, trademarks, service marks or trade dress, other than the Marks, pursuant to such terms and conditions as we deem appropriate;

(d) operate, and grant to others the right to operate, Panera Bread Bakery-Cafes at Non-Traditional Locations, whether inside or outside the Protected Area;

(e) market and sell products and services to national, regional and institutional accounts, whether located inside or outside the Protected Area. “National, regional and institutional accounts” are organizational or institutional customers whose presence is not confined to the Protected Area, including (by

way of example only): business entities with offices or branches situated both inside and outside of your Protected Area; government agencies, branches or facilities; healthcare networks; the military; and any other customer whose presence is not confined to the Protected Area;

(f) acquire the assets or ownership interests of one or more businesses providing products and services the same as or similar to those provided at Panera Bread Bakery-Cafes, and franchising, licensing or creating similar arrangements with respect to these businesses once acquired, wherever these businesses (or the franchise owners or licensees of these businesses) are located or operating (including in the Protected Area); and

(g) the right to be acquired (whether through acquisition of assets, ownership interests or otherwise, regardless of the form of transaction), by a business providing products and services the same as or similar to those provided at Panera Bread Bakery-Cafes, or by another business, even if such business operates, franchises and/or licenses competitive businesses in the Protected Area.

You acknowledge and agree that, except as expressly provided to the contrary in Section 2.02 hereof, your rights hereunder shall be non-exclusive. You waive, to the fullest extent permitted under law, all claims, demands or causes of action arising from or related to any of the foregoing activities by us or any of our Affiliates.

2.04 Catering/Delivery Services. We may grant you a non-exclusive right to provide offsite catering and/or delivery services for certain food products we may authorize from time to time within a geographical area around your Bakery-Cafe that we may designate from time to time (“Catering/Delivery Area”). You may not provide any such services to or at locations outside the Catering/Delivery Area without our prior written consent, and under no circumstances may you provide any such services to or at locations within the designated Catering/Delivery Area for any Panera Bread Bakery-Cafes owned or operated by us or another franchisee. Any consent to provide such services beyond the Catering/Delivery Area may be revoked at any time. If we provide you with the right to provide offsite catering and/or delivery services, you must make accommodations for delivery and/or catering services in compliance with our System, and as set forth in the Operations Manual or otherwise in writing by us, including without limitation, utilizing only the specified designated delivery and/or catering service providers we identify (and which we may change from time to time in our sole discretion) and making available only the menu items identified as appropriate for delivery and/or catering (and which we may change from time to time in our sole discretion).

You acknowledge and agree that we have the right, in our sole discretion, at any time and from time to time, to revoke our authorization for your Bakery-Cafe to provide offsite catering and/or delivery services and to modify or reduce any Catering/Delivery Area. In such event, you agree to promptly discontinue offsite catering and/or delivery services in the affected geographical area, notwithstanding that you may have provided such services within such area prior thereto. You further acknowledge and agree that any delivery and/or catering area we specify is nothing more than the geographic boundaries in which you may deliver and/or cater those menu items approved by us in writing for delivery and/or catering from your Bakery-Cafe, and no other rights are granted to you whatsoever. You will not be entitled to any compensation for any elimination or reduction of the Catering/Delivery Area.

3. DEVELOPMENT OF YOUR BAKERY-CAFE.

3.01 Site Acceptance. If we have accepted a location for the Premises prior to the Effective Date, it is set forth on Exhibit D. If we and you have not agreed upon a location for the Premises before signing this Agreement, then you are responsible for selecting the Premises within the geographic area identified on Exhibit D (the “Designated Area”), provided such selection remains subject to our review and approval and issuance of a site acceptance letter. The Designated Area is delineated for the sole purpose of site selection and does not confer any territorial exclusivity or protection. You must submit any documents and other materials we

request, and obtain our written acceptance of the proposed Premises before signing a lease or sublease agreement for the Premises. In connection with our evaluation, you must provide us with information concerning the general location and neighborhood of the proposed Premises, demographic information, traffic patterns, access, visibility, location of other retail food establishments and size, condition, configuration, appearance and other physical characteristics of the proposed Premises, as well as a summary of the lease terms for the proposed Premises. We may refuse to grant you a franchise for a Panera Bread Bakery-Cafe or accept the proposed Premises if you fail to demonstrate sufficient financial and management capabilities to properly develop and operate the proposed Panera Bread Bakery-Cafe and the then-existing Panera Bread Bakery-Cafes you and your Affiliates own. We will evaluate such financial and management capabilities in accordance with the then-current standards we use to establish Panera Bread Bakery-Cafes in other comparable market areas. Neither our acceptance of the Premises nor any information communicated to you regarding our standard site selection criteria for Panera Bread Bakery-Cafes or the specific location of the Premises constitutes a warranty or representation of any kind, express or implied as to the suitability of the Premises for a Panera Bread Bakery-Cafe or for any other purposes. Our acceptance of the Premises merely signifies that we are willing to grant you a franchise for a Panera Bread Bakery-Cafe at that location. Your decision to develop and operate a Panera Bread Bakery-Cafe at the Premises is based solely on your own independent investigation of the suitability of the Premises for a Panera Bakery-Cafe.

In consideration of our acceptance of the Premises, you and your Owners release us, and our Affiliates, officers, directors, employees and agents from any and all loss, damages and liability arising from or in connection with the selection and/or acceptance of the Premises for development as a Panera Bread Bakery-Cafe.

3.02 Purchase or Lease of Premises. You must lease, sublease or purchase the Premises within one hundred and eighty (180) days after the Effective Date. We have the right to approve the terms of any lease, sublease or purchase contract for the Premises, and you agree to deliver a copy to us for our approval before it is executed by you or any other party. You agree that any lease or sublease for the Premises must, in form and substance satisfactory to us, include all of the provisions set forth on Exhibit C hereto. You may not execute a lease, sublease or purchase contract or any modification thereof without our prior written approval. Our approval of the lease, sublease or purchase contract does not constitute a warranty or representation of any kind, express or implied, as to its fairness or suitability or as to your ability to comply with its terms. We do not, by virtue of approving the lease, sublease or purchase contract, assume any liability or responsibility to you or to any third parties. You must deliver a copy to us of the fully signed lease, sublease or purchase contract (including any addenda, side letter or other modifications to such lease, sublease or purchase contract) within five (5) days after its execution. If you, one of your Owners, or one of your Affiliates at any time owns the Premises, you must immediately notify us and we may require that you or such Owner or Affiliate (1) enter into an agreement with us in recordable form granting us the right and option, in the event of a termination (for whatever reason) of this Agreement, to lease the Premises at fair market rental rates for a term coterminous (in absence of an early termination) with the Term (with an option to extend for 10 years) for such Premises; or (2) enter into a prime lease with us at fair market rental rates for a term coterminous with the Term (with an option to extend for 10 years) for such Premises and a sublease with us on the same terms as the prime lease. The prime lease and sublease referenced in the preceding sentence shall be on the then-current lease and sublease forms used by us. We reserve the right (but we have no obligation) to enter into a master lease for the Premises (or a substitute site you propose), whether directly or through an Affiliate, and sublease the Premises (or any substitute site you propose) to you upon mutually agreeable terms regarding fees, rent and deposits. You acknowledge that any master lease that we or our Affiliate may enter into for the Premises (or a substitute site you propose) shall neither give rise to any liability on our part (or that of our affiliates), nor shall such master lease be construed as an express or implied warranty to you regarding the viability, profitability or merit of the Premises (or a substitute site you propose) for your Bakery-Cafe. You further acknowledge that you shall not be a third-party beneficiary of the master lease and that we do not make any representations or guarantees regarding the commercial terms of the master lease, including, but not limited to, the rent. If we or

our Affiliate sublease the Premises (or a substitute site you propose) to you, you agree to execute our then current form of sublease, as may be modified or amended by us.

3.03 Development of the Premises. You are solely responsible for developing your Bakery-Cafe, for all expenses associated with it and for compliance with the requirements of any applicable 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, regardless of the condition in which the Premises is received by you. We will furnish you with an operational concept plan and specifications for your Bakery-Cafe. The operational concept plan and specifications will not contain the requirements of any such federal, state or local laws, codes or regulations. You shall review and modify (if necessary) the operational concept plan and specifications to ensure that they comply with all applicable ordinances, building codes and permit requirements and any lease requirements and restrictions. You acknowledge that design quality is important to us and that we have the right to review and approve all plans and specifications and to confirm that construction is completed in conformance with the plans and specifications we have approved in writing. Prior to the development of your Bakery-Cafe, you must employ an architect and engineer that is approved by us in writing and satisfies our required criteria. You must submit all such modified plans and specifications, including design specifications, to us for our approval before starting to construct and/or improve the Premises. All final plans, including any changes required by any laws, codes or regulations, are subject to our prior written approval. You must submit any revised plans and specifications to us for our approval. Our review and approval of your plans is not designed to assess compliance with federal, state or local laws and regulations, including the ADA, as compliance with such laws is your sole responsibility. All construction and/or improvements and any signage must comply with all applicable laws, ordinances and local rules and regulations and must be in accordance with the plans and specifications we have approved in writing.

We will furnish such guidance to you in developing the Premises as we deem appropriate. We may periodically inspect the Premises during its development. We do not, by approving your plans or specifications or inspecting the Premises, assume any liability or responsibility to you or to any third parties. Such approvals and inspections shall be solely for the purpose of assuring compliance with our standards and shall not be construed as any express or implied representation or warranty that your Bakery-Cafe complies with any applicable laws, codes or regulations (including the ADA or any other federal, state, or local law or ordinance regulating standards for the access to, use of, or modifications of buildings for any by persons whose disabilities are protected by law) or that the construction thereof is sound or free from defects. All prototype and modified plans and specifications for your Bakery-Cafe remain our sole and exclusive property, and you may claim no interest therein. You shall execute such work-for-hire or intellectual property assignment agreements as we require to confirm our ownership of all such plans and specifications, and shall cause appropriate third parties (e.g., architect) to execute similar agreements, as well as confidentiality agreements.

You agree to obtain all required permits and licenses as soon as reasonably possible to commence construction of your Bakery-Cafe, and comply with the requirements of said permits and licenses. You must start construction of your Bakery-Cafe within sixty (60) days after the later to occur of (a) delivery to you of the right of possession of the Premises; and (b) issuance of all permits and licenses required for construction and/or renovation of the Premises. You must employ a general contractor acceptable to us. You must procure all applicable construction insurance in amounts and coverages acceptable to us. You must complete construction of your Bakery-Cafe within one hundred eighty (180) days after the start of construction. You must open your Bakery-Cafe within twenty-one (21) days after the date construction is completed and all necessary approvals have been obtained. In any event, you must open your Bakery-Cafe by the first anniversary of the Effective Date. Any extensions of time are subject to our approval, which we may withhold at our discretion. You must provide us with weekly progress reports during construction in a format acceptable to us. We have the right to visit and inspect, at our sole discretion, the site during the construction phase. Such visits shall be at our expense, except for visits made upon your request, which shall be at your expense. You acknowledge that if you have signed this Agreement in connection with an area development agreement, that in addition to the

timelines outlined in this Section 3.03, you must also comply with the development schedule contained in the area development agreement.

The requirement to complete construction of your Bakery-Cafe includes obtaining all required construction and occupancy licenses and permits, developing the Premises (including all outdoor features and landscaping of the Premises), installing all required fixtures, furnishings, equipment and signs, and doing all other things as may be required pursuant to this Agreement or by practical necessity to have your Bakery-Cafe ready to open for business. Your Bakery-Cafe may not be opened for business until we have notified you in writing that your Bakery-Cafe meets our requirements for opening, including written confirmation that construction has been completed in accordance with the approved plans and specifications. You acknowledge and agree that we have the right to withhold and/or defer our notice authorizing you to open your Bakery-Cafe for business to the public if we determine, at our discretion, that any Panera Bread Bakery-Cafe owned by you, and/or any of your Owners or Affiliates fails to meet our benchmark operational standards we establish from time to time for those Panera Bread Bakery-Cafes. You agree not to open your Bakery-Cafe to the public without such notice and you acknowledge and agree that we will not be liable for exercising our rights under the foregoing sentence, including any claims that the exercise of such rights have caused your Bakery-Cafe not to open or have delayed its opening.

Following the opening of your Bakery-Cafe, you have sixty (60) days to provide us with a final set of “as built” plans and specifications and a complete and full detailed statement of construction costs in a format prescribed by us. You must execute a verification that the information in the construction cost statement is complete and accurate.

3.04 Equipment, Furniture, Fixtures and Signs. You agree to purchase or lease all required equipment, furnishings, fixtures and signs for your Bakery-Cafe. You agree to purchase or lease only such types, brands and models of fixtures, furniture, equipment, signs and supplies which we approve for Panera Bread Bakery-Cafes as meeting our standards and specifications, including standards and specifications for quality, design, warranties, appearance, function and performance. You may purchase or lease approved types, brands or models of fixtures, furniture, equipment, signs and supplies only from Approved Suppliers (including us and any of our Affiliates). From time to time, we may modify the list of approved types, brands, models and/or Approved Suppliers, and you may not, after receipt of notice of such modification, reorder any type, brand or model from any supplier, which is no longer an Approved Supplier. If you propose to purchase any fixtures, furniture, equipment, signs or supplies of a type, brand or model, or propose to purchase from a supplier, that we have not previously approved in writing, you must notify us and submit to us such information as we may request for our review and approval, with such approval to be in our sole discretion and provided no such purchases shall be made until we have approved the same in writing. We may impose reasonable inspection and supervision fees on Approved Suppliers to cover our costs.

3.05 Computer System. You agree to obtain and use the computer hardware and/or operating software (including point-of-sale equipment (including kiosks) and software and other electronic information systems and all equipment components and software necessary for you to accept and process our gift and loyalty cards and participate in our gift card, customer loyalty, affinity, and similar programs) we specify at any time and from time to time (the “Computer System”). You agree to coordinate directly with us to ensure timely procurement of the Computer System for the Premises. We may modify specifications for and components of the Computer System at any time and in our sole discretion. You also agree to maintain a functioning e-mail address. Our modification of specifications for the Computer System, and/or other technological developments or events, might require you to purchase, lease, and/or license new or modified computer hardware and/or software and to obtain service and support for the Computer System. Although we cannot estimate the future costs of the Computer System or required service or support, and although these costs might not be fully amortizable over this Agreement’s remaining Term, you agree to incur the costs of obtaining the computer hardware and software comprising the Computer System (or additions and modifications) and required service or support. We have no obligation to reimburse you for any Computer System costs. Within

sixty (60) days after you receive notice from us of any modifications required to the Computer System, or such other timeframe as may be specified within said notice, you agree to obtain the Computer System components that we designate and to ensure that your Computer System, as modified, is functioning properly.

You agree that we or our Affiliates may condition any license of proprietary software to you, or your use of technology that we or our Affiliates develop or maintain, on your signing a software license agreement or similar document that we or our Affiliates prescribe to regulate your use of, and our and your respective rights and responsibilities with respect to, the software or technology. We, our Affiliates, or Approved Suppliers may charge you a monthly or other fee for any proprietary software or technology that we or they license to you and for other maintenance and support services that we or they may require you to receive during the Term. Despite the fact that you agree to buy, use, and maintain the Computer System according to our standards and specifications, you will have sole and complete responsibility for: (1) the acquisition, operation, maintenance, and upgrading of the Computer System; (2) the manner in which your Computer System interfaces with our and any third party's computer system; and (3) any and all consequences if the Computer System is not properly operated, maintained, and upgraded.

You are further required to activate and honor all customer-facing technology that we may designate, which may change from time to time. This includes MyPanera Loyalty, Unlimited Sip Club, and any other programs or services Franchisor designates in the future (collectively, the "Customer-Facing Technology"). We have the sole right to enhance, modify or change the platforms, software, hardware and/or processes related to any such Customer-Facing Technology, and you must comply with all such enhancements, modifications and changes to such Customer-Facing Technology. You further must ensure that your employees receive adequate training to properly execute all Customer-Facing Technology and the collection of customer payments in your Bakery-Cafe.

You shall adopt and use any artificial intelligence ("AI") systems, tools, or applications that we may designate from time to time as part of the System and shall do so at your own cost and in the manner and within the timeframe required by us. You shall not disclose our Confidential Information or the System to any AI system that we do not manage without prior written consent. All AI-generated materials relating to your Bakery-Cafe shall be owned by us. You shall indemnify and hold us harmless from any claims, damages, or liabilities arising out of your use of AI.

4. TRAINING.

4.01 Training Programs. If this is your first or second Panera Bread Bakery-Cafe, your Bakery-Cafe shall not open unless the Operating Principal and the Bakery-Cafe general manager have successfully completed our certified training program (the "Initial Training"). You must ensure that the Operating Principal and Bakery-Cafe general manager complete continuing certified operations training programs from time to time as we may require to reinforce operational standards ("Continuing Operations Training"). The required frequency, duration, location, and subject matter of Continuing Operations Training shall be specified by us. Thereafter, any person who replaces your Operating Principal or Bakery-Cafe general manager must successfully complete the Initial Training and the Continuing Operations Training before assuming the particular position.

4.02 Opening Assistance. If you (or any of your Affiliates) have not previously owned or managed a Panera Bread Bakery-Cafe, we may provide advisory opening assistance focused solely on operational and System Standards, including up to four (4) days of on-site support, as scheduled by us. For avoidance of doubt, we solely determine the timing, scheduling and staffing of on-site support we provide according to this subparagraph, including the calendar dates, times of our support, and whether we provide these days consecutively or intermittently.

4.03 Operations Manual. We will provide you access to the Operations Manual. We may modify the Operations Manual from time to time to reflect changes in the System Standards. You must keep current with the Operations Manual.

4.04 On-Going Guidance. We will furnish periodic guidance regarding the System, including improvements and changes. Such guidance is intended to maintain brand and operational standards and consistency.

4.05 Your Certified System Standards Training Programs for Your Personnel. You shall implement training programs for your Personnel to ensure the System Standards are met. Before providing any training on System Standards to your Personnel, such training must be certified by us to confirm compliance with System Standards for brand and operational requirements.

4.06 Delegation of Performance. We may delegate the performance of any portion or all of our obligations under this Agreement to third-party designees, whether these designees are our agents or independent contractors with whom we have contracted to perform these obligations. If we do so, such third-party designees will be obligated to perform the delegated functions for you in compliance with this Agreement.

5. INTELLECTUAL PROPERTY.

5.01 Ownership of the Intellectual Property. You acknowledge that our Affiliate, Pumpnickel Associates, LLC (“Pumpnickel”), owns the Intellectual Property. Your use of the Intellectual Property and any goodwill established thereby inures to the exclusive benefit of Pumpnickel. This Agreement does not confer on you any ownership interest, title, or goodwill in the Intellectual Property. You may not at any time during or after the Term contest, or assist any other person or entity in contesting, the validity or ownership of any of the Intellectual Property.

5.02 Authorized Use of the Intellectual Property. Pumpnickel has licensed us the right to use and sublicense others to use the Intellectual Property in connection with the franchising, development and operation of Panera Bread Bakery-Cafes. Your right to use the Intellectual Property is derived solely from this Agreement and is limited to conducting business pursuant to and in compliance with this Agreement. All provisions of this Agreement applicable to the Intellectual Property apply to any additional or substitute Intellectual Property we authorize you to use. You agree to use the Marks as the sole identification of your Bakery-Cafe, while identifying yourself as the independent owner thereof in the manner we prescribe. You agree to use the Intellectual Property only in full compliance with rules prescribed by us from time to time in connection with your Bakery-Cafe and the sale of authorized food products, beverages and services.

5.03 No Unauthorized Use of Intellectual Property. You may not use any Intellectual Property in connection with the sale of any unauthorized product or service or in any other manner that we have not explicitly authorized in writing. You may not use the subject matter of any of the Patents in any other manner not expressly authorized by us in writing. You may not use any Mark (or any abbreviation, modification or colorable imitation) as part of any corporate, legal or other business name (other than in connection with any legally required fictitious or assumed name filings), or with any prefix, suffix or other modifying words, terms, designs or symbols, or with the name or other designation of the metropolitan area or city in which your Bakery-Cafe is located, or in any other manner (including any Internet related use such as an electronic media identifier, for websites, web pages or domain names) not expressly authorized by us in writing. Any unauthorized use, adaptation, publication, reproduction, preparation of derivative works, distribution of copies (whether by sale or other transfer of ownership, or by rental, lease or lending), or attempts to recreate all or a portion of our Copyrights shall constitute a breach of this Agreement and an infringement of the rights of Pumpnickel and us in and to the Copyrights. Your unauthorized use of any of the Intellectual Property constitutes a breach of this Agreement and an infringement of our and Pumpnickel’s rights to the Intellectual Property. In addition to all other rights and remedies we may have for unauthorized use of the Intellectual Property or the sale of

unauthorized products or services, you must reimburse us for any damages, liability or expenses incurred by us arising out of your sale of any unauthorized product or service or for any damages, liability or expenses incurred by us arising out of your use of the Intellectual Property in an unauthorized manner. To the extent that any of the fees payable pursuant to Section 6 are for the right to use the System, such fees are all-inclusive and are not allocated among any of the various rights, including the Intellectual Property or any components of the Intellectual Property, that comprise the System.

5.04 Intellectual Property Notices. You shall display and use all copyright, trademark, and patent notices, legends, symbols, and designations for the Intellectual Property in the form and manner we prescribe and in compliance with applicable law. Without limiting this obligation, you shall display an appropriate copyright notice prescribed by us when using our Copyrights, you shall apply clear and conspicuous patent markings prescribed by us to products and equipment, and you shall display trademark symbols (® or ™), legends, and other notices exactly as prescribed by us in connection with uses of our Marks.

5.05 Discontinuance of Use of Intellectual Property. If, at any time, we reasonably modify or discontinue use of any Intellectual Property and/or use additional or substitute Intellectual Property, you shall comply with our directions within fourteen (14) days after written notice. You will bear all costs and expenses applicable to your Bakery-Cafe if we modify any Intellectual Property or use additional or substitute Intellectual Property. Neither we nor Pumpernickel shall have any liability or obligation whatsoever with respect to any such required modification or discontinuance of use of any Intellectual Property or the promotion or use of additional or substitute Intellectual Property, except as otherwise provided in Section 5.07 hereof.

5.06 Notification of Infringements and Claims for Intellectual Property. You must notify us immediately of any apparent infringement of any Intellectual Property, or any challenge to your use of any Intellectual Property, or any claim by another person of any rights in any Intellectual Property. You may not communicate with any person, other than your legal counsel, us, Pumpernickel and our respective legal counsel, in connection with any such infringement, challenge or claim. Pumpernickel will have sole discretion to take such action as it deems appropriate and will have the right to control exclusively any litigation or U.S. Patent and Trademark Office or other administrative proceeding arising out of any such infringement, challenge or claim or otherwise relating to any Intellectual Property. You must sign any and all instruments and documents, render such assistance and do such acts and things as may be necessary or advisable in the opinion of our or Pumpernickel's legal counsel to protect Pumpernickel's interests in any litigation or administrative proceeding or otherwise to protect its interests in the Intellectual Property. You further agree to promptly notify us of any event that occurs in connection with the operation of your Bakery-Cafe that may adversely affect the System or the goodwill associated with the Marks.

5.07 Indemnification of Franchisee Regarding Marks. We agree to indemnify you against, and to reimburse you for, all damages for which you are held liable in any proceeding arising out of your authorized use of any Mark pursuant to and in compliance with this Agreement and, except as provided herein, for all costs you actually and reasonably incur in defending any such claim brought against you, provided you have timely notified us of such claim and provided further that you and your Owners and Affiliates are in compliance with this Agreement and all other agreements entered into with us or any of our Affiliates. Pumpernickel, at its sole discretion, is entitled to prosecute, defend and/or settle any proceeding arising out of your use of any Mark pursuant to this Agreement, and, if Pumpernickel undertakes to prosecute, defend and/or settle any such matter, we have no obligation to indemnify or reimburse you for any fees or disbursements of any legal counsel retained by you.

6. FEES.

6.01 Initial Franchise Fee. On the Effective Date, you agree to pay us a nonrefundable initial franchise fee in the amount indicated on Exhibit D, which amount is subject to any applicable credit of the area development fee previously paid in connection with an area development agreement. If you are executing this

Agreement in connection with a transfer, or if this Agreement is a Successor Franchise Agreement (as defined in Section 15.01), then in lieu of an initial franchise fee, you must pay the transfer fee or successor fee as indicated in Exhibit D on or before signing this Agreement.

6.02 Royalty Fees. You agree to pay us a continuing royalty fee of five percent (5%) of your Bakery-Cafe's Net Sales (the "Royalty Fee") for each Reporting Period (as defined below). There shall be fifty-two (52) or fifty-three (53) reporting periods (Wednesday through following Tuesday, subject to change by us, each a "Reporting Period") in each of our fiscal years.

6.03 National Advertising Fund (NAF) Contribution. You agree to contribute a percentage of your Bakery-Cafe's Net Sales to the NAF (currently four percent (4%)), which amount is payable in the same manner as the Royalty Fee. The rate of NAF Contributions may vary as set forth in Section 10.01 below.

6.04 Designated Account. On the earlier of one hundred eighty (180) days from the Effective Date or at least sixty (60) days prior to the opening of your Bakery-Cafe, and as a condition thereof, you shall establish a designated bank account from which we shall be authorized to withdraw in any manner which we prescribe, which may include electronic transfer of funds, any amounts due to us or our Affiliates from you under this Agreement, including Royalty Fees. We have the right to review your sales numbers on a daily basis. On the first business day following a Reporting Period, we shall calculate the Royalty Fee due for that Reporting Period and withdraw such amount and any other amounts due under this Agreement, including any advertising and marketing fees set forth under Section 10 directly from the designated account. All costs and expenses of establishing and maintaining such designated account, including transaction fees and wire transfer fees, shall be paid by you.

6.05 Interest On Late Payments. All payments of the continuing Royalty Fees due us from you and other periodic fees payable based on Reporting Periods shall be due and payable on, and must be received by us, by the first business day immediately following the end of each Reporting Period. Any payment or report not actually received by us on or before such date shall be deemed overdue. If any payment is overdue, you shall pay to us, in addition to the overdue amount, interest on such amount from the date it was due until paid, at a rate which is the lesser of two (2) percentage points above the prime interest rate as reported by the Wall Street Journal on the day the payment was due or the maximum rate permitted by law. You also agree to maintain at all times sufficient funds in the designated bank accounts for such withdrawals as provided in Section 6.04. If sufficient funds are not available in the designated bank account at the time of an electronic transfer to pay fees that are due us or our Affiliates, we have the right to collect a bank/administrative fee of thirty dollars (\$30), subject to applicable law. Entitlement to such interest and service fee shall be in addition to any other remedies we may have. Your failure to have sufficient funds available in the designated account in an amount equal to any amount then due or your failure to pay all amounts when due, constitutes grounds for termination of this Agreement, as provided in Section 14.

6.06 Application of Payments. We may apply any payments by you to any of your past due indebtedness for Royalty Fees, advertising fund contributions or any other indebtedness to us or any of our Affiliates, notwithstanding any designation by you. You may not withhold payment of any amounts you owe us due to our alleged nonperformance of any of our obligations under this Agreement.

7. RESTRICTIVE COVENANTS.

7.01 Confidential Information. We will disclose (or cause to be disclosed) parts of our Confidential Information to you solely for your use in the operation of your Bakery-Cafe. The Confidential Information is proprietary and includes our trade secrets. You acknowledge and agree that you will not acquire any interest in Confidential Information, other than the right to use it as we specify in operating your Bakery-Cafe During the Term and thereafter: (a) you and your Owners may not use the Confidential Information in any other business or capacity (you and your Owners acknowledge such use is an unfair method of

competition); (b) you and your Owners must maintain the confidentiality of the Confidential Information; (c) you and your Owners may not make unauthorized copies of, nor permit unauthorized access to, any portion of the Confidential Information disclosed in written, electronic or other form; and (d) you and your Owners must implement all reasonable procedures we prescribe from time to time to prevent unauthorized use or disclosure of the Confidential Information, including the use of nondisclosure agreements with your Owners, officers, directors, Operating Principals, managers, assistant managers, bakers and the like, and you and your Owners must deliver such agreements to us. We have the right to regulate the form of non-disclosure agreements that you use and to be a third-party beneficiary of those agreements with independent enforcement rights. Our current form of confidentiality agreement is attached hereto as Exhibit E-2, and must be signed by all management and executive-level personnel. Owners, including Principal Owners, must sign our form confidentiality and non-compete agreement attached as Exhibit E-1, as more fully described in Section 8.01 below. At the end of the Term, you and your Owners must deliver to us all such Confidential Information in your possession or control. Your restrictions on disclosure and use of Confidential Information do not apply to information or techniques which you can demonstrate lawfully came to your attention before we provided it to you directly or indirectly; which, at the time we disclosed it to you, already become generally known in the restaurant industry (other than through your own disclosure), provided that we agree this exclusion applies and you obtain our prior written consent to any such disclosure or use.

7.02 In-Term Covenants. During the Term, neither you nor any of your Owners may, without our prior consent (which consent may be withheld at our discretion):

(a) directly or indirectly (such as through an Affiliate or a member of his/her or their Immediate Families) own any legal or beneficial interest in, or render services or give advice to: (1) any Competitive Business located anywhere; or (2) any entity located anywhere which grants franchises, licenses or other interests to others to operate any Competitive Business; or

(b) divert or attempt to divert any business, customer, vendor or supplier of Panera Bread Bakery-Cafes to any competitor or do anything injurious or prejudicial to the goodwill associated with the Marks or the System.

7.03 Information Exchange. All recipes, processes, ideas, concepts, advertising and promotional materials, website pages and content, methods, techniques or materials used or useful to a restaurant, grocery store, bakery-cafe, bakery or dough production business, or other business offering bakery products, whether or not constituting protectable intellectual property (collectively, the "Materials"), that you create, or that are created on your behalf, in connection with the development or operation of your Bakery-Cafe must be promptly disclosed to us. If we adopt any of such Materials as part of the System, or deem them to be sufficiently related to us and our business to be considered proprietary, they will be deemed to be our sole and exclusive property and deemed to be Works-made-for-Hire (as such term is defined under Section 101 of the Copyright Act) for us, and to the extent the Materials may for any reason not be considered a Work-made-for-Hire, you irrevocably convey, grant, transfer and assign to us all right, title and interest which you may have now or in the future in and to the Materials. You agree to sign whatever assignment or other documents we request, during and after the Term, to evidence our ownership or to assist us in securing intellectual property rights in the Materials, and you warrant that you will obtain all rights from any third party acting on your behalf to comply with this provision.

8. YOUR ORGANIZATION AND MANAGEMENT.

8.01 Organizational Documents. You and each of your Principal Owners represent, warrant and agree that: (a) you are duly organized and validly existing under the laws of the state of your organization, and, if a foreign business corporation, partnership, limited liability company or other legal entity, you are duly qualified to transact business in the state in which your Bakery-Cafe is located; (b) you have the authority to execute and deliver this Agreement and to perform your obligations hereunder; (c) true and complete copies

of the articles or certificate of incorporation, articles of organization, operating agreement or principles, partnership agreement, bylaws, subscription agreements, buy-sell agreements, voting trust agreements, trust agreements and all other documents relating to your ownership, organization, capitalization, management and control, and any amendments thereto (“Organizational Documents”) shall be promptly delivered to us; (d) your activities are restricted to those necessary solely for the development, ownership and operation of Panera Bread Bakery-Cafes in accordance with this Agreement and in accordance with any other agreements entered into with us or any of our Affiliates; (e) the Organizational Documents recite that the issuance, transfer or pledge of any direct or indirect legal or beneficial ownership interest is restricted by the terms of this Agreement; and (f) all certificates representing direct or indirect legal or beneficial ownership interests now or hereafter issued must bear a legend in conformity with applicable law reciting or referring to such restrictions. You and your Principal Owners, jointly and severally, represent and warrant to us that: (a) neither you nor any of your Principal Owners has made any untrue statement of any material fact or has omitted to state any material fact in the written information you have submitted in obtaining the rights granted hereunder; (b) neither you nor any of your Owners has any direct or indirect legal or beneficial interest in any business that may be deemed a Competitive Business; and (c) the execution and performance of this Agreement will not violate any other agreement to which you or any of your Owners may be bound. You recognize that we have executed this Agreement in reliance on all of the statements you and your Owners have made in writing in connection with this Agreement.

8.02 Disclosure of Ownership Interests. You and each of your Principal Owners represent, warrant and agree that Exhibit A is current, complete and accurate. You agree that updated Exhibits A will be furnished promptly to us, so that Exhibit A (as so revised and signed by you) is at all times current, complete and accurate. Each person who is or becomes a Principal Owner must execute an agreement in the form we prescribe, undertaking to be bound jointly and severally by the terms of this Agreement, the current form of which is attached hereto as Exhibit B. All Owners, including Principal Owners, must execute an agreement in the form we prescribe, undertaking to be bound by the confidentiality and non-competition covenants contained in the Agreement, the current form of which is attached hereto as Exhibit E-1. Each Owner must be an individual acting in his/her individual capacity, except as otherwise approved by us in writing.

8.03 Operating Principal/Management of Business. You must designate in Exhibit A as the “Operating Principal” an individual accepted by us who must: (a) meet our then current requirements; (b) have the authority to bind you regarding all communications with us and operational decisions with respect to your Bakery-Cafe(s); and (c) have completed our training program to our satisfaction.

Your Operating Principal: (a) shall exert his or her full-time and best efforts to the development and operation of your Bakery-Cafe and all other Panera Bread Bakery-Cafes you own; and (b) may not engage in any other business or activity, directly or indirectly, that requires substantial management responsibility or time commitments or otherwise may conflict with your obligations hereunder. You agree to provide us with copies of any arrangement, agreement or contract relating to your relationship with your Operating Principal. We shall have no responsibility, liability or obligation to any party to any such arrangement, agreement or contract, or any amendments thereto, on account of our review thereof or otherwise, and you agree to indemnify and hold us harmless with respect thereto. Your Bakery-Cafe at all times must be managed by your Operating Principal or by an on-site general or assistant manager or a shift supervisor who has completed the appropriate training programs.

8.04 Store Organization. Your Bakery-Cafe must be staffed by, at least, one trained general manager and appropriate numbers of assistant managers, shift supervisors and bakers so that all shifts are staffed by at least one assistant manager or shift supervisor. You may not operate your Bakery-Cafe with a smaller complement without our written approval. You (or your Operating Principal) are solely responsible for all employment decisions for Bakery-Cafe, including hiring, firing, remuneration, personnel policies, training, benefits, and maintaining supervision and discipline.

8.05 Restrictions on Debt. In connection with the development and operation of your Bakery-Cafe, you and each Owner shall not, without our prior written consent, which we may grant or deny in our sole discretion, directly or indirectly borrow any money or incur any debt or liability (other than lease obligations for your Bakery-Cafe's land, building and equipment and trade payables in the ordinary course of business) to establish, operate and maintain your Bakery-Cafe. You acknowledge any security interest in or pledge of assets or ownership interest in connection therewith constitutes a Transfer of the Franchise subject to the terms of this Agreement, which requires that you obtain our pre-approval. To receive our pre-approval, we may require that you execute certain agreements and/or certificates, including to require that the lender or creditor sign our then-current form of lender consent agreement to protect our rights under this Agreement. For purposes of this Section 8.05, any equity or other interest that we deem to be substantially similar to debt or borrowed funds (e.g., equity interests with preferences, dividends, etc.) shall be deemed debt or borrowed funds. You shall not extend, renew, refinance, modify or amend any debt or liability permitted by this Section 8.05 without our prior written consent, which consent we may grant or deny in our sole discretion.

8.06 Compliance with Anti-Terrorism and Other Laws. You and your Owners must comply, and assist us to the fullest extent possible in our efforts to comply, with all applicable legislation, laws, regulations, rules, ordinances, administrative orders, decrees and policies of any court, arbiter, government, governmental agency, department, or similar organization that are in effect from time to time pertaining to: (a) the various anti-terrorism, economic sanctions, and anti-money laundering and narco-trafficking laws, regulations, orders, decrees and guidelines of the U.S. Department of the Treasury's Office of Foreign Assets Control, (b) the USA PATRIOT Act (Title III of Pub. L. 107-56, signed into law October 26, 2001), as amended, (c) the provisions of United States Executive Order 13224, (d) the U.S. Prevention of Corruption Act 1988, (e) the U.S. Foreign Corrupt Practices Act, 15 U.S.C. Section 78dd-2, (f) relevant multilateral measures such as the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions and the UN Convention Against Corruption, (g) bribery and anti-corruption laws, (h) the laws against money laundering, and (i) the laws against facilitating or supporting persons who conspire to commit these and other crimes against any person or government. You immediately shall notify us in writing if a potential violation of any of the foregoing legislation, laws, regulations, rules, ordinances, administrative orders, decrees and/or policies has occurred or is suspected to have occurred. You immediately shall provide us with copies of any communication to or from any such agency, government, or commission that relates to or affects this Agreement, your Bakery-Cafe, or the Marks. Any failure to comply with this Section by you or your Owners, or any blocking of your or your Owners' assets under any of such laws, legislation, regulations, orders, decrees and/or policies shall constitute good cause for immediate termination of this Agreement.

9. PANERA BREAD BAKERY-CAFE OPERATING STANDARDS.

9.01 Condition of Your Bakery-Cafe.

(a) **Condition of Your Bakery-Cafe.** You must maintain your Bakery-Cafe's condition and appearance so that it is attractive, clean and efficiently operated in accordance with the Operations Manual and our System Standards. You agree to maintain your Bakery-Cafe's condition and appearance and to make such modifications and additions to its layout, decor, operations, and general theme as we require from time to time, including replacement of worn-out or obsolete fixtures, equipment, furniture, signs and utensils, repair of the interior and exterior and appurtenant outdoor and parking areas and periodic cleaning and redecorating. If at any time the general state of repair, appearance or cleanliness of your Bakery-Cafe, or its fixtures, equipment, furniture, signs or utensils, does not meet our standards, we may notify you and specify the action you must take to correct such deficiency. If, within ten (10) days after receiving such notice, you fail or refuse to complete such required maintenance in the time period specified in our notice to you, we have the right (in addition to our rights to terminate under Section 14), but not the obligation, to enter the Premises and do such maintenance on your behalf and at your expense. You must promptly reimburse us for such expenses.

(b) Refurbish and Refresh of Your Bakery-Cafe. In addition to your obligations under Section 9.01(a) above, and no later than five (5) years after the Effective Date, you must refurbish and refresh your Bakery-Cafe, including to re-equip and/or upgrade your Bakery-Cafe pursuant to our plans and specifications. You agree to diligently complete any such refurbish and refresh of your Bakery-Cafe within a reasonable time of commencing the work, but not to exceed sixty (60) days. You may not make any alterations to your Bakery-Cafe, nor any replacements, relocations or alterations of fixtures, equipment, furniture or signs, without our prior written approval.

(c) Remodel of Your Bakery-Cafe. In addition to your obligations under Sections 9.01(a) and (b) above, during the Term, and no later than ten (10) years after the Effective Date, you must, at your sole cost and expense, remodel your Bakery-Cafe to conform your building design, trade dress, color schemes, and presentation of Marks to our then-current specified public image. Such a remodeling may include extensive structural changes to your Bakery-Cafe and replacement or modification of furnishings, fixtures and equipment as well as such other changes as we may direct, and you shall undertake such a program promptly upon notice from us. You shall complete any such remodeling as expeditiously as possible, but in any event within ninety (90) days of commencing the work. You may not commence any remodeling of your Bakery-Cafe without our prior written approval.

(d) Damaged Bakery-Cafe. If your Bakery-Cafe is damaged or destroyed by fire or other casualty, you must initiate within thirty (30) days (and continue until completion) all repairs or reconstruction to restore your Bakery-Cafe to its original condition. If, in our reasonable judgment, the damage or destruction is of such a nature that it is feasible, without incurring substantial additional costs, to repair or reconstruct your Bakery-Cafe in accordance with the then-standard Panera Bread Bakery-Cafe layout and decor specifications, we may require you to repair or reconstruct your Bakery-Cafe in accordance with those specifications.

9.02 Uniform Image. You agree that your Bakery-Cafe will offer for sale food, beverages and other products, services and merchandise related to the Panera Bread concept that we determine from time to time to be appropriate for your Bakery-Cafe. You further agree that your Bakery-Cafe will not, without our approval, offer any products or services (including promotional items) not then authorized by us. Your Bakery-Cafe may not be used for any purpose, other than the operation of a Panera Bread Bakery-Cafe in compliance with this Agreement. You agree that your Bakery-Cafe will offer courteous and efficient service and a pleasant atmosphere, consistent with your acknowledgements in Section 1.02.

9.03 Purchase of Products and Services.

(a) Requirement to Purchase Food and Beverage Products. You acknowledge and agree that the reputation and goodwill of Panera Bread Bakery-Cafes are based on, and can be maintained only by, the sale of distinctive high quality products and services. Therefore, you agree to purchase any and all products, goods, services or supplies in connection with developing and/or operating Panera Bread Bakery-Cafes, including (but not limited to) Food and Beverage Products, merchandise, uniforms, packaging materials, POP materials, third-party food delivery services, smallwares, menus, forms, marketing materials and labels, only from Approved Suppliers. You acknowledge and agree that we do not act as agent, representative, or in any other intermediary or fiduciary capacity for you in our relationship with any Approved Suppliers. You must maintain at all times an inventory of approved products, Food and Beverage Products, merchandise, uniforms, packaging materials, POP materials, smallwares, menus, forms, labels and other supplies and other products related to the Panera Bread concept sufficient in quantity, quality and variety as prescribed by the Operations Manual. Subject to the provisions contained in this Section 9.03, you acknowledge and agree that we and/or our Affiliates may (i) receive payments, fees, rebates, commission, reimbursements and other material consideration from Approved Suppliers and third parties in respect to purchases by franchisees, (ii) have investments in such Approved Suppliers, (iii) concentrate purchases with one or more Approved Suppliers or distributors to obtain advantageous prices and/or the best support or services, and/or (iv) profit from your purchases from Approved Suppliers.

(b) Terms of Sale. All Food and Beverage Products are sold at prices and on credit and shipping terms established from time to time by the Approved Supplier thereof. Approved Suppliers shall not be liable for any delay in the delivery of any Food and Beverage Products as a result of any Force Majeure (including force majeure as it may be defined under any applicable supply contract). Approved Suppliers may establish policies and procedures from time to time for the allocation and distribution of Food and Beverage Products among Panera Bread Bakery-Cafes.

(c) Sale and Use of Food and Beverage Products. You shall sell and/or use Food and Beverage Products only at the Premises for sale to retail customers of your Bakery-Cafe. You shall not sell any Food and Beverage Products to wholesalers or any other party on a wholesale basis.

9.04 Purchases from Alternative Suppliers. If you propose to purchase any items used in the development or operation of your Bakery-Cafe from an Alternative Supplier who is not then an Approved Supplier, you and the proposed supplier must submit to us all information that we may request in order to determine whether to approve the Alternative Supplier. We will have the right to approve or disapprove any Alternative Supplier, including to approve an Alternative Supplier conditionally, and not list or authorize the Alternative Supplier as part of our wider distribution system. In evaluating an Alternative Supplier you propose, we may, subject to restrictions and conditions to protect our trade secrets and Confidential Information, disclose to such proposed Alternative Supplier applicable standards, specifications, ingredients, recipes, processes, equipment and procedures for the item in sufficient detail to enable the proposed supplier to demonstrate its capacity and capabilities to supply the items in accordance with our requirements with respect thereto. Within one hundred twenty (120) days after we receive all requested information, we will communicate to you in writing our decision to approve or disapprove your proposed Alternative Supplier. We will evaluate proposed Alternative Suppliers on their ability to comply with applicable standards, specifications, ingredients, recipes, processes, and procedures, on their consistency, reliability, financial capability, customer relations and use of approved equipment, and we will only approve those proposed Alternative Suppliers that meet our high standards. You agree to notify us at least thirty (30) days in advance before you first start purchasing any items from any Alternative Supplier who is already approved by us in writing. We may disapprove any Alternative Supplier who we previously approved in writing, and you may not, after receipt of notice of disapproval, reorder from any Alternative Supplier we have disapproved.

We may prescribe procedures for the submission of requests for approval and impose obligations on Alternative Suppliers, which will be incorporated in a written agreement you and the Alternative Supplier may enter and which we may be a party to. We may obtain from you and/or such Alternative Suppliers reimbursement of our reasonable costs and expenses incurred in connection with the approval process and ongoing monitoring of the supplier's compliance with our requirements, but we will not profit from the sale of items to you from an Alternative Supplier. You acknowledge and agree that we do not act as agent, representative or in any other intermediary or fiduciary capacity for you in our relationship with Alternative Suppliers and that we have no obligation to establish or maintain an ordering and invoicing process with an Alternative Supplier or to incorporate any item purchased from any Alternative Supplier into our distribution system. We may impose limits on the number of Alternative Suppliers. We have the right to monitor the quality of services provided by Alternative Suppliers in a manner we deem appropriate and may terminate any Alternative Supplier who does not meet our quality standards and specifications, as may be in effect from time to time. If you purchase one or more types of items from an Alternative Supplier, no Approved Supplier will have any obligation to sell you any items while you are purchasing from any Alternative Supplier. If, after commencing purchasing items from an Alternative Supplier, you want the Approved Supplier to resume supplying you with items, we may require you to submit to us an application, in such form as we may determine from time to time, which we will normally process within thirty (30) days. The Approved Supplier has no obligation to resume supplying items to you, and you may not place an order for such products with the Approved Supplier, until we have approved your application in writing for resupply.

9.05 Specifications and Standards. You acknowledge that each and every aspect of the interior and exterior appearance, layout, decor, services and operation of your Bakery-Cafe is important to us and is subject to our specifications and standards. Consequently, you agree to comply with all specifications, standards and operating procedures and other obligations for the System that we prescribe from time to time in the Operations Manual. More particularly, you agree to comply with all mandatory specifications, standards and operating procedures, as modified from time to time relating to the appearance, function, cleanliness or operation of a Panera Bread Bakery-Cafe, including: (i) type, quality, taste, weight, dimensions, ingredients uniformity and manner of preparation, packaging and sale of food products and beverages; (ii) sale procedures and customer service; (iii) advertising, marketing, promotional and loyalty programs and materials and media, including social media, used in these programs; (iv) qualifications, appearance, uniforms and dress of employees; (v) safety, maintenance, appearance, cleanliness, sanitation, standards of service and operation of your Bakery-Cafe; (vi) days and hours of operation; (vii) bookkeeping, accounting and record keeping systems and forms; (viii) training system for both management and hourly associates; (ix) establishing and maintaining accounts with vendors and Approved Suppliers, (x) issuing and honoring gift certificates, and (xi) product ordering procedures. We may periodically modify the specifications and standards of the System, which may accommodate regional or local variations, and these modifications may obligate you to invest additional capital in your Bakery-Cafe and/or incur higher operating costs. You agree to implement any changes within the time period we request, whether they involve remodeling the Premises or any other aspect of the Bakery-Cafe, buying new equipment, adding menu items and services, or otherwise modifying the nature of your operations, as if they were part of this Agreement as of the Effective Date.

9.06 Compliance With Laws. You must maintain in force in your name all required licenses, permits and certificates relating to the operation of your Bakery-Cafe. You must operate your Bakery-Cafe in full compliance with all applicable laws, ordinances and regulations, including, without limitation, government regulations relating to occupational hazards, health, food safety, menu labeling, worker's compensation and unemployment insurance, and withholding and payment of federal and state income taxes, social security taxes and sales and taxes. You must notify us in writing immediately upon: (a) the commencement of any legal or administrative action, or the issuance of an order of any court, agency or other governmental instrumentality, which may adversely affect the development, occupancy or operation of your Bakery-Cafe or your financial condition; or (b) the delivery of any notice of violation or alleged violation of any law, ordinance or regulation, including those relating to health or sanitation at your Bakery-Cafe.

All of your advertising and promotion must be completely factual and must conform to the highest standards of ethical advertising. In all dealings with us, as well as your Personnel, customers, suppliers, lessors and the public, you must adhere to the highest standards of honesty, integrity, fair dealing and ethical conduct. You agree to refrain from any business or advertising practice which may be injurious to our reputation, our business, to the business of other Panera Bread Bakery-Cafes or to the goodwill associated with the Marks.

9.07 Personnel. When your Bakery-Cafe is open to the public, it must at all times be under the direct, on premises supervision of a general manager who has successfully completed the Initial Training and the Continuing Operations Training or an assistant manager or a shift supervisor and must be staffed by a sufficient number of competent hourly associates all of whom must have completed your certified System Standards training as set forth in Section 4.05 of this Agreement. You (or your Operating Principal) at all times must remain active in overseeing the day-to-day operations of your Bakery-Cafe. If the relationship with your Operating Principal terminates, you must promptly designate a successor Operating Principal. Any successor Operating Principal must successfully complete the Initial Training and the Continuing Operations Training and be accepted by us. Nothing in this Agreement, including any training programs, opening assistance, System Standards, Operations Manual, or ongoing guidance, shall be construed as creating an employment relationship between us and any of your Personnel. We do not direct or control your employment practices, wages, scheduling, or other terms of employment for your Personnel. You retain full responsibility for managing your Personnel and operations and are solely responsible for all employment decisions with respect to your

Personnel, including hiring, firing, compensation, training, supervision and discipline, and regardless of whether you receive advice from us on any of these subjects.

9.08 Insurance. You must maintain in force, at the limits we require: (a) commercial general and product liability insurance; (b) all risk property insurance, including fire and extended coverage, vandalism and malicious mischief insurance for the replacement value of your Bakery-Cafe and its contents with a minimum of six months of business interruption coverage; (c) commercial auto liability insurance covering owned, borrowed, hired and non-owned autos; (d) statutory workers' compensation/employer's liability insurance; (e) cyber liability insurance, and (f) such other insurance policies as we may determine from time to time. We may periodically increase the amounts of coverage required under these insurance policies and/or require different or additional insurance coverage at any time to reflect inflation, identification of new risks, changes in law or standards of liability, higher damage awards or other relevant changes in circumstances. All insurance policies must: (1) be issued by carriers licensed to do business in the state with an AM Best rating of A-VIII or higher or otherwise approved by us in writing; (2) contain such types and minimum amounts of coverage, exclusions and maximum deductibles as we prescribe from time to time; (3) name us, our Affiliates and all Indemnitees (as defined in [Section 17.02](#)) as additional insureds; (4) provide for thirty (30) days' prior written notice to us of any material modification, cancellation or expiration of such policy; (5) include a waiver of subrogation against us and all named insureds; (6) include a waiver of rights of recovery against us and all named insureds; (7) a severability of interest clause for us and all named insureds, with no cross-liability for exclusion; and (8) include such other provisions as we may require from time to time. Your insurance must apply on a primary and non-contributory basis. Any assumption of risk not covered by a third party insurance policy or a qualified self-insured program must also be approved by us in writing.

You must currently maintain, at a minimum, the following categories of insurance coverage in force at your sole expense: (a) commercial general liability: general aggregate limit: \$2,000,000, products/completed operations aggregate limit: \$2,000,000, personal and advertising injury limit: \$1,000,000, damage to premises rented to you: \$1,000,000, bodily injury and property damage per occurrence limit: \$1,000,000; (b) automobile liability: bodily injury and property damage combined single limit: \$1,000,000, hired and non-owned liability limit: \$1,000,000; (c) workers' compensation: workers' compensation as required by applicable statutory authority, employer's liability: \$1,000,000 per employee, bodily injury by disease \$1,000,000 policy limit, bodily injury by disease, \$1,000,000 per employee, bodily injury by accident; (d) umbrella liability: \$10,000,000 each occurrence (minimum), \$10,000,000 aggregate (minimum); and (e) Minimum of \$1,000,000 of Employment Practices Liability Limit. If you have more than ten (10) Bakery-Cafes, the minimum limits for the umbrella liability policy are higher.

You must furnish us with such evidence of insurance coverage and payment of premiums within ten (10) days of the Effective Date, on an annual basis, in connection with any renewal of any policy, and as we may otherwise request. If you fail or refuse to maintain any required insurance coverage, or to furnish satisfactory evidence thereof, we, at our option and in addition to our other rights and remedies hereunder, may obtain such insurance coverage on your behalf. If we do so, you must fully cooperate with us in our effort to obtain such insurance policies and pay us any costs and premiums we incur.

These insurance policies must (i) be primary to and without right of contribution from any other insurance policy purchased by us or any other Indemnatee, (ii) not contain a self-insured retention; (iii) must not contain a deductible in excess of \$25,000; (iv) make satisfaction of any/all deductibles your sole responsibility; and (v) extend to and provide indemnity for all of your indemnification obligations to us and the other Indemnitees under this Agreement. You agree not to reduce the policy limits, restrict coverage, cancel or otherwise alter or amend your insurance policies without our prior written consent. If there is a claim by us or any one or more of the other Indemnatee against you, you must, upon our request, assign to us all rights which you then have or thereafter may have with respect to the claim against the insurer(s) providing the coverages described above. For the avoidance of doubt, (i) your obligation to maintain insurance coverage is not diminished in any manner by reason of any separate insurance we or any Indemnatee may choose to

maintain, (ii) does not relieve you of your obligations under Section 17.02, and (iii) these insurance policies, and not us or our Affiliates, will be your sole recourse in the event of an incident, regardless of whether your insurer ultimately provides coverage.

9.09 Quality Control. We may, in our sole discretion, establish quality control, product monitoring, and product sampling programs, including without limitation food safety programs, “secret shopper” programs, Interactive Voice Response (“IVR”) Customer Satisfaction Measurement programs and/or “customer intercept” programs, to ensure the highest quality of service and food products in all Panera Bread Bakery-Cafes. You shall participate in any such programs and bear your pro-rata share, as determined by us in our sole discretion, of the costs of any such program. We may conduct such programs at any location we determine, including, without limitation, at your Bakery-Cafe, our offices, or the offices of an Approved Supplier. We reserve the right to publish or disclose to other franchisees, in any manner or format that we deem appropriate in our sole discretion, any information that we collect, produce or maintain in connection with such quality control programs. We also reserve the right to publish or disclose to third parties any information that we collect, produce or maintain in connection with such quality control programs.

9.10 Test Marketing. We may conduct market research to determine consumer trends and salability of new food and beverage products, merchandise and services. If we require you to participate, you agree to cooperate by participating in our market research programs by test marketing new food and beverage products, merchandise and services in your Bakery-Cafe and providing us timely reports and other relevant information regarding such market research. You must purchase a reasonable quantity of such test products and make a reasonable effort to sell them. If we require that you participate in any operations or marketing tests, including the testing of any product, program or media activity, you may be required to enter into a test agreement which will outline all requirements for the testing. All test requirements, processes and procedures must be adhered to as outlined by us. Any applicable costs (smallwares, product, media or costs for any associated marketing activities) will be your responsibility, and you must provide complete data statistics on the test for our review and evaluation.

9.11 Pricing. We reserve the right, to the fullest extent allowed by applicable law, to establish maximum, minimum, or other pricing requirements with respect to the prices you may charge for products and services. These rights may include (without limitation) prescribing the maximum and/or minimum retail prices which you may charge customers for the products and/or services offered by your Bakery-Cafe; recommending retail prices; advertising specific retail prices for some or all products or services sold at your Bakery-Cafe; requiring you to participate in marketing, promotional and related campaigns which may directly or indirectly impact your retail prices; and, otherwise mandating, directly or indirectly, the maximum and/or minimum retail prices which your Bakery-Cafe may charge the public for the products and services it offers. We may engage in any such activity either periodically or throughout the Term. Further, we may engage in such activity only in certain geographic areas (cities, states, regions) and not others, or with regard to certain subsets of franchise owners and not others. You acknowledge that the prices we prescribe or suggest may or may not optimize the revenues or profitability of your Bakery-Cafe and you irrevocably waive any and all claims arising from the establishment or suggestion of your Bakery-Cafe’s retail prices.

9.12 Customer Data. All information, mailing lists and databases of Customer Data from whatever source derived, shall be our property. You agree not to use such information, except in connection with the operation of your Bakery-Cafe in accordance with this Agreement. You agree not to use, process, copy, display, publish, store or transfer the Customer Data without our approval. You agree to comply with all applicable laws with respect to Customer Data (including laws regarding the collection, use, storage, disclosure, and disposition of Customer Data); in addition, you agree to comply with all data privacy and security requirements we may establish from time to time and to implement appropriate and commercially reasonable security safeguards, including administrative, physical, and technical measures to prevent the unauthorized access to, use, dissemination, or publication of Customer Data and to protect the confidentiality, integrity and availability of Customer Data, subject in all instances to applicable laws. You agree not to sell or rent Customer

Data. You agree to obtain all necessary customer consents in order for Customer Data to become our property. You shall immediately notify us if you suspect or become aware of or suspect any unauthorized access to the Customer Data, or if you become the subject of any governmental, regulatory, or other enforcement or private proceeding relating to your data handling practices of Customer Data. If there is a suspected or actual breach of security or unauthorized access involving Customer Data (a “Data Security Incident”), you must notify us immediately after becoming aware of such actual or suspected occurrence and specify the extent to which Customer Data was accessed, compromised or disclosed. You assume all responsibility for providing notices, credit monitoring or other costs (including attorneys' fees) associated with any Data Security Incident. We (and our designated Affiliates) have no obligation, but retain the right, to control the direction and handling of any Data Security Incident and any related investigation, litigation, administrative proceeding or other proceeding at your expense. We and our Affiliates will own all Customer Data, and we and they may, through the Computer System or otherwise, access Customer Data. During and after the Term, we and our Affiliates may make any and all disclosures and use the Customer Data in our and their business activities and in any manner that we or they deem necessary or appropriate. You must secure from your vendors, customers, prospective customers and others all consents and authorizations, and provide them all disclosures, that applicable law requires to transmit the Customer Data to Franchisor and its Affiliates and for Franchisor and its Affiliates to use that Customer Data in the manner that this Agreement contemplates. You agree to bind your vendors in writing to implementing security safeguards at least as onerous as those in this Agreement, including this Section 9.12, prior to sharing any Customer Data.

9.13 Credit Cards. It is your responsibility to maintain and report your Payment Card Industry (“PCI”) compliance, which encompasses operational policies and practices as well as networks and POS systems hardware/software used to process credit card transactions, as well as attesting that you are abiding by (i) PCI Data Security Standards enacted by the applicable Card Associations (as they may be modified from time to time or as successor standards are adopted); and (ii) all other security standards and guidelines that may be published from time to time by payment card companies and/or enacted by law, and are applicable to customer credit card and debit card information. If you know or suspect unauthorized access, use, disclosure or another security breach involving cardholder data, you must immediately notify both your credit card transaction acquirer and us, and agree to provide us with information requested in a prompt manner in connection with the security breach. You assume all responsibility for providing notice of breach or compromise, along with duties and costs associated with fraudulent transactions, penalties, and ongoing fees for monitoring customer credit card histories and/or transactions for affected customers of your Bakery-Cafe.

9.14 Discounts, Giveaways and Other Promotions. You acknowledge and agree that periodic discounts, giveaways and other promotions are an integral part of the System. Therefore, you agree to offer and participate in any required discounts, giveaways and other promotions (including those offered in connection with our loyalty program) at your sole cost and expense, in accordance with our specifications. You further agree to honor the discounts, giveaways and other promotions offered by other Panera Bread Bakery-Cafes under any such program we establish, as long as such compliance does not contravene any applicable law, rule or regulation.

9.15 Gift Cards, Loyalty and Incentive Programs. You agree to offer for sale, participate in, and honor for purchases by customers, all gift cards, loyalty and other incentive or convenience programs that we may periodically may institute (including, without limitation, mobile apps, mobile payment, and/or other customer affinity applications (together, “Customer Apps”) and any loyalty programs that we or a third party vendor operate); and you agree to do all of those things in compliance with our standards and procedures for such programs (which may be set out in the Operations Manual or otherwise in writing). For this purpose, you must purchase the software, hardware, and other items needed to participate in, sell, and process Customer Apps, and to contact with Customer App vendors, as we may specify in writing in the Operations Manual or otherwise.

10. MARKETING AND ADVERTISING.

10.01 National Advertising Fund (NAF). We administer a National Advertising Fund (“NAF”) for the creation and development of marketing, advertising and related programs and materials, including electronic, print and Internet media as well as the planning and purchasing of national and/or regional network advertising. You must contribute to the NAF amounts we establish from time to time (as detailed below), payable on the first business day following the immediately preceding Reporting Period together with the Royalty Fees due hereunder. At our discretion, NAF contributions may be electronically drafted from the designated account referred to in Section 6.04 hereof. Panera Bread Bakery-Cafes owned by us and our Affiliates shall contribute to the NAF on the same basis as the then-current rate for franchisees. Currently, you are required to contribute four percent (4%) of your Bakery-Cafe’s Net Sales to the NAF. NAF contributions will not increase during the Term unless voted on by either (i) sixty-six percent (66%) of all then existing company-owned and franchised Panera Bread Bakery-Cafes; or (ii) fifty-one percent (51%) of all then existing franchised Panera Bakery-Cafes. We have the right, but no obligation, to use collection agents and institute legal proceedings to collect contributions to the NAF at the NAF’s expense. We may also forgive, waive, settle and compromise all claims by or against the NAF.

The NAF will be accounted for separately from our other funds. All disbursements from the NAF shall be made first from income and then from contributions. While our intent is to balance the NAF on an annual basis, from time to time the NAF may run at either a surplus or deficit. We may spend in any fiscal year an amount greater or less than the aggregate contributions of all Panera Bread Bakery-Cafes to the NAF in that year, and the NAF may borrow from us or other lenders to cover deficits in the NAF or cause the NAF to invest any surplus for future use by the NAF. We will prepare annually an unaudited statement of funds collected and costs incurred by the NAF and furnish a copy to you upon your written request. We may use the NAF to pay the reasonable salaries and benefits of personnel who manage and administer the NAF, the NAF’s other administrative costs, travel expenses of personnel while they are on NAF business, meeting costs, overhead relating to NAF business, and other expenses that we incur in activities related to administering or directing the NAF and its programs, including, without limitation, conducting market research, public relations, content creation, preparing advertising, promotion, and marketing materials, and collecting and accounting for NAF contributions. Except as otherwise expressly provided in this Section 10.01, we assume no direct or indirect liability or obligation with respect to the maintenance, direction or administration of the NAF. We do not act as trustee or in any other fiduciary capacity with respect to the NAF. We may incorporate the NAF or operate it through a separate entity whenever we deem appropriate.

Although the NAF is intended to maximize general recognition of the Marks and patronage of Panera Bread Bakery-Cafes for the benefit of all Panera Bread Bakery-Cafes, we cannot assure you that any particular Panera Bread Bakery-Cafe will benefit directly or pro-rata from the placement of advertising. Additionally, we reserve the right to define, at any time, the measurement terms for any media coverage. We will direct all programs that the NAF finances, with sole control over the creative concepts, materials, and endorsements used and their geographic, market, and media placement and allocation. The NAF may be used to pay for the cost of preparing and producing materials and programs we select, including agency fees, market research and product testing, video, audio, electronic and written advertising materials, public relations programs, media planning and buying services, maintaining an e-commerce website and/or related strategies and efforts, social media strategy and execution; use of social media influencers; administering regional and multi-regional marketing and advertising programs, including, without limitation, purchasing trade journal, direct mail; and the cost of employing advertising agencies and supporting market research activities; search optimization; purchasing and distributing promotional items; conducting and administering loyalty programs; research and development costs; development of new Intellectual Property; and maintenance of existing Intellectual Property. We may furnish you with marketing, advertising and promotional materials at cost, plus any related administrative, shipping, handling and storage charges.

We may at any time defer or reduce contributions of a Panera Bread Bakery-Cafe franchise owner and, upon thirty (30) days' prior written notice to you, reduce or suspend NAF contributions and operations for one or more periods of any length and terminate (and, if terminated, reinstate) the NAF. If we terminate the NAF, we will distribute all unspent monies to our franchise owners, and to us and our Affiliates, in proportion to their, and our, respective NAF contributions during the preceding twelve (12) month period. We may reinstate NAF contributions upon the same terms and conditions set forth herein upon thirty (30) days' prior written notice to you.

10.02 Local Advertising Funds (LAF). In addition to your contributions to the NAF, you agree to spend two percent (2%) of your Bakery-Cafe's monthly Net Sales on local advertising and promotion of your Bakery-Cafe. These amounts spent on local advertising and promotion will be designated as Local Advertising Funds ("LAF"). Within ten (10) days after the end of each month, you agree to send us, in the manner we prescribe, an accounting of your LAF during the preceding month. We shall provide you with not less than thirty (30) days' notice of any determination by us to change the minimum amount of the LAF you must spend. If we determine that you have spent less than the required LAF spend during any month during the Term, or otherwise determine that you are spending the LAF in a manner that is inconsistent or in violation of our System Standards, we may begin to collect LAF contributions directly from you. If we collect LAF contributions directly from you, LAF contributions will be payable on the first business day following each month. The LAF monies will be used to pay for the cost of implementing local marketing plans developed by you and approved by us in writing or, if we collect LAF contributions from you, to reimburse you (up to an amount not to exceed the LAF contributions so collected) for the costs incurred by you in implementing local marketing plans developed by you and approved by us in writing. For these purposes, qualifying LAF expenditures include: (a) amounts contributed to advertising associations; and (b) amounts spent by you for (i) grand opening advertising and promotional programs pursuant to Section 10.04; (ii) advertising media, such as television, radio, Internet, magazine, newspaper, billboards, posters, direct mail, collateral and promotional items, advertising on public vehicles (transit and aerial) and, if not provided by us, the cost of producing approved materials necessary to participate in these media; (iii) seasonal campaign POP; and (iv) other qualifying community marketing expenses as outlined in the Marketing Standards. Non-qualifying LAF advertising expenditures include amounts spent for items which we, in our reasonable judgment, deem inappropriate for meeting the minimum advertising requirement, including permanent on-premises signs and menu board hardware, lighting, administrative costs, directory advertising, discounts/coupon offers, free offers and employee incentive programs. We may supplement the list of qualifying and non-qualifying LAF expenditures from time to time and revise such list periodically. You agree that your advertising, promotion and marketing will be completely clear, factual and not misleading and conform to both the highest standards of ethical advertising and marketing, and the advertising and marketing policies that we prescribe at any time and from time to time. Before you use them, you agree to send us or our designated agency all advertising, promotional and marketing materials which we have not prepared or previously approved in writing. If you do not receive written approval within ten (10) days, such materials are deemed to be disapproved. You may not use any advertising, promotional or marketing materials that we have not approved in writing or that we disapproved. We have the right to require you to use one or more required Approved Suppliers for your local advertising and to require you to spend all or a portion of your LAF expenditures with required Approved Suppliers. In addition to the above, we reserve the right to (i) collect amounts directly from you to pay such required Approved Suppliers, or (ii) require you pay your LAF expenditures directly to the NAF.

10.03 Marketing Administration Fee (MAF). In addition to the advertising and promotional expenditures and/or contributions required by Sections 10.01 and 10.02 hereof, you shall contribute a Marketing Administration Fee ("MAF") not to exceed four tenths of one percent (0.4%) of your Bakery-Cafe's Net Sales, payable on the first business day following the immediately preceding Reporting Period together with the Royalty Fees due hereunder. At our discretion, MAF contributions may be electronically drafted from the designated account referred to in Section 6.04 hereof. The MAF shall be our exclusive property and shall be used by us to cover costs of, among other things, supporting and conducting market research activities, concept development (food and customer experience, project development and testing), design development

(design, store prototyping and testing), and maintenance, administration and direction of the foregoing activities. We shall not be required to separately account to you for the MAF or the expenditures therefrom.

10.04 Advertising Approvals and Initial Advertising Costs. You must submit to us for our prior approval, a marketing plan and samples of all advertising and promotional materials not prepared or previously approved by us in writing and which vary from our standard advertising and promotional materials by following the procedures that are in place at the time of submittal. If you elect to work with a marketing firm (including an advertising agency or public relations firm), you must obtain our written approval of such marketing firm and such marketing firm must execute a Panera Bread approved confidentiality agreement before you sign any contracts or share any Confidential Information with such marketing firm. Such marketing firms or agencies shall not under any circumstances be given access to any of our proprietary limited access online resources or any other information we deem inappropriate. You may not use any advertising or promotional materials that we have not approved in writing.

10.05 Grand Opening Spend. In addition to your contributions to the NAF, you shall implement grand opening advertising and promotional programs for your Bakery-Cafe pursuant to a grand opening marketing plan developed by us or developed by you and approved by us in writing prior to implementation. You must use the types of advertising media specified in Section 10.02. The amount you must spend and the time in which you must complete your grand opening program are each identified on Exhibit D hereto.

10.06 Advertising Associations. We have the right, at our sole discretion, to establish or approve local and/or regional advertising associations for Panera Bread Bakery-Cafes in your local or regional areas, covering such geographic areas as we may designate from time to time. You must participate in any such association and its programs and abide by its by-laws. If your Bakery-Cafe is within the territory of an existing association at the time your Bakery-Cafe opens for business, you agree to immediately become a member of the association. If an association applicable to your Bakery-Cafe is established during the Term, you agree to become a member no later than thirty (30) days after the date approved by us in writing for the association to commence operation. The following provisions shall apply to each association:

(a) Each association shall utilize a voting system of one vote per one eligible Panera Bread Bakery-Cafe.

(b) Each association shall be organized and governed in a form and manner, and shall commence operations on a date, approved in advance by us in writing. No changes in the by-laws or other governing documents of an association shall be made without our prior written consent.

(c) Each association shall be organized for the exclusive purpose of administering advertising programs and developing, subject to our approval, promotional materials for use by the members in the association.

(d) No advertising or promotional plans or materials may be used by an association or furnished to its members without prior approval by us pursuant to Section 10.06(f) below.

(e) You and each other member of the association shall contribute to the association, using a collection structure selected and established by us, the amount determined in accordance with the association's by-laws. Any Panera Bread Bakery-Cafes owned by us or any of our Affiliates located in such designated local or regional area(s) will contribute to the association on the same basis. Contributions to such local and/or regional advertising associations are credited towards the advertising expenditures required by Section 10.02; however, if we provide you and your association ninety (90) days' notice of a special promotion, including any regional promotions, you must participate in such promotion and pay to us and/or the association any special promotion advertising fees assessed in connection therewith, beginning on the effective date of such notice and continuing until such special promotion is concluded. Any such special promotion advertising

fees shall be in addition to, and not credited towards, the two percent (2%) advertising expenditure required by Section 10.02.

(f) All advertising and promotion by you and any associations established hereunder shall be in such media and of such type and format as we may approve, shall be conducted in a dignified manner and shall conform to such standards and requirements as we may specify. You or the association shall submit written samples of all proposed advertising and promotional plans and materials to us for our approval (except with respect to prices to be charged) at least thirty (30) days before their intended use, unless such plans and materials were prepared by us or have been approved by us in writing within the previous twelve (12) months. Proposed advertising plans or materials shall be deemed to have been approved if they have not been disapproved by us within fifteen (15) days after their receipt by us.

(g) At our request, you shall furnish us with copies of such information and documentation evidencing your association contributions as we may require in order to evidence your compliance with Section 10.02.

10.07 System Website; Franchisee Websites.

(a) We or our designees may establish a website or series of websites for the Panera Bread Bakery-Cafe network: (i) to advertise, market, and promote Panera Bread Bakery-Cafes, the products and services they offer and/or the Panera Bread Bakery-Cafe franchise opportunity; and/or (ii) for any other purposes we deem appropriate for Panera Bread Bakery-Cafe (collectively, the “System Website”). If we establish a System Website, we may provide you with a separate interior webpage (accessible only through the System Website) referencing your Bakery-Cafe and/or otherwise allow you to participate in the System Website. You must develop your webpage at your own expense using a template we provide. We must approve your webpage in writing before it is posted by our webmaster on the System Website and have the continuing right to monitor and pre-approve your webpage’s form, content, and quality during the Term. We may reject your webpage if its form or content is unacceptable to us.

(b) Other than as described in subsection (a) above in connection with the System Website, you may not develop, maintain, or authorize any website that mentions or describes you or your Bakery-Cafe or displays any of the Marks without our prior written approval.

10.08 Social Media Sites. We may maintain one or more social media sites (e.g., X, Facebook, Instagram, Pinterest, TikTok, LinkedIn or such other social media sites now or in the future). You may not establish or maintain any social media sites utilizing any user names, or otherwise associating with the Marks, without our prior written consent. We may designate from time to time regional or territory-specific user names/handles to be maintained by you. You must adhere to the social media policies that we establish from time to time and you will require all of your owners to do so as well.

11. RECORDS AND REPORTS.

11.01 Records. You agree to prepare and to maintain for three (3) years, or such longer time as required by applicable law, complete and accurate books, records (including invoices and records relating to your advertising expenditures) and accounts (using our then-current standard chart of accounts) for your Bakery-Cafe, copies of your sales tax returns and such portions of your state and federal income tax returns as relate to your Bakery-Cafe. All such books and records shall be kept at your principal address indicated on the first page of this Agreement, unless we otherwise approve.

You must record all sales on the Computer System, which must be fully compatible with our computer systems, and that includes a seamless information interface capability of fully integrating electronically into our computer systems for the purpose of, among other functions, the recording and transmission of information

collected through the Computer System (including gross sales, Net Sales, discounts, product mix, sales by day part) to centralized data collection systems.

We shall have the right from time to time to retrieve such data and information from the Computer System as deemed necessary or desirable, and you agree to fully cooperate with such efforts.

You hereby consent to us obtaining, using and disclosing to third parties (including, without limitation, prospective franchise owners, financial institutions, legal and financial advisors), for any purpose or as may be required by law, any financial or other information contained in or resulting from information, data, materials, statements and reports received by us or disclosed to us, whether by means of the Computer System or otherwise, in accordance with this Agreement. You will obtain such consents from third parties, including your customers, as are necessary in order to give effect to the foregoing.

11.02 Periodic Reports. You must furnish us: (a) no later than the first business day immediately following the end of any Reporting Period, a report of Net Sales for such Reporting Period; (b) within fifteen (15) days after the end of each of month, a monthly balance sheet and income statement and statement of cash flow of your Bakery-Cafe for such month in accordance with Panera Standards; (c) within thirty (30) days after the end of each of your fiscal quarters, a quarterly balance sheet and income statement and statement of cash flow of your Bakery-Cafe for such quarter in accordance with Panera Standards; (d) within ninety (90) days after the end of each of your fiscal years, (i) a year-end balance sheet and income statement and statement of cash flow of your Bakery-Cafe for such year, and a consolidated year-end balance sheet and income statement and statement of cash flow for you and all of your Affiliates that develop, own or operate Panera Bread Bakery-Cafes, all prepared in accordance with Panera Standards; (ii) similar information from all Principal Owners who have executed guarantees of this Agreement; and (iii) such summaries of financial information as we may require; (e) within thirty (30) days after the end of each of our fiscal quarters and fiscal years, a quarterly LAF statement listing each qualifying LAF expenditure and the total LAF expenditures for the quarter or year, as applicable; and (f) within thirty (30) days of our request, such other information as we may require from time to time, including sales mix data, food and labor cost reports, sales and income tax statements, any required Business Plan (as defined in Section 11.03) and evidence that you are compliant with our then-current financial policies for Panera Bread Bakery-Cafes operating in the United States (the “Financial Policies”). You must execute a verification that the information in each such report and financial statement is complete and accurate. We reserve the right to require that your financial statements be audited, at your expense, by an independent certified public accountant approved by us in writing. We reserve the right to publish or disclose information that we obtain under this Section 11.02 in any data compilations, collections, or aggregations that we deem appropriate, in our sole discretion.

11.03 Business Plans. You shall create, prepare and continually update a business plan containing such information as we may require and presented in a format which we have approved in writing (“Business Plan”). Your Business Plan must include, with respect to the Bakery-Cafe that you own and operate under this Agreement as well as all Bakery-Cafes owned or operated by you or any of your Affiliates, your short term and long term goals in at least the following areas: your mission statement, sales building, customer satisfaction, operations, quality of service, staffing, training certification, human resources, marketing, development and initiatives.

12. INSPECTIONS OF YOUR BAKERY-CAFE; AUDITS.

12.01 Inspections. We and our designated agents have the right at any reasonable time and without prior notice to: (a) inspect your Bakery-Cafe; (b) observe, photograph, and/or audio/video record the operations of your Bakery-Cafe; (c) remove samples of any food and beverage products, materials or supplies for testing and analysis; and (d) interview personnel and customers of your Bakery-Cafe. You agree to cooperate fully with such activities. If we determine that your Bakery-Cafe fails to meet our minimum standards (as we may determine from time to time), we may charge you our standard re-inspection fee for any follow-up

inspection relating for such failure. The current amount of the re-inspection fee is Three Thousand Five Hundred Dollars (\$3,500.00). You shall furnish to us immediately upon receipt by you all inspection reports, citations or warnings received from municipal or other authorities and you agree to periodically update us on the status of any such proceedings. You acknowledge that any evaluation or inspection that we or our designated agents or representatives conduct is conducted in order to protect our interests in the System and Marks and is not intended to exercise, and does not constitute, in whole or in part, control over the day-to-day operation of your Bakery-Cafe and you agree to never contend otherwise.

12.02 Audits. We have the right at any time during business hours, and on ten (10) days' prior notice to you, to inspect, copy and audit the books, records, tax returns and documents (whether maintained in hard copy or in electronic or other form) relating to the development, ownership, lease, occupancy or operation of your Bakery-Cafe. You must cooperate fully with our representatives and independent accountants conducting such audits (including providing access to any security protected files and records). If any inspection or audit discloses an understatement of Net Sales, you must pay us, within seven (7) days after receipt of the audit report, the Royalty Fees and any advertising contributions due on the amount of such understatement, plus interest (as provided in Section 6.05) from the date originally due until the date of payment. Further, if such inspection or audit is made necessary by your failure to furnish reports, records or information on a timely basis, or if we determine an understatement of Net Sales for the period of any audit to be greater than two percent (2%), you must reimburse us for the cost of such audit or inspection, including the charges of any attorneys and independent accountants and the travel expenses, room and board and compensation of our employees.

13. FRANCHISEE'S RIGHT TO TRANSFER.

13.01 Franchisor's Approval. The rights and duties created by this Agreement are personal to you or, if you are a business corporation, partnership, limited liability company or other legal entity, your Owners. Accordingly, there may be no Transfer of the Franchise without our approval and without complying with all of the provisions of Section 13. Any Transfer of the Franchise without such approval or compliance constitutes a breach of this Agreement and is void and of no force or effect.

13.02 Conditions for Approval. If we have not exercised our right of first refusal under Section 13.06, for good cause, we may, in our discretion approve a Transfer of the Franchise that meets all of the reasonable restrictions, requirements and conditions we impose on the transfer, the transferor(s) and/or the transferee(s), including, but not limited to, the following:

(a) you have completed development of your Bakery-Cafe and are operating your Bakery-Cafe in accordance with this Agreement;

(b) you and your Owners and Affiliates must be in compliance with the provisions of this Agreement and all other agreements with us or any of our Affiliates, including to be current on all payments then due;

(c) the proposed transferee and its owners must provide us on a timely basis all information we request; the transferee or owners must be individuals acting in their individual capacities who are of good character and reputation; the proposed transferee and its owners must have sufficient business experience, aptitude and financial resources to operate your Bakery-Cafe, must not have any involvement or association with a Competitive Business, and must otherwise meet our approval;

(d) the proposed transferee may not be an entity, or be affiliated with an entity, that is an institutional or professional investor or required to comply with reporting and information requirements of the Securities Exchange Act of 1934, as amended;

(e) the transferee (or its operating partner) and its managers, shift supervisors and bakers must have completed our initial training program or must be currently certified by us to operate and/or manage a Panera Bread Bakery-Cafe to our satisfaction;

(f) the transferee (and its owners) must agree to be bound by all of the provisions of this Agreement for the remainder of its Term or, at our option, execute our then-current standard form of franchise agreement (which may provide for different royalties, advertising contributions and expenditures, duration and other rights and obligations than those provided in this Agreement) and related documents (including a remodel agreement and personal guarantees by the Principal Owners of the proposed transferee in form and substance satisfactory to us) used in the state in which your Bakery-Cafe is located;

(g) if: (i) you executed this Agreement pursuant to an area development agreement, or (ii) this is an agreement for a Bakery-Cafe in or adjacent to a market area that you are developing or have developed pursuant an area development agreement, then the transferee must acquire, in a concurrent transaction, all of your rights, and the rights of your Owners and Affiliates, under such area development agreement (or any successor area development agreement) and all franchise agreements that you or your Owners or Affiliates executed pursuant to such area development agreement (or any predecessor or successor area development agreement) and for other Bakery-Cafes in or adjacent to such market area;

(h) you or the transferee must pay us a transfer fee in an amount equal to twenty-five thousand dollars (\$25,000);

(i) you and your Owners and Affiliates must, except to the extent limited or prohibited by applicable law, execute a general release, in form and substance satisfactory to us, of any and all claims against us, our Affiliates, shareholders, members, managers, officers, directors, employees, agents, successors and assigns;

(j) we must not have disapproved the material terms and conditions of such transfer (including price, terms of payment and financing) on the basis that they are so burdensome as to be likely, in our reasonable judgment, to adversely affect the transferee's operation of your Bakery-Cafes or its compliance with its franchise agreements, any area development agreements and any other agreements being transferred;

(k) if you (or any of your Owners or Affiliates) finance any part of the sale price of the transferred interest, you and/or your Owners or Affiliates must agree that all obligations of the transferee, and security interests reserved by any of them in the assets transferred, will be subordinate to the transferee's obligations to pay all amounts due us and our Affiliates and to otherwise comply with this Agreement, any franchise agreement being transferred or any franchise agreement executed by the transferee;

(l) you and your Owners must execute a noncompetition covenant, in form and substance satisfactory to us, in favor of us and the transferee agreeing that, for a period of two (2) years, starting on the effective date of the transfer, you and your Owners will not directly or indirectly (such as through an Affiliate or members of his/her or their Immediate Families) own any legal or beneficial interest in, or render services or give advice to (i) any Competitive Business that is located in the Protected Area; (ii) any Competitive Business that is located within a five (5) mile radius of any other Panera Bread Bakery-Cafe in operation or under construction as of the effective date of such transfer; or (iii) any entity which grants franchises, licenses or other interests to others to operate any Competitive Business;

(m) the lessor of the Premises consents in writing to the transfer of the lease or sublease of the Premises to the transferee;

(n) (a) you have corrected any existing deficiencies of your Bakery-Cafe of which we have notified you on a punch list or in other communications, and/or (b) the transferee agrees (if the transfer is of

this Agreement) to upgrade, remodel, expand and/or remodel your Bakery-Cafe and to add or replace equipment, signage, fixtures or furnishings in accordance with our then current requirements and specifications for Panera Bread Bakery-Cafes within the time period we specify following the effective date of the transfer (we will advise the transferee before the effective date of the transfer of the specific actions that it must take and the time period within which such actions must be taken); and

(o) you and your Owners and Affiliates must execute such other documents and do such other things as we may require to protect our rights under this Agreement and under any successor agreement or any related area development agreement.

13.03 Effect of Approval. Our approval of a Transfer of the Franchise does not constitute: (a) a representation as to the fairness of the terms of any agreement or arrangement between you or your Owners and the transferee or as to the prospects of success of the Panera Bread Bakery-Cafe by the transferee; or (b) a release of you and your Owners, a waiver of any claims against you or your Owners or a waiver of our right to demand the transferee's compliance with this Agreement. Any approval shall apply only to the specific Transfer of the Franchise being proposed and shall not constitute an approval of, or have any bearing on, any other proposed transfer of the Franchise.

13.04 Special Transfers. Neither Section 13.02(a) nor Section 13.02(f) shall apply to any Transfer of the Franchise among any of your then-current Owners, unless such transfer results in a change of control in Franchisee. Neither Section 13.02(h) nor Section 13.02(j) shall apply to any Transfer of the Franchise to any member of your Immediate Family or the Immediate Family of a then-current Owner of Franchisee. None of the foregoing assignments shall relieve you or your Owners of your respective obligations hereunder, and you and your Owners remain jointly and severally liable for all obligations hereunder.

13.05 Death or Disability of Franchisee. Upon the death or permanent disability of the Operating Principal or an Owner of a controlling interest in Franchisee (or the trustee of a trust that is the Franchisee hereunder or that is an Owner of a controlling interest in Franchisee hereunder), the executor, administrator or other personal representative of such person shall transfer his/her interest in Franchisee to a third party approved by us in writing in accordance with all of the applicable provisions of Section 13 within a reasonable period of time, not to exceed six (6) months from the date of death or permanent disability.

13.06 Franchisor's Right of First Refusal. If you or any of your Principal Owners desire to Transfer the Franchise, you or such Principal Owner must obtain a bona fide, executed written offer from a responsible and fully disclosed purchaser (which must contain a confidentiality covenant by you and the prospective buyer to which we shall be an intended third party beneficiary) and must deliver immediately to us a complete and accurate copy of such offer, as well as due diligence information we may request. If the offeror proposes to buy any other property or rights from you or any of your Principal Owners or Affiliates (other than rights under area development agreements or other franchise agreements for Panera Bread Bakery-Cafes) as part of the *bona fide* offer, the proposal for such property or rights must be set forth in a separate, contemporaneous offer that is fully disclosed to us, and the price and terms of purchase offered to you or your Principal Owners for the Transfer of the Franchise must reflect the *bona fide* price offered therefor and may not reflect any value for any other property or rights.

We have the option, exercisable by notice delivered to you or your Principal Owners within thirty (30) days from the date of delivery of a complete and accurate copy of such offer to us (and having been provided the requested due diligence information), to purchase such interest for the price contained in such offer, provided that: (a) we may substitute cash for any form of payment proposed in such offer; (b) our credit shall be deemed equal to the credit of any proposed purchaser; (c) we will have not less than ninety (90) days from the option exercise date to consummate the transaction; and (d) we shall not be required to pay deposits (such as earnest money) or to escrow funds prior to closing. We have the right to investigate and analyze the business, assets and liabilities and all other matters we deem necessary or desirable in order to make an informed

investment decision with respect to the fairness of the terms of purchase. We may conduct such investigation and analysis in any manner we deem reasonably appropriate, and you and your Principal Owners must cooperate fully with us in connection therewith.

If we exercise our option to purchase, we are entitled to purchase such interest subject to our form of asset purchase agreement with all representations and warranties, closing documents, releases, noncompetition covenants and indemnities as we reasonably may require. If we do not exercise our option to purchase, you or your Principal Owners may complete the sale to such offeror pursuant to and on the exact terms of such offer, subject to our approval of the transfer as provided in Sections 13.01 and 13.02, provided that if the sale to such offeror is not completed within ninety (90) days after delivery of such offer to us, or if there is a change in the price or any material terms of the offer, you must promptly notify us and we will have an additional option to purchase (at the price of the revised offer, if any, and otherwise as set forth herein) during the thirty (30)-day period following your notification of the expiration of the ninety (90)-day period or the material change to the terms of the offer.

13.07 Securities Offerings. Neither you nor any of your Owners may issue or sell, or offer to issue or sell, any of your securities or any securities of any of your Affiliates, regardless of the means by which such sale is conducted, directly or indirectly, or by operation of law (including by merger, consolidation, reorganization or otherwise) without obtaining our prior consent and complying with all of our requirements and restrictions concerning use of information about us and our Affiliates. Notwithstanding the foregoing, neither you nor any of your Owners may issue or sell your securities or the securities of any of your Affiliates if: (1) such securities would be required to be registered pursuant to the Securities Act of 1933, as amended; or (2) after such issuance or sale, you or such Affiliate would be required to comply with the reporting and information requirements of the Securities Exchange Act of 1934, as amended. Any memorandum or other communications circulated in connection with any solicitation of offers to purchase that would require our consent to Transfer of the Franchise (through whatever form of transaction, whether through direct or indirect sale of assets or securities, by operation of law or otherwise), and such offering, must be approved by us in writing.

13.08 Franchisor's Right to Transfer. You acknowledge that we maintain a staff to manage and operate the System and that staff members can change as employees come and go. You represent that you have not signed this Agreement in reliance on any particular shareholder, director, officer, member, partner, manager or employee remaining with us in that capacity. We may change our ownership or form and/or assign this Agreement or any interest therein and any other agreement to a third party without restriction or notice to you. After our assignment of this Agreement to a third party who expressly assumes the obligations under this Agreement, we no longer will have any performance or other obligations under this Agreement.

14. TERMINATION OF AGREEMENT.

14.01 Immediate Termination Upon Notice. We may terminate this Agreement, effective upon delivery of written notice of termination to you, if:

- (a) you become insolvent by reason of your inability to pay your debts as they mature;
- (b) you are adjudicated bankrupt or insolvent; if you file a petition in bankruptcy, reorganization or similar proceeding under the bankruptcy laws of the United States or have such a petition filed against you which is not discharged within thirty (30) days;
- (c) a receiver or other custodian, permanent or temporary, is appointed for your business, assets or property;

(d) you request the appointment of a receiver or make a general assignment for the benefit of creditors; if final judgment against you in the amount of Twenty Five Thousand Dollars (\$25,000.00) or more remains unsatisfied of record for thirty (30) days or longer;

(e) your bank accounts, property or accounts receivable are attached; if execution is levied against your business or property;

(f) suit is filed to foreclose any lien or mortgage against any of your assets and such suit is not dismissed within thirty (30) days;

(g) you voluntarily dissolve or liquidate or have a petition filed for corporate or partnership dissolution and such petition is not dismissed within thirty (30) days;

(h) your assets, property or interest are 'blocked' under any law, ordinance or regulation relating to terrorist activities or if you are otherwise in violation of any such law, ordinance or regulation;

(i) the Area Development Agreement pursuant to which this Agreement is executed is terminated (for whatever reason) or expires prior to commencement of construction of your Bakery-Cafe under this Agreement;

(j) you fail to open your Bakery-Cafe and start business, as provided in Section 3.03;

(k) you abandon or fail to actively operate your Bakery-Cafe for three (3) consecutive days, except where such failure to actively operate results solely from Force Majeure;

(l) you surrender or transfer control of the operation of your Bakery-Cafe without our prior written consent;

(m) you make any material misstatement or omission in the franchise candidate qualification packet or in any other information, report, summary, representation or warranty provided to us at any time;

(n) you any suffer cancellation or termination of the lease or sublease for your Bakery-Cafe;

(o) you are convicted of, or plead no contest to, a felony or other crime or offense that we believe may adversely affect the System or the goodwill associated with the Marks;

(p) you make an unauthorized Transfer of the Franchise or fail to transfer the Franchise or the interest of a deceased or disabled Principal Owner of Franchisee as herein required;

(q) you make any unauthorized use or disclosure of any Confidential Information or use duplicate or disclose any portion of the Operations Manual in violation of this Agreement;

(r) you fail or refuse to comply with any mandatory specification, standard, or operating procedure prescribed by us relating to food handling, cleanliness or sanitation of your Bakery-Cafe or violate any health, safety or sanitation law, ordinance or regulation, that we reasonably believe may pose harm to the public or to your or our reputation;

(s) you fail to report accurately Net Sales, to establish, maintain and/or have sufficient funds available in the designated account as required by Section 6.04 of this Agreement or to make payment of any amounts due us or any of our Affiliates;

(t) you fail to make a timely payment of any amount due to any third party (such as an Approved Supplier, vendor, landlord, lessor, etc.) unaffiliated with us (other than payments which are subject to bona fide dispute);

(u) you fail to maintain the insurance we require;

(v) you, any of your Owners, representatives, or employees make any illicit statements, including in an email to our employees, officers, or directors, or in any social media posts, or any other unlawful, threatening, abusive, libelous, defamatory, obscene, vulgar, pornographic, gambling-related, drug-related, alcohol-related, profane, racist, sexually explicit or indecent comments that in our opinion negatively affects us, our employees, our operations or otherwise affects your Bakery-Cafe's reputation or the goodwill associated with the Marks;

(w) you (or any of your Owners) engage in any dishonest or unethical conduct which, in our opinion, adversely affects your Bakery-Cafe's reputation or the goodwill associated with the Marks;

(x) you refuse to permit us to inspect your Bakery-Cafe's books, records, or accounts upon request;

(y) you interfere with our right to inspect your Bakery-Cafe as provided in Section 12;

(z) you fail to pay when due any federal or state income, service, sales, or other taxes due on your Bakery-Cafe's operation, unless you are in good faith contesting your liability for these taxes;

(aa) you fail to timely refurbish and refresh or remodel your Bakery-Cafe in accordance with Section 9.01(b) and Section 9.01(c) above;

(bb) we (or any of our owners or Affiliates) terminate any other agreement between you (or any of your owners and Affiliates) and us (or any of our owners or Affiliates) due to your (or any of your owners' or Affiliates') failure to comply with the terms of such agreement;

(cc) you fail to submit when due reports or other data, information or supporting records or to pay when due Royalty Fees, advertising fund contributions or other payments due us, any of our Affiliates or any unaffiliated third parties or otherwise fail to comply with this Agreement or any mandatory specification, standard or operating procedure or other obligation that we prescribe from time to time in the Operations Manual, whether or not such failure is corrected after notice is delivered to you;

(dd) at the time measured by us, which measurement shall occur on a quarterly basis as set forth in our then-current Financial Policies, you fail to meet the minimum financial criteria set forth in the Financial Policies; or

(ee) you fail to comply with any other provision of this Agreement or any other mandatory specification, standard or operating procedure or other obligation that we prescribe from time to time in the Operations Manual.

We have no obligation whatsoever to refund any portion of the franchise fee upon any termination.

14.02 Our Alternate Remedies Upon Your Default. In addition to, and without limiting, our other rights and remedies under this Agreement, any other agreement or applicable law, upon the occurrence of any event giving rise to our right to terminate this Agreement under the preceding Section 14.01, we may instead elect, at our sole option and upon delivering providing you written notice, to take any or all of the following actions without terminating this Agreement:

(a) temporarily or permanently reduce the size of the Protected Area, in which case the restrictions on us or our affiliates under Section 2 above will not apply in any geographic area removed from the preceding territorial boundaries;

(b) temporarily remove information concerning your Bakery-Cafe from any website or extranet operated for the network of Panera Bread Bakery-Cafes, to require you to disable any website we have authorized promoting or marketing your Bakery-Cafe, and/or restrict your or your Bakery-Cafe's participation in other programs or benefits offered on or through any such website or extranet;

(c) require you to engage a third-party accounting firm we approve to conform to the bookkeeping, accounting, reporting and recordkeeping system requirements and formats we prescribe;

(d) require you to pay us Five Hundred Dollars (\$500) for each day the condition giving rise to our right to terminate continues to exist to help offset our increased administrative expenses associated with your failure to comply with the terms of this Agreement;

(e) suspend your, and your Bakery-Cafe's, right to participate in any advertising, marketing, promotional, or public relations programs that we or the NAF provide, authorize, or administer; and/or

(f) assume, or appoint a third party to assume, management of your Bakery-Cafe in the manner provided in Section 14.04 below.

14.03 Failure to Cure May be Deemed Termination by You. Your failure to cure timely any breach by you of this Agreement about which we have provided you notice (and opportunity to cure, if applicable) pursuant to Section 14.01 above, may be irrevocably deemed a unilateral rejection and termination by you of this Agreement and all related agreements between you and us or our Affiliates, even if we ultimately issue a formal notice of such termination, and you shall never contend or complain otherwise.

14.04 Assumption of Management. We have the right (but not the obligation), under the circumstances described below, to enter the Premises and assume your Bakery-Cafe's management (or to appoint a third party to assume its management) for any period of time we deem appropriate. If we (or a third party) assume your Bakery-Cafe's management under subparagraphs (1) and (2) below, you agree to pay us (in addition to the other amounts due under this Agreement) Five Hundred Dollars (\$500) per day, plus our (or the third party's) direct out-of-pocket costs and expenses, if we (or a third party) assume your Bakery-Cafe's management under this Section 14.04.

If we (or a third party) assume your Bakery-Cafe's management, you acknowledge that we (or the third party) will have a duty to utilize only reasonable efforts and will not be liable to you or your Owners for any debts, losses, or obligations your Bakery-Cafe incurs, or to any of your creditors for any supplies, products, or other assets or services your Bakery-Cafe purchases, while we (or the third party) manage it.

We (or a third party) may assume your Bakery-Cafe's management under the following circumstances: (1) if you abandon or fail actively to operate your Bakery-Cafe; (2) if you fail to comply with any provision of this Agreement or any of our standards and do not cure the failure within the time period we specify in our notice to you; (3) to the extent there is a death or disability of an Owner or Operating Principal pursuant to Section 13.05, and we do not believe the interim Owner or Operating Principal is qualified to operate your Bakery-Cafe prior to the transfer of the deceased or disabled party's interests to a party we approve in writing; or (4) if this Agreement expires or is terminated and we are deciding whether to exercise our option to purchase your Bakery-Cafe under Section 16.04 below. Any exercise of our rights under subparagraphs (1) or (2) above in this Section 14.04 will not affect our right to terminate this Agreement under Section 14.01 above.

15. RENEWAL RIGHTS.

15.01 Your Right To Acquire a Successor Franchise. If this Agreement is for an initial franchise, you have the right, subject to the conditions contained in Section 15, to acquire a Successor Term for your Bakery-Cafe on the terms and conditions of our then-current form of franchise agreement for Panera Bread Bakery-Cafes (a “Successor Franchise Agreement”), subject to satisfying the following conditions: (a) you, your Owners and your Affiliates are in compliance with this Agreement and any other agreements with us or any of our Affiliates, and you and your Owners have been in substantial compliance with this Agreement throughout the Term; (b) the Premises meet our then-current site criteria and you maintain the right to possession of the Premises for the term of the Successor Franchise Agreement prior to the signing of a Successor Franchise Agreement; (c) you agree to remodel your Bakery-Cafe in the manner and time period required by us, including to add improvements, add or replace fixtures, furnishings, equipment and signs, and otherwise modify your Bakery-Cafe to meet the specifications and standards then applicable for new Panera Bread Bakery-Cafes; and (d) pay a successor franchise fee of fifty percent (50%) of our then-current standard initial franchise fee for a Panera Bread Bakery-Cafe. For the avoidance of doubt, we may require that you complete the remodel of your Bakery-Cafe prior to signing a Successor Franchise Agreement.

15.02 Notices. You must give us written notice of your desire to acquire a successor franchise not less than six (6) months nor more than twelve (12) months prior to the expiration of this Agreement. We will give you notice, not later than sixty (60) days after receipt of your notice, of our decision whether or not you have the right to acquire a successor franchise pursuant to Section 15.01. Notwithstanding any notice of our decision that you have the right to acquire a successor franchise for your Bakery-Cafe, your right will be subject to your continued compliance with all the provisions of this Agreement up to the date of its expiration.

15.03 Agreements. If you have the right to acquire a successor franchise in accordance with Section 15.01 and state your desire to exercise that right in accordance with Section 15.02, we and you (and your Owners) will execute the form of franchise agreement (which may contain provisions, including royalty fees, materially different from those contained herein) and all ancillary agreements (including, personal guarantees by your Principal Owners and a remodel agreement on such terms as we determine to be appropriate) which we then customarily use in granting franchises for the operation of Panera Bread Bakery-Cafes, and you and your Owners must execute general releases, in form and substance satisfactory to us, of any and all claims against us, and our Affiliates, officers, directors, employees, agents, successors and assigns. Failure by you (and your Owners) to sign such agreements and releases within thirty (30) days after delivery to you shall be deemed an election by you not to acquire a successor franchise for your Bakery-Cafe.

16. EFFECT OF TERMINATION OR EXPIRATION.

16.01 Payment of Amounts Owed to Us. Immediately after the effective date of termination or expiration (without renewal) of this Agreement, you must pay us and our Affiliates all Royalty Fees, advertising fund contributions, amounts owed for purchases from us or our Affiliates, interest due on any of the foregoing and all other amounts owed to us or our Affiliates which are then unpaid.

16.02 Discontinue Use of Marks and Confidential Information. Upon the termination or expiration (without renewal) of this Agreement, you will:

- (a) not directly or indirectly at any time or in any manner use any Mark, any colorable imitation or other indicia of a Panera Bread Bakery-Cafe, or any other Intellectual Property;
- (b) take such action as may be required to cancel all fictitious or assumed name registrations relating to your use of any Mark;

(c) notify the telephone company or other company and all telephone directory publishers of the termination or expiration of your right to use any telephone number and any regular, classified or other telephone directory listings associated with any Mark and to authorize transfer of the number to us or at our direction;

(d) if we do not exercise our right to purchase your Bakery-Cafe pursuant to Section 16.04, promptly remove from the Premises, and discontinue using for any purpose, all signs, fixtures, furniture, decor items, advertising materials, forms and other materials and supplies which display any of the Marks or any distinctive features, images, or designs associated with Panera Bread Bakery-Cafes and, at your expense, make such alterations as may be necessary to distinguish the Premises so clearly from its former appearance as a Panera Bread Bakery-Cafe and from other Panera Bread Bakery-Cafes as to prevent any possibility of confusion by the public;

(e) immediately cease to use all Confidential Information and return to us (and delete from computers and other devices that capture words in tangible form) all copies or content of the Operations Manual and any other confidential materials which have been loaned or made available to you;

(f) immediately discontinue any mode of communications on the Internet directly or indirectly relating to your Bakery-Cafe, including any website we have authorized promoting or marketing your Bakery-Cafe or any pages associated with your Bakery-Cafe, and immediately take all steps required by us to transfer any domain name associated with your Bakery-Cafe to us (such as executing a Registrant Name Change Agreement with the applicable Registrar). You irrevocably appoint an authorized officer of ours as your duly authorized agent and attorney-in-fact to execute all instruments and take all steps to transfer such domain names;

(g) immediately discontinue the use of our proprietary software; and

(h) within thirty (30) days after the effective date of termination or expiration, furnish us evidence satisfactory to us of your compliance with the foregoing obligations.

16.03 Post-Term Covenants. For a period of two (2) years, starting on the effective date of termination or expiration (without renewal) of this Agreement, neither you nor any of your Owners directly or indirectly (such as through an Affiliate or his/her or their Immediate Families) shall (1) own any legal or beneficial interest in, or render any services or give advice to: (i) any Competitive Business operating in the Protected Area; (ii) any Competitive Business operating within a radius of five (5) miles of any Panera Bread Bakery-Cafe in operation or under construction on the effective date of termination or expiration; or (iii) any entity which grants franchises or licenses other interests to others to operate any Competitive Business; (2) solicit for employment, hire, engage, or otherwise retain any individual who is, or within the preceding twelve (12) months was, an executive-level employee of ours, our Affiliates or of suppliers and vendors to Panera Bread Bakery-Cafes; or (3) solicit, induce, or attempt to induce any supplier or vendor of Panera Bread Bakery-Cafe to cease or reduce its business with us or the Panera Bread Bakery-Cafe System.

You and each of your Owners expressly acknowledge the possession of skills and abilities of a general nature and the opportunity for exploiting such skills in other ways, so that enforcement of the covenants contained in this Section will not deprive any of you of your personal goodwill or ability to earn a living. If you or any of your Owners fail or refuse to abide by any of the foregoing covenants and we obtain enforcement in a judicial or arbitration proceeding, the obligations under the breached covenant will be tolled during the period(s) of time that the covenant is breached and/or we seek to enforce it and will continue in effect for a period of time ending two (2) years after the date of the order enforcing the covenant.

16.04 Our Option to Purchase Your Bakery-Cafe. Upon termination or expiration (without renewal) of this Agreement (each, an “Option Event”), we shall have the right, but not the obligation, by giving

you written notice (“Option Notice”), to purchase from you and any of your Owners and Affiliates, and, if we exercise such right, you and any of your Owners and Affiliates shall sell to us, all of the right, title and interest, direct or indirect, of you, your Owners and your Affiliates in and to your Bakery-Cafe, including all real, personal and mixed assets used in connection with your Bakery-Cafe, without assuming any liabilities or obligations, including the right, but not the obligation to offer employment to Panera Bread Bakery-Cafe level employees (hourly associates, bakers, shift supervisors and managers, including general managers) (such purchase and sale obligation is referred to as “Purchase Option”) within thirty (30) days after the date of such termination or expiration. Notwithstanding the foregoing, if you notify us not less than one hundred eighty (180) days nor more than two hundred seventy (270) days prior to the expiration of this Agreement that you do not desire to enter into a successor franchise agreement on expiration of the Term, then if we desire to exercise our right to purchase, we agree to give you the Option Notice at least sixty (60) days prior to the date of expiration of the Term.

16.05 Purchase Price. The purchase price under the Purchase Option shall be the fair market value of the assets purchased. Fair market value shall be the amount that an arm’s length purchaser would be willing to pay for the assets purchased.

16.06 Right to Assign. Notwithstanding anything to the contrary contained herein, we may assign our rights and obligations under the Purchase Option to any assignee, without the consent of you or any of your Owners or Affiliates.

16.07 Purchase Notice. If an Option Event, occurs, you and all of your Owners and Affiliates shall, within fifteen (15) days following receipt of the Option Notice, deliver to us all financial data and supporting information necessary or desirable, in our opinion, to calculate the purchase price (“Financial Data”). Within thirty (30) days following the receipt of the Financial Data, we shall deliver to you or any of your Owners or Affiliates, a written notice (the “Purchase Notice”) stating the purchase price based on fair market value. You or any of your Owners or Affiliates shall have a period of thirty (30) days from the delivery of the Purchase Notice in which to agree to the purchase price or assert any challenges to the calculation of the purchase price. If we cannot agree on the purchase price calculation within sixty (60) days from receipt of the Purchase Notice, the calculation shall be determined in accordance with Panera Standards, particularly with regard to those items accounted for at the Panera Bread Bakery-Cafe level, by an independent certified public accounting firm selected by us that is not then currently performing services for you or any of your Owners or Affiliates or us. The accounting firm shall make its determination of purchase price calculation in accordance with the terms of this Agreement and submit a written report to you and us as soon as practicable, but in no event more than thirty (30) days after the appointment. Each party may submit in writing to the accounting firm (with a copy to the other party) its views of the purchase price calculation; however, the accounting firm shall not be limited to these submissions and may make such independent investigation as it deems reasonably necessary. You or any of your Owners or Affiliates, on the one hand, and we, on the other hand, will each be responsible for and pay one-half (½) of the accounting firm’s fees and expenses, unless we previously shall have required your financial statements to be audited, in which case the fees and expenses of the audit shall be borne entirely by you. Following the determination of the purchase price, if such purchase price is acceptable to us, in our sole judgment, we and you or any of your Owners or Affiliates shall proceed to close the purchase and sale as hereinafter provided. If such purchase price is not acceptable to us, in our sole judgment, we will have no obligation to proceed to close the purchase and sale. Under no circumstances will any value be attributed to (i) any goodwill associated with the Marks, (ii) the System, (iii) the potential of adding more Panera Bread Bakery-Cafes in the particular market area, or (iv) any customer goodwill or other goodwill established by use of our Marks.

16.08 Pre-Closing Conduct. Upon delivery of the Option Notice we may authorize continued temporary operations of your Bakery-Cafe pursuant to the terms of this Agreement, subject to the supervision and control of one or more of our appointed managers, in full accordance with the terms of this Agreement. Neither you nor any of your Owners or Affiliates shall directly or indirectly destroy, alter, substitute, remove,

encumber, pledge, sell, assign, transfer, or otherwise dispose of, destroy, transfer, change, secret or encumber, in any manner whatsoever, any of the assets of your Bakery-Cafe, other than sales in the ordinary course of business, nor destroy, alter, substitute, remove, encumber, pledge, sell, assign, transfer, or otherwise dispose of, destroy, transfer, change, secret or encumber, in any manner whatsoever, any documents, records, books, agreements or electronic records relating to the operation of your Bakery-Cafe. You and any of your Owners and Affiliates shall take all reasonable steps to insure that all of your Bakery-Cafe level employees (hourly associates, bakers, shift supervisors and managers, including general managers) remain in place, are made available to us to interview and offer employment to (if we elect to offer such employment) and will do nothing to discourage any of them from accepting employment with us after the closing. Upon receipt of the Option Notice from us, you and any of your Owners and Affiliates shall provide us access to all of your books and records relating to your Bakery-Cafe and any other Panera Bread Bakery-Cafes on which the Purchase Price is based.

16.09 Closing of Purchase Option Exercise.

(a) Payment of Purchase Price. The purchase price to be paid for your Bakery-Cafe purchased pursuant to the exercise of any Purchase Option shall be paid on the date of the closing of the purchase, subject to a ten percent (10%) holdback of up to eighteen (18) months after the date of closing as security for and to offset to the extent necessary the payment and discharge of indemnification obligations related to your Bakery-Cafe. The purchase price may be reduced by any obligations you or any of your Affiliates or Owners may owe us, or any of our Affiliates.

(b) Closing. The closing for the purchase and sale shall be held as soon as practicable after the determination of the purchase price under the Purchase Option. You and all of your Owners or Affiliates shall execute and deliver to the purchasing party all warranties, title insurance policies and other closing documents and post-closing indemnifications as we require, including: (i) all general releases, representations, warranties and post-closing indemnifications; (ii) all estoppel certificates, subordination, non-disturbance and attornment agreements and assignments of any real estate lease for your Bakery-Cafe (or lease at fair market value if the real estate is owned by you or any of your Owners or Affiliates, or sub-lease at fair market value if the real estate is leased by any of your Owners or Affiliates); and (iii) all deeds, bills of sale, representations, warranties, indemnifications, releases, discharges, documents, affidavits and instruments of conveyance as are necessary or desirable, in the opinion of legal counsel for the purchasing party, to transfer, convey and validly vest in the purchasing party, as the case may be, good, marketable and absolute title to your Bakery-Cafe being conveyed free and clear of any lien, claim, pledge, security interest, equities or other encumbrance or interest of any kind or character whatsoever, with all documentary stamps, sales taxes and other transfer taxes paid by you and all of your Owners or Affiliates.

If you and all of your Owners or Affiliates cannot deliver clear title to your Bakery-Cafe, or if there are other unresolved issues, the closing may, at our option, be accomplished through an escrow on such terms and conditions as we deem appropriate, including the making of payments, to be deducted from the purchase price, directly to third parties in order to obtain clear title to your Bakery-Cafe. Further, you or any of your Owners or Affiliates, on the one hand, and we, on the other hand, shall comply with any applicable Bulk Sales provisions of the Uniform Commercial Code as enacted in the state or states where your Bakery-Cafe is located, or provide an indemnity and escrow on terms satisfactory to us in order to fully satisfy any obligations and liabilities with respect to such Bulk Sales provisions, and all applicable state and local sales and income tax notification and/or escrow procedures. We have the right to set off against and reduce the purchase price by any and all amounts owed by you or any of your Owners or Affiliates to us, or any of our Affiliates.

16.10 Non-Disclosure. Except as may be required by applicable laws, we agree that neither you nor your Owners, Affiliates, agents or employees will make any statements or communications, directly or indirectly, about us or our Owners, Affiliates, officers, employees, franchisees, businesses, properties, financial condition, sales trends, management, ownership, past or current business practices or strategies to any person,

including the media, including social media, or any financial analysts, whether verbally or in writing, including any communications or statements that would be expected to adversely affect our or our Affiliates' business or the reputation of the System or goodwill of the Marks.

16.11 Liquidated Damages. You agree that any termination of this Agreement (excluding any termination of this Agreement in connection with a sale of your Bakery-Cafe approved by us in writing pursuant to the terms of this Agreement) before the expiration of the Term will deprive us of the benefit of the bargain we are entitled to receive under this Agreement. As a result, if this Agreement is terminated after the Effective Date, you will pay us, as liquidated damages for the loss of the benefit of the bargain we are entitled to receive, and not as a penalty, a lump-sum payment equal to the Royalty Fees you owed us during the thirty-six (36) months before the termination date or, if less than thirty-six (36) months remain in the Term, the Royalty Fees you owed us during number of months remaining in the Term following the termination date. If less than thirty-six (36) months have lapsed between the Effective Date and the termination date, the liquidated damages will be the average monthly Royalty Fees during the time between the Effective Date and the termination date, multiplied by thirty-six (36). You will pay all amounts stated in this Section within thirty (30) days after the termination of this Agreement. You agree, and that the damages stated in this Section: (i) are true liquidated damages; (ii) are intended to compensate us for the harm we will suffer; (iii) are not a penalty; (iv) are a reasonable estimate of our probable loss resulting from your defaults, viewed as of the termination date; and (v) will be in addition to all other rights we have to obtain legal or equitable relief.

16.12 Continuing Obligations. All obligations under this Agreement which expressly or by their nature survive the expiration or termination of this Agreement shall continue in full force and effect until they are satisfied in full or by their nature expire.

16.13 Failure to Comply with Post-Term Obligations. In addition to any other remedies which we shall have hereunder and under applicable laws, we shall have the right to charge you for all costs and expenses which we incur as a result of your failure to comply with any provision of this Section 16. All such charges shall be payable upon demand by us.

17. RELATIONSHIP OF THE PARTIES.

17.01 Independent Contractors. Neither this Agreement nor the dealings of the parties pursuant to this Agreement shall create any fiduciary relationship or any other relationship of trust or confidence between the parties hereto. Franchisor and Franchisee, as between themselves, are and shall be independent contractors.

You understand and agree that we may operate and change the System and our business in any manner that is not expressly and specifically prohibited by this Agreement. Whenever we have expressly reserved in this Agreement or are deemed to have a right and/or discretion to take or withhold an action, or to grant or decline to grant you a right to take or withhold an action, except as otherwise expressly and specifically provided in this Agreement, we may make our decision or exercise our right and/or discretion on the basis of our judgment of what is in our best interests, including our judgment of what is in the best interests of our franchise network, at the time our decision is made or our right or discretion is exercised, without regard to whether: (1) other reasonable alternative decisions or actions could have been made by us; (2) our decision or the action we take promotes our financial or other individual interest; (3) our decision or the action we take applies differently to you and one or more other franchisees or our company-owned operations; or (4) our decision or the exercise of our right or discretion is adverse to your interests. In the absence of an applicable statute, we will have no liability to you for any such decision or action. We and you intend that the exercise of our right or discretion will not be subject to limitation or review. If applicable law implies a covenant of good faith and fair dealing in this Agreement, we and you 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 us the right to make decisions, take actions and/or refrain from taking actions not inconsistent with your rights and obligations hereunder.

Nothing contained in this Agreement, or arising from the conduct of the parties hereunder, is intended to make either party a general or special agent, joint venturer, partner or employee of the other for any purpose whatsoever. You must conspicuously identify yourself in all dealings with customers, lessors, contractors, suppliers, public officials, employees and others as the owner of your Bakery-Cafe and must place such other notices of independent ownership on such forms, business cards, stationery, advertising and other materials as we may require from time to time. None of your employees or other personnel will be considered to be our employees or personnel. Neither you nor any of your employees or personnel whose compensation you pay may in any way, directly or indirectly, expressly or by implication, be construed to be our employee or personnel for any purpose, most particularly with respect to any mandated or other insurance coverage, tax or contributions, or requirements pertaining to withholdings, levied or fixed by any city, state, or federal governmental agency. We will not have the power to hire or fire your employees or personnel. You expressly agree, and will never contend otherwise, that our authority under this Agreement to certify certain of your employees or personnel for qualification to perform certain functions for your Bakery-Cafe does not directly or indirectly vest in us the power to hire, fire or control any such employee. You acknowledge and agree, and will never contend otherwise, that you alone will exercise day-to-day control over all operations, activities and elements of your Bakery-Cafe, and that under no circumstance shall we do so or be deemed to do so. You further acknowledge and agree, and will never contend otherwise, that the various requirements, restrictions, prohibitions, specifications and procedures of the System which we are required to comply with under this Agreement, whether set forth in the Operations Manual or otherwise, do not directly or indirectly constitute, suggest, infer or imply that we control any aspect or element of the day-to-day operations of the your Bakery-Cafe, which you alone control, but only constitute standards you must adhere to when exercising your control of the day-to-day operations of your Bakery-Cafe.

You may not make any express or implied agreements, warranties, guarantees or representations or incur any debt in our name or on our behalf or represent that the relationship of the parties hereto is anything other than that of independent contractors. We will not be obligated by or have any liability under any agreements made by you with any third party or for any representations made by you to any third party. We will not be obligated for any damages to any person or property arising directly or indirectly out of the operation of your business hereunder.

17.02 Indemnification. You agree to indemnify us, our Affiliates and our respective directors, officers, employees, shareholders, members, managers, agents, successors and assigns (collectively the “Indemnitees”), and to hold the Indemnitees harmless to the fullest extent permitted by law, from any and all losses and expenses (as defined below) incurred in connection with any litigation or other form of adjudicatory procedure, claim, demand, investigation, or formal or informal inquiry (regardless of whether it is reduced to judgment) or any settlement thereof which arises directly or indirectly from, or as a result of, a claim of a third party against any one or more of the Indemnitees in connection with (i) your failure to perform or breach of any covenant, agreement, term or provision of this Agreement, (ii) your breach of any representation or warranty contained in this Agreement, (iii) the marketing, promotion, advertisement or sale of any of the products and services offered by your Bakery-Cafe pursuant to this Agreement, including data privacy and security, unfair or fraudulent advertising claims (whether in print advertising or electronic media), and product liability claims, (iv) your development, ownership operation and/or closing of your Bakery-Cafe, and (v) any allegedly unauthorized service or act rendered or performed in connection with this Agreement, (collectively “Event”) and regardless of whether it resulted from any strict or vicarious liability imposed by law on the Indemnitees. The foregoing indemnity shall apply even if it is determined that the ‘Indemnitees’ negligence caused such loss, liability or expense, in whole or in part, provided, however, that this indemnity will not apply to any liability arising from a breach of this Agreement by the Indemnitees or the gross negligence or willful acts of Indemnitees (except to the extent that joint liability is involved, in which event the indemnification provided herein will extend to any finding of comparative or contributory negligence attributable to you), each as determined by a final, unappealable ruling issued by a court or arbitrator(s) with competent jurisdiction. The term “losses and expenses” includes compensatory, exemplary, and punitive damages; fines and penalties; attorneys’ fees; experts’ fees; court costs; costs associated with investigating and defending against claims;

settlement amounts; judgments; compensation for damages to our reputation and goodwill; and all other costs associated with any of the foregoing losses and expenses. You agree to give us and the Indemnitees written notice of any action, suit, proceeding, claim, demand, inquiry or investigation that could be the basis for a claim for indemnification by any of the Indemnitees within three (3) days of your actual or constructive knowledge of it. We agree to give you reasonable notice of any Event of which we become aware for which indemnification may be required and we may elect (but are not obligated) to direct the defense thereof. The Indemnitees shall have the right, in their sole discretion to: (i) retain counsel of their own choosing to represent them with respect to any claim; and (ii) control the response thereto and the defense thereof, including the right to enter into settlements or take any other remedial, corrective, or other actions. You agree to give your full cooperation to the Indemnitees in assisting the Indemnitees with the defense of any such claim, and to reimburse the Indemnitees for all of their costs and expenses in defending any such claim, including court costs and reasonable attorneys' fees, within ten (10) days of the date of each invoice delivered by the Indemnitees to you enumerating such costs, expenses and attorneys' fees. Notwithstanding the foregoing, if the insurer on a policy or policies obtained in compliance with the Agreement agrees to undertake the defense of an Event (an "Insured Event"), we agree not to exercise our right to select counsel to defend the event if such would cause your insurer to deny coverage. We reserve the right to retain counsel to represent us with respect to an Insured Event at our sole cost and expense. This Section 17.02 shall continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement. An Indemnitee need not seek recovery from any insurer or other third party, or otherwise mitigate its or their losses and expenses, in order to maintain and recover from third parties fully a claim against you under this Section 17.02. You agree that a failure to pursue a recovery or mitigate a loss will not reduce or alter the amounts that an Indemnitee may recover from you under this Section 17.02. Our or any of the other Indemnitees' undertaking of defense and/or settlement will in no way diminish your obligation to indemnify us and the other Indemnitees and to hold us and any of the Indemnitees harmless.

17.03 Taxes. We will have no liability for any sales, use, service, occupation, exercise, gross receipts, income, property or other taxes, whether levied upon your Bakery-Cafe, your property or upon us, in connection with sales made or business conducted by you (except any taxes we are required by law to collect from you). Payment of all such taxes shall be your responsibility. In the event of a *bona fide* dispute as to your liability for taxes, you may contest your liability in accordance with applicable law. In no event, however, will you permit a tax sale, seizure, or attachment to occur against your Bakery-Cafe or any of its assets.

18. DISPUTE RESOLUTION.

18.01 Mediation. Except as otherwise provided herein, if a dispute arises out of or relates to this Agreement, the breach hereof, the rights and obligations of the parties hereto, or the making, interpretation, or performance of either party under this Agreement, the parties agree first to try in good faith to settle the dispute by mediation administered by the American Arbitration Association ("AAA") in accordance with its commercial mediation rules before resorting to arbitration or litigation in accordance with the terms of this Agreement. Such mediation shall take place before a sole mediator at a location we designate (currently, Boston, Massachusetts). The parties shall each bear all of their own costs of mediation; provided, however, the fees of the mediator shall be divided equally between you and us. All aspects of the mediation, including statements made and documents produced as part of or within the mediation, will be confidential in nature and will not be admissible in any subsequent arbitration or other legal proceeding. If the matter is not settled by mediation within thirty (30) days of the commencement of the mediation, or such further period as the parties shall agree in writing, the matter shall be referred to arbitration as described in Section 18.02 below for final resolution. The parties hereto agree that mediation shall not be required with respect to: (a) any claim or dispute involving any payment obligation of us that is more than thirty (30) days past due; (b) any claim or dispute involving actual or threatened disclosure or misuse of our Confidential Information; (c) any claim or dispute involving the ownership, validity, or use of the Marks; (d) any claim or dispute involving the insurance or indemnification provisions of this Agreement; (e) any claim or dispute involving a non-curable default; (f) any claim or dispute involving your failure to comply with the System or Operations Manual; or (g) any action by us to enforce the

covenants set forth in Section 7, Section 16.03 or Section 16.10 of this Agreement. The object of any mediation subject to this Section 18.01 is to assist the parties in reaching a mutually acceptable resolution of the dispute. Such mediation will, in all circumstances, be consistent with the rights and obligations created by this Agreement and will not be premised on the derogation or diminution of those rights or disregard of those rights.

18.02 Arbitration. Subject to Section 18.01, all controversies, disputes, or claims between the parties, including their respective Affiliates, owners, officers, directors, agents, and employees, arising from or relating to this Agreement, including the scope and validity of any provision of this Agreement (such as this Section 18.02), shall on demand of either party be submitted for arbitration to the AAA. The arbitration shall be governed exclusively by the Federal Arbitration Act (9 U.S.C. § 1, et seq.), without reference to any state arbitration statutes. There shall be one (1) arbitrator if the amount of the claim is Five Hundred Thousand Dollars (\$500,000) or less, or three (3) arbitrators if the amount of the claim is more than Five Hundred Thousand Dollars (\$500,000). If there is one (1) arbitrator, the arbitrator shall be appointed by the AAA. If there are three (3) arbitrators, the claimant shall appoint one (1) arbitrator in its notice of arbitration and statement of claim; the respondent shall appoint one (1) arbitrator in its statement of defense, and the third arbitrator, who shall act as the Chairman, shall be appointed by the two (2) arbitrators appointed by the parties within thirty (30) days of the appointment of the second arbitrator. If any arbitrators are not appointed within these time periods, the AAA shall make the appointments. The parties agree that, in connection with any such arbitration proceeding, each shall submit or file any claim that would constitute a compulsory counterclaim (as defined by Rule 13 of the Federal Rules of Civil Procedure) within the same proceeding as the claim to which it relates. Any such claim that is not submitted or filed in such proceeding shall be barred. The arbitration proceedings shall be conducted in the city where we then have our principal place of business (currently, Boston, Massachusetts) in accordance with the then-current commercial arbitration rules of the AAA (“AAA Rules”), except the parties shall be entitled to limited discovery at the discretion of the arbitrator(s) who may, but are not required to, allow depositions. The parties acknowledge that the arbitrators’ subpoena power is not subject to geographic limitations. The arbitration proceedings shall be conducted on an individual basis and not on a multi-plaintiff, consolidated, collective or class-wide basis. The foregoing sentence is an integral provision of the arbitration procedures set forth in this paragraph, and may not be severed therefrom, notwithstanding Section 19.01 of this Agreement. If such sentence is determined to be invalid or unenforceable in connection with a particular controversy, dispute, or claim, then this Section 18.02 shall be stricken from this Agreement and neither party shall be deemed to have consented to arbitration of such controversy, dispute, or claim.

The parties agree to resolve all controversies, disputes, or claims between the parties where the aggregate amount claimed is Five Hundred Thousand Dollars (\$500,000) or less in accordance with the AAA’s Expedited Procedures (“Expedited Procedures”) as set out in the AAA Rules. Where the aggregate amount claimed is more than Five Hundred Thousand Dollars (\$500,000), the Expedited Procedures will not apply unless otherwise agreed to by the parties.

The arbitrator(s) shall have the right to award the relief that he or she deems proper, consistent with the terms of this Agreement, including compensatory damages (with interest on unpaid amounts from date due), specific performance, injunctive relief, legal fees and costs, provided that the arbitrators may not declare any Mark generic or otherwise invalid or, except as expressly provided in Section 19.08, award any punitive or exemplary damages against either party (we and you hereby waiving to the fullest extent permitted by law, except as expressly provided in Section 19.08 below, any right to or claim for any punitive or exemplary damages against the other). The award by the arbitrator(s) shall be in writing and present the reasons in fact and law upon which it is based and rendered within 30 days of the final hearing or final submission of briefs, whichever is later, unless otherwise agreed to by the parties. The award and decision of the arbitrator(s) shall be conclusive and binding on all parties, and judgment upon the award may be entered in any court of competent jurisdiction. Any right to contest the validity or enforceability of the award shall be governed exclusively by the Federal Arbitration Act.

The parties undertake to keep confidential all arbitral proceedings and awards rendered in the arbitration, together with all materials in the proceedings created for the purpose of the arbitration and all other documents produced by another party in the proceedings not otherwise in the public domain, save and to the extent that disclosure may be required of a Party by legal duty, to protect or pursue a legal right or to enforce or challenge an award in legal proceedings before a court or other judicial authority. In all cases, any documents exchanged between the parties as part of the discovery process must be returned or destroyed (with proof of destruction) within thirty (30) days of the final award or dismissal of the arbitration.

18.03 Jurisdiction. All disputes and claims not subject to arbitration under Section 18.02 must be brought in the state or federal court with jurisdiction in the city where our principal place of business is then-located (currently Boston, Massachusetts); provided that we have the option to bring a suit against you in any state or federal court within the jurisdiction where your Bakery-Cafe is or was located or where any of your Owners lives. The parties consent to the exercise of personal jurisdiction over them by these courts, and to the propriety of venue in these courts for the purpose of this Agreement, and the parties waive any objections that they would otherwise have in this regard. Each of the parties specifically waives any defense of inconvenient forum to the maintenance of any action or proceeding so brought and waives any bond, surety, or other security that might be required of any other party with respect thereto.

18.04 Survival. The provisions of this Section 18 shall continue in full force and effect subsequent to and notwithstanding expiration or termination of this Agreement.

19. MISCELLANEOUS.

19.01 Severability and Substitution of Provisions. Every part of this Agreement shall be considered severable. If for any reason any part of this Agreement is held to be invalid, that determination shall not impair the other parts of this Agreement. If any covenant herein which restricts competitive activity is deemed unenforceable by virtue of its scope or in terms of geographic area, type of business activity prohibited and/or length of time, but could be rendered enforceable by reducing any part or all of it, you and we agree that it will be enforced to the fullest extent permissible under applicable law and public policy.

If any applicable law requires a greater prior notice of the termination of or refusal to enter into a successor franchise than is required hereunder, a different standard of “good cause”, or the taking of some other action not required hereunder, the prior notice, “good cause” standard and/or other action required by such law shall be substituted for the comparable provisions hereof. If any provision of this Agreement or any specification, standard or operating procedure prescribed by us is invalid or unenforceable under applicable law, we have the right, in our sole discretion, to modify such invalid or unenforceable provision, specification, standard or operating procedure to the extent required to make it valid and enforceable.

19.02 Waiver of Obligations. We and you may by written instrument unilaterally waive or reduce any obligation of the other under this Agreement. Any such waiver granted shall be without prejudice to any other rights the waiving party may have, will be subject to continuing review by such party and may be revoked, in such party’s sole discretion, at any time and for any reason, effective upon delivery to the other party of ten (10) days’ prior notice. You and we shall not be deemed to have waived any right reserved by this Agreement or be deemed to have modified this Agreement by virtue of any custom or practice of the parties at variance with it; any failure, refusal or neglect by you or us to exercise any right under this Agreement (except as provided in Section 19.03) or to insist upon exact compliance by the other with its obligations hereunder; any waiver, forbearance, delay, failure or omission by us to exercise any right, whether of the same, similar or different nature, with respect to other Panera Bread Bakery-Cafes; or the acceptance by us of any payments due from you after any breach of this Agreement.

19.03 Exercise of Rights. The rights of Franchisor and Franchisee hereunder are cumulative and no exercise or enforcement by Franchisor or Franchisee of any right or remedy hereunder shall preclude the

exercise or enforcement by Franchisor or Franchisee of any other right or remedy hereunder which Franchisor or Franchisee is entitled to enforce by law. Franchisee acknowledges and agrees that the proximate cause of such damages sustained by Franchisor is Franchisee's act of default and not Franchisor's exercise of its right to terminate. Notwithstanding the foregoing, and except as otherwise prohibited or limited by applicable law, any failure, neglect, or delay of a party to assert any breach or violation of any legal or equitable right arising from or in connection with this Agreement shall constitute a waiver of such right and shall preclude the exercise or enforcement of any legal or equitable remedy arising therefrom, unless written notice specifying such breach or violation is provided to the other party within twenty four (24) months after the later of: (a) the date of such breach or violation; or (b) the date of discovery of the facts (or the date the facts could have been discovered, using reasonable diligence) giving rise to such breach or violation.

19.04 Injunctive Relief. Notwithstanding the provisions of Section 18.02, we may obtain in any court of competent jurisdiction any preliminary relief, including temporary restraining orders and preliminary injunctions, against conduct or threatened conduct for which no adequate remedy at law may be available or which may cause us irreparable harm. Any such action for preliminary relief shall be in aid of arbitration and shall not be deemed incompatible with the agreement to arbitrate or constitute a waiver of our right to arbitrate under Section 18.02. We may have such injunctive relief, without bond, but upon due notice, in addition to such further and other relief as may be available at equity or law, and your sole remedy in the event of the entry of such injunction, shall be its dissolution, if warranted, upon hearing duly held (all claims for damages by reason of the wrongful issuance of any such injunction being expressly waived). You and each of your Owners acknowledge that any violation of Sections 7, 13.02(1), 16.02 16.03, or 16.10 would result in irreparable injury to us for which no adequate remedy at law may be available. Accordingly, you and each of your Owners' consent to the issuance of an injunction prohibiting any conduct in violation of any of those Sections and agree that the existence of any claim you or any of your Owners may have against us, whether arising from this Agreement, shall not constitute a defense to the enforcement of any of those Sections.

19.05 Attorneys' Fees. In a judicial or arbitration proceeding, the non-prevailing party agrees to reimburse the prevailing party for all of the prevailing party's costs and expenses, including reasonable accounting, paralegal, expert witness and attorneys' fees.

19.06 Governing Law. This Agreement shall be construed under the laws of the State of Delaware, provided the foregoing shall not constitute a waiver of any of your rights under any applicable franchise law of another state. Otherwise, in the event of any conflict of law, Delaware law will prevail, without regard to its conflict of law principles.

19.07 Successors and Assigns. This Agreement is binding on the parties hereto and their respective executors, administrators, heirs, assigns and successors in interest. This Agreement is fully transferable and assignable by us, whether by operation of law or otherwise (without notice to you, or approval by you) and shall inure to the benefit of any transferee or other legal successor to our interests herein.

19.08 Limitations on Legal Actions. Except with respect to your obligations regarding use of the Marks in Section 5 and the Confidential Information in Section 7.01, and your indemnity obligations in Section 17.02, we and you (and your Owners) each waives, to the fullest extent permitted by law, any right to or claim for any punitive or exemplary damages against the other. You and each of your Owners waive to the fullest extent permitted by applicable law, the right to recover consequential damages (including lost future profits) for any claim directly or indirectly arising from or relating to this Agreement.

You agree that, for our franchise system to function properly, we should not be burdened with the costs of litigating system-wide disputes. Accordingly, any disagreement between you (and your Owners) and us shall be considered unique as to its facts and shall not be brought as a class action, and you (and each of your Owners) waive any right to proceed against us or any of our shareholders, members, managers, Affiliates, officers, directors, employees, agents, successors and assigns by way of class action, or by way of a multi-

plaintiff, consolidated or collective action. In any legal action between the parties, the court shall not be precluded from making its own independent determination of the issues in question, notwithstanding the similarity of issues in any other legal action involving us and any other franchisee, and each party waives the right to claim that a prior disposition of the same or similar issues precludes such independent determination.

FURTHERMORE, THE PARTIES AGREE THAT IN THE EVENT ANY LEGAL ACTION IS FILED IN CONNECTION WITH THIS AGREEMENT, SUCH ACTION SHALL BE TRIED BEFORE A COURT SITTING WITHOUT A JURY, AND ALL PARTIES HERETO WAIVE ANY RIGHT TO HAVE ANY ACTION TRIED BY JURY.

19.09 Construction; Electronic Signatures. The language of this Agreement shall be construed according to its fair meaning and not strictly against any party. The introduction, personal guarantees, exhibits and riders (if any) to this Agreement, are a part of this Agreement, which constitutes the entire Agreement of the parties with respect to the subject matter hereof. Except as otherwise expressly provided herein, there are no other oral or written agreements, understandings, representations or statements relating to the subject matter of this Agreement, other than the franchise disclosure document, that either party may or does rely on or that will have any force or effect. Nothing in this Agreement shall be deemed to confer any rights or remedies on any person or legal entity not a party hereto. This Agreement shall not be modified except by written agreement signed by both parties. Time is of the essence in this Agreement.

To facilitate the execution of this Agreement by geographically separated parties, it may be executed in two or more counterparts, all of which shall constitute one agreement. The execution by one party of any counterpart shall be sufficient execution by that party whether or not the same counterpart has been executed by any other party.

The counterparts of this Agreement and all ancillary documents executed or delivered in connection with this Agreement may be executed and signed by electronic signature by any of the parties to this Agreement, and delivered by electronic or digital communications to any other party to this Agreement, and the receiving party may rely on the receipt of such document so executed and delivered by electronic or digital communications signed by electronic signature as if the original has been received. For the purposes of this Agreement, electronic signature means, without limitation, an electronic act or acknowledgement (e.g., clicking an "I Accept" or similar button), sound, symbol (digitized signature block), or process attached to or logically associated with a record and executed or adopted by a person with the intent to sign the record.

The headings of Sections are for convenience only and do not limit or construe their contents. The word "including" is meant to be illustrative and not exhaustive, and shall be construed to include the words "without limitation." The term "Franchisee" or "you" is applicable to one or more persons, a corporation, limited liability company or a partnership and its owners, as the case may be. If obligations and liabilities to us shall be joint and several. References to a controlling interest in an entity shall mean more than fifty percent (50%) of the equity or voting control of such entity, or the power to direct or cause the direction of management and policies of such entity.

19.10 Approvals and Consents. Whenever this Agreement requires the approval or consent of either party, the other party shall make written request therefor, and such approval or consent shall be obtained in writing; provided however, unless specified otherwise in this Agreement, such party may withhold approval or consent, for any reason or for no reason at all. Furthermore, unless specified otherwise in this Agreement, no such approval or consent shall be deemed to constitute a warranty or representation of any kind, express or implied, and the approving or consenting party shall have no responsibility, liability or obligation arising therefrom.

19.11 Notices and Payments. All notices, requests and reports permitted or required to be delivered by this Agreement shall be deemed delivered: (a) at the time delivered by hand to the recipient party

or any officer, director or partner of the recipient party; (b) one (1) business day after transmission by email, if the sender has confirmation of successful transmission, or the same day it is sent by email if the sender has a confirmation of receipt on that same day; (c) 1 business day after being placed in the hands of a commercial courier service for guaranteed overnight delivery, or (d) five (5) business days after placement in the United States Mail by Registered or Certified Mail, Return Receipt Requested, postage prepaid and addressed to the party to be notified at its most current principal business address of which the notifying party has been notified in writing. All notices to us must include a copy to our General Counsel and our Chief Financial Officer to be effective. All payments and reports required by this Agreement shall be sent to us at the address identified in this Agreement unless and until a different address has been designated by written notice. No restrictive endorsement on any check or in any letter or other communication accompanying any payment shall bind us, and our acceptance of any such payment shall not constitute an accord and satisfaction.

19.12 No Recourse. You acknowledge and agree that except as provided under an express statutory liability for such conduct, none of our past, present or future directors, officers, employees, incorporators, members, partners, stockholders, subsidiaries, Affiliates, controlling parties, entities under common control, ownership or management, vendors, service providers, agents, attorneys or representatives will have any liability for (a) any of our obligations or liabilities relating to or arising from this Agreement, (b) any claim against us based on, in respect of, or by reason of, the relationship between you and us, or (c) any claim against us based on any of our alleged unlawful act or omission. For the avoidance of doubt, this provision constitutes an express waiver of any claims based on a theory of vicarious liability, unless such vicarious claims are authorized by a guarantee of performance or statutory obligation. It is not meant to bar any direct contractual, statutory or common law claim that would otherwise exist.

19.13 The Exercise of Franchisor's Judgment. Whenever Franchisor has reserved in this Agreement a right to take or to withhold an action, or to grant or decline to grant Franchisee a right to take or omit an action, Franchisor may, except as otherwise specifically provided in this Agreement, make its decision or exercise its rights based on information readily available to Franchisor and Franchisor's judgment of what is in the best interests of Franchisor and its Affiliates or the System at the time Franchisor's decision is made, without regard to whether Franchisor could have made other reasonable or even arguably preferable alternative decisions or whether Franchisor's decision promotes Franchisor's or its Affiliates' financial or other individual interest. Franchisor has the absolute right to refuse any request that Franchisee makes or to withhold its approval of any of Franchisee's proposed, initiated or completed actions that require Franchisor's approval.

19.14 Multiple Forms of Agreement. You acknowledge and agree that there may be more than one form of franchise agreement in effect between us and our various Panera Bread Bakery-Cafe franchise owners; those other agreements may contain provisions that may be materially different from the provisions contained in this Agreement; and you are not entitled to rely on any provision of any other agreement with any other Panera Bread Bakery-Cafe franchise owners whether to establish course of dealing, waiver, or estoppel, or for any other purpose.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement on the day and year first above written.

THIS CONTRACT CONTAINS A BINDING ARBITRATION PROVISION WHICH MAY BE ENFORCED BY THE PARTIES.

FRANCHISOR

PANERA, LLC,
a Delaware limited liability company

By: _____
Print Name: _____
Title: _____

FRANCHISEE

If a corporation, partnership, limited a
liability company or other legal entity

(Name of corporation, partnership, limited
liability company or other legal entity)

By: _____
Print Name: _____
Title: _____

By: _____
Print Name: _____
Title: _____

By: _____
Print Name: _____
Title: _____

EXHIBIT A
TO THE FRANCHISE AGREEMENT BETWEEN
PANERA, LLC AND

DATED _____,

1. Operating Principal. The name and home address of the Operating Principal is as follows: _____

2. 2. Form of Entity of Franchisee.

(a) Corporation or Limited Liability Company. Franchisee was organized on _____, _____, under the laws of the State of _____. Its Federal Identification Number is _____. It has not conducted business under any name other than its corporate or company name. The following is a list of all of Franchisee's directors and officers or managing members as of the date of this Agreement.

<u>Name of Each Director/Officer/Managing Member</u>	<u>Position(s) Held</u>
_____	_____
_____	_____
_____	_____
_____	_____

(b) Partnership. Franchisee is a [general] [limited] partnership formed on _____, _____, under the laws of the State of _____. Its Federal Identification Number is _____. It has not conducted business under any name other than its partnership name. The following is a list of all of Franchisee's general partners as of the date of the Agreement.

Name of Each General Partner

3. Owners. Franchisee and each of its Owners represents and warrants that the following is a complete and accurate list of all Owners of Franchisee, including the full name and mailing address of each Owner, and fully describes the nature and extent of each Owner's interest in Franchisee. Franchisee and each Owner as to his/her ownership interest, represents and warrants that each Owner is the sole and exclusive legal and beneficial owner of his/her ownership interest in Franchisee, free and clear of all liens, restrictions, agreements and encumbrances of any kind or nature, other than those required or permitted by this Agreement.

Owner's Name and Address

Percentage and Nature of Ownership Interest

Accepted by Franchisor and made a part of the Agreement as of the date hereof.

PANERA, LLC,
a Delaware limited liability company

Submitted by Franchisee
on the date hereof.

a _____

By: _____
Print Name: _____
Title: _____

Print Name: _____
Title: _____

Owners:

(Signature)

(Print Name)

(Signature)

(Print Name)

EXHIBIT B

PRINCIPAL OWNERS' PERSONAL GUARANTY OF FRANCHISEE'S OBLIGATIONS

("Guaranty")

In consideration of, and as an inducement to, the execution of the Panera, LLC franchise agreement dated as of _____, ____ (the "Agreement") by and between PANERA, LLC ("Franchisor"), and _____ ("Franchisee"), each of the undersigned owners (each a "Guarantor") of a five percent (5%) or greater interest in Franchisee hereby personally and unconditionally: (1) guarantees to Franchisor and its successors and assigns, for the term of the Agreement and thereafter as provided in the Agreement, that Franchisee shall punctually pay and perform each and every undertaking, agreement and covenant set forth in the Agreement (and any amendments) and that each and every representation of Franchisee made in connection with the Agreement (and any amendments) are true, correct and complete in all respects at and as of the time given; and (2) agrees personally to be bound by, and personally liable for the breach of, each and every provision in the Agreement (and any amendments), both monetary obligations and obligations to take or refrain from taking specific actions or to engage or refrain from engaging in specific activities, including, without limitation, the non-competition, confidentiality and transfer requirements. (All capitalized terms used by not defined in this Guaranty will have the meanings set forth in the Agreement.)

Each Guarantor waives: (a) acceptance and notice of acceptance by Franchisor of the foregoing undertakings; (b) notice of demand for payment of any indebtedness or nonperformance of any obligations hereby guaranteed; (c) protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed; (d) any right that any Guarantor may have to require that an action be brought against Franchisee or any other person as a condition of liability; (e) notice of any amendment to the Agreement; and (f) any and all other notices and legal or equitable defenses to which any Guarantor may be entitled.

Each Guarantor consents and agrees that: (i) his or her direct and immediate liability under this Guaranty shall be joint and several; (ii) he or she shall render any payment or performance required under the Agreement upon demand if Franchisee fails or refuses to do so punctually; (iii) such liability shall not be contingent or conditioned upon pursuit by Franchisor of any remedies against Franchisee or any other person; (iv) such liability shall not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence which the Franchisor may from time to time grant to Franchisee or to any other person including, without limitation the acceptance of any partial payment or performance or the compromise or release of any claims, none of which shall in any way modify or amend this guaranty, which shall be continuing and irrevocable until satisfied in full; and (v) this Guaranty will continue in full force and effect for (and as to) any extension or modification of the Agreement and despite the transfer of any direct or indirect interest in the Agreement or Franchisee, and each Guarantor waives notice of any and all renewals, extensions, modifications, amendments or transfers.

Franchisor shall have no present or future duty or obligation to Guarantors under this Guaranty, and each Guarantor waives any right to claim or assert any such duty or obligation, to discover or disclose to Guarantors any information, financial or otherwise, concerning Franchisee, any other guarantor, or any collateral securing any obligations of Franchisee to Franchisor. Without affecting the obligations of Guarantors under this Guaranty, Franchisor may, without notice to Guarantors, extend, modify, supplement, waive strict compliance with, or release all or any provisions of the Agreement 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 the Agreement, and/or assign the Agreement or the right to receive any sum payable under the Agreement, and each Guarantor hereby waives

notice of same. Each Guarantor expressly acknowledges that the obligations hereunder survive the expiration or termination of the Agreement.

In addition, each Guarantor waives any defense arising by reason of any of the following: (a) any disability, counterclaim, right of set-off or other defense of Franchisee, (b) any lack of authority of Franchisee with respect to the Agreement, (c) the cessation from any cause whatsoever of the liability of Franchisee, (d) any circumstance whereby the Agreement shall be void or voidable as against Franchisee or any of Franchisee's creditors, including a trustee in bankruptcy of Franchisee, by reason of any fact or circumstance, (e) any event or circumstance that might otherwise constitute a legal or equitable discharge of Guarantor's obligations hereunder, except that Guarantor does not waive any defense arising from the due performance by Franchisee of the terms and conditions of the Agreement, (f) any right or claim of right to cause a marshaling of the assets of Franchisee or any other guarantor, and (g) any act or omission of Franchisee.

If Franchisor is required to enforce this Guaranty in a judicial proceeding, and prevails in such proceeding, Franchisor shall be entitled to reimbursement of Franchisor's costs and expenses, including, but not limited to, reasonable accountants', attorneys', attorneys' assistants', and expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses, and travel and living expenses, whether incurred prior to, in preparation for, or in contemplation of the filing of any such proceeding. If Franchisor is required to engage legal counsel in connection with any failure by Guarantors to comply with this Guaranty, Guarantors shall reimburse Franchisor for any of the above-listed costs and expenses Franchisor incurs.

All actions arising under this Guaranty or the Agreement, or otherwise as a result of the relationship between Franchisor and any Guarantor, will be resolved in accordance with, and subject to, the dispute resolution provisions in the Agreement. For purpose of clarification, the applicable Guarantor(s) and Franchisee will be deemed to be one party under such dispute resolution provisions.

[signatures appear on following page]

IN WITNESS WHEREOF, each of the undersigned has hereunto affixed his/her signature as of the date first written above.

PERCENTAGE OF OWNERSHIP INTERESTS IN FRANCHISEE	GUARANTOR(S)

_____	_____

(Signature)

(Print Name)

_____	_____

(Signature)

(Print Name)

EXHIBIT C

FRANCHISE ADDENDUM TO LEASE AGREEMENT

THIS FRANCHISE ADDENDUM TO LEASE AGREEMENT (this “**Addendum**”) is entered into this _____ day of _____, 20____, by and between _____, a(n)_____ (“**Landlord**”) and _____, a(n)_____ (“**Franchisee**”) for the benefit of Panera, LLC, a Delaware limited liability company (“**Franchisor**”).

WHEREAS, Franchisee and Franchisor have executed or intend to execute a Franchise Agreement with Panera, LLC (the “**Franchise Agreement**”), pursuant to which Franchisor has granted Franchisee the right to establish and operate a Panera Bread Bakery-Cafe at the following location:_____ (the “**Premises**”);

WHEREAS, Franchisee and Landlord are entering into a lease agreement (the “**Lease**”), pursuant to which Franchisee will lease the Premises from Landlord; and

WHEREAS, Franchisor has required Franchisee to include certain terms in the Lease in order to protect Franchisor’s rights, and Landlord has agreed to such terms.

NOW, THEREFORE, for good and valuable consideration, the receipt of which the parties hereby acknowledge, Landlord and Franchisee agree as follows:

1. Tenant and Landlord acknowledge and agree that Landlord shall: (a) furnish to Franchisor a copy of any default notice served on Franchisee and/or another lessee under the Lease simultaneously with the service of the notice to Franchisee and/or such other lessee; (b) provide Franchisor with notice of any proposed renewals, extensions, modifications and amendments to the Lease; (c) give Franchisor the opportunity, but Franchisor shall not be required, to cure any default by Franchisee or other lessee under the Lease within fifteen (15) days following the expiration of any applicable cure period if Franchisee and/or such other lessee fail to cure such default; and (d) to furnish to Franchisor, at Franchisor’s request, a copy of any sales information for the Premises provided by Tenant. All notices to Franchisor shall be sent to the following address: Panera, LLC, 1400 South Highway Drive, Suite 100, Fenton, MO 63026, Attn: Vice President of Franchise with a copy to General Counsel at the same address, unless Landlord is notified otherwise in writing by Franchisor. No notice to Franchisee shall be effective unless and until a copy thereof is served upon Franchisor.

2. Landlord agrees that if Franchisor exercises its right to cure a default by Franchisee and/or another lessee under the Lease, then Franchisor may, at its option, succeed to Franchisee’s and/or such other lessee’s interests under the Lease and shall be recognized by Landlord as the lessee or sublessee thereunder for the remaining term of the Lease, provided Franchisor notifies Landlord in writing that Franchisor assumes Franchisee’s obligations under the Lease.

3. Franchisee hereby assigns to Franchisor, with Landlord's irrevocable and unconditional consent, all of Franchisee's rights, title and interests to and under the Lease upon any termination or non-renewal of the Franchise Agreement, but no such assignment shall be effective unless: (a) the Franchise Agreement is terminated or expires without renewal; and (b) Franchisor notifies the Franchisee and Landlord in writing that Franchisor assumes Franchisee's obligations under the Lease.

4. The Lease may not be modified, amended, supplemented, renewed, extended or assigned by Franchisee without Franchisor's prior written consent.

5. Landlord and Franchisee hereby acknowledge that Franchisee has agreed under the Franchise Agreement that Franchisor and its employees or agents shall have the right to enter the Premises for certain purposes, without being guilty of trespass or any other tort or crime, including without limitation, to make any modifications or alterations necessary in Franchisor's sole judgment to protect its franchise system, trademarks, trade names, trade dress and other intellectual property.

6. Landlord agrees that upon the expiration or termination of the Franchise Agreement, Franchisor shall have the right to enter the Premises and remove any trade fixtures, interior or exterior signs or other items bearing its trademarks. Landlord agrees upon the expiration or termination of the Franchise Agreement to relinquish to Franchisor any and all liens or other ownership interests, whether by operation of law or otherwise, in and to any tangible property bearing Franchisor's trademarks, service marks or trade dress.

7. Landlord agrees that, if Franchisor succeeds to Franchisee's and/or any other lessee's interests under the Lease for any reason, Franchisor shall have the right to further assign the lease or to sublease the Premises to either an entity owned or controlled by Franchisor, or to another franchise owner of Franchisor upon obtaining Landlord's written consent, which consent may not be unreasonably withheld, conditioned or delayed by Landlord. No assignment permitted under this Section is subject to any assignment or similar fee or will cause any rental acceleration.

8. Upon Franchisor's delivery to Landlord and Franchisee of its election to exercise its rights under this Addendum, Franchisor shall be entitled to all of Franchisee's rights and interests in the Lease, as if Franchisor were the tenant under the Lease, including, by way of example and not limitation, the right to exercise any and all renewal options thereunder, without the need for any further action or instrument.

9. Landlord and Franchisee agree that if Landlord is or becomes an Owner or an Affiliate of the Franchisee, as defined in the Franchise Agreement, and Landlord proposes to sell the Premises, prior to the sale of the Premises, the Lease upon the request of Franchisor shall be amended to reflect a fair market rental rate and other terms that are the reasonable and customary in the community where the Panera Bread Bakery-Cafe is located.

10. Landlord agrees that during and after the term of the Lease, it will not disclose or use Confidential Information (as defined below) for any purpose other than for the purpose of fulfilling Landlord's obligations under the Lease. "Confidential Information" as used herein shall mean all non-public information, whether written, oral, electronic or in other form, provided or disclosed by or on behalf of Franchisee to Landlord, including, without limitation, (i) strategic business information, plans, strategy, and retail production requirements, and (ii) plans, sketches, blue prints, floor plans, and all other information, concepts, designs, and other materials relating to physical layout. Landlord acknowledges that all Confidential Information belongs exclusively to Franchisor. Landlord agrees that should it breach or threaten to breach this provision of this Addendum, Franchisor will suffer irreparable damages and its remedy at law will be inadequate. Therefore, if Landlord threatens or actually breaches this provision, Franchisor (which, along with its successors and assigns, is an intended third party beneficiary of the provisions of this paragraph), shall be entitled to all remedies available to Franchisor at law or in equity, including, without limitation, injunctive relief.

11. Landlord agrees that there shall be no radius clause whereby Franchisee or its affiliates shall be prohibited from opening, operating or having an interest in another Bakery-Cafe in any proximity to the Premises.

12. Under the Franchise Agreement, any lease for the location of a Bakery-Cafe is subject to Franchisor's approval. Accordingly, the Lease is contingent upon such approval.

13. Landlord and Franchisee expressly agree that Franchisor is an intended third-party beneficiary of the terms of this Addendum. Landlord and Franchisee further agree that Franchisor has no liability or

obligation under the Lease unless and until Franchisor exercises its right to assume the Lease under this Addendum.

14. In the event of any inconsistency between the terms of this Addendum and the terms of the Lease, the terms of this Addendum control. All of the terms of this Addendum, whether so expressed or not, are binding upon, inure to the benefit of, and are enforceable by the parties and their respective personal and legal representatives, heirs, successors and permitted assigns. This Addendum may be executed in one or more counterparts, each of which is an original, but all of which together constitute one and the same instrument.

LANDLORD:

[_____] , a [_____]

By: _____
Name: _____
Title: _____

FRANCHISEE:

[_____] , a [_____]

By: _____
Name: _____
Title: _____

EXHIBIT D
INFORMATION SHEET

1. Section 2.01 The location of the Panera Bread Bakery-Cafe is _____ (the “Premises”).
2. Section 2.01 Opening date: _____
3. Section 2.02 The Protected Area shall be _____
4. Section 6.01 Franchise Fee: initial franchise fee \$50,000.00, successor franchise equal to fifty percent (50%) of the then-current initial franchise fee, or transfer fee equal to \$25,000
5. Section 10.05 You must complete your grand opening marketing program within _____ months of opening your Bakery-Cafe. You must spend a minimum of \$_____ on such grand opening marketing program during that time.

FRANCHISOR

PANERA, LLC,
a Delaware limited liability company

FRANCHISEE

a _____

By: _____
Print Name: _____
Title: _____

Print Name: _____
Title: _____

EXHIBIT E-1

OWNER COVENANTS REGARDING CONFIDENTIALITY AND NON-COMPETITION

In conjunction with your investment in _____ (“Franchisee”), a _____, you (“Owner” or “you”), acknowledge and agree as follows:

1. Franchisee owns and operates, or is developing, a Panera Bread Bakery-Cafe located or to be located at _____ pursuant to a franchise agreement dated _____, _____ (“Franchise Agreement”) with Panera, LLC (“Franchisor”), which Franchise Agreement requires persons with legal or beneficial ownership interests in Franchisee under certain circumstances to be personally bound by the confidentiality and noncompetition covenants contained in the Franchise Agreement. All capitalized terms contained herein shall have the same meaning set forth in the Franchise Agreement.
2. You own or intend to own a legal or beneficial ownership interest in Franchisee and acknowledge and agree that your execution of this Agreement is a condition to such ownership interest and that you have received good and valuable consideration for executing this Agreement. Franchisor may enforce this Agreement directly against you and your Owners (as defined below).
3. If you are a corporation, partnership, limited liability company or other entity, all persons who have a legal or beneficial interest in you (“Owners”) must also execute this Agreement.
4. You and your Owners, if any, may gain access to parts of Franchisor’s Confidential Information as a result of investing in Franchisee. The Confidential Information is proprietary and includes Franchisor’s trade secrets. You and your Owners hereby agree that while you and they have a legal or beneficial ownership interest in Franchisee and thereafter you and they: (a) will not use the Confidential Information in any other business or capacity (such use being an unfair method of competition); (b) will maintain the confidentiality of the Confidential Information; and (c) will not make unauthorized copies of any portion of the Confidential Information disclosed in written, electronic or other form. If you or your Owners cease to have an interest in Franchisee, you and your Owners, if any, must deliver to Franchisor any such Confidential Information in your or their possession or control.
5. During the term of the Franchise Agreement and during such time as you and your Owners, if any, have any legal or beneficial ownership interest in Franchisee, you and your Owners, if any, agree that you and they will not, without Franchisor’s written consent (which consent may be withheld at Franchisor’s discretion) directly or indirectly (such as through an Affiliate or through your or their Immediate Families) own any legal or beneficial interest in, or render services or give advice in connection with: (a) any Competitive Business located anywhere; or (b) any entity located anywhere which grants franchises, or licenses interests to others to operate any Competitive Business.
6. For a period of two (2) years, starting on the earlier to occur of the date you or your Owners cease to have any legal or beneficial ownership interest in Franchisee and the effective date of termination or expiration (without renewal) of the Franchise Agreement, neither you nor any of your Owners directly or indirectly (such as through an Affiliate or through your or their Immediate Families) shall own a legal or beneficial interest in, or render services or give advice to: (a) any Competitive Business operating within a radius of five (5) miles of any Panera Bread Bakery-Cafe then in operation or under construction; or (b) any entity which grants franchises or licenses other interests to others to operate any Competitive Business. If you or any of your Owners fail to or refuse to abide by any of the foregoing covenants and Franchisor obtains enforcement in a judicial or arbitration proceeding, the obligations under the breached covenant will be tolled during the period(s) of time that the covenant is breached and/or we seek to enforce it and will continue in effect for a period of time ending two (2) years after the date of the order enforcing the covenant.

7. You and each of your Owners expressly acknowledge the possession of skills and abilities of a general nature and the opportunity to exploit such skills in other ways, so that enforcement of the covenants contained in Sections 5 and 6 will not deprive any of you of your personal goodwill or ability to earn a living. If any covenant herein which restricts competitive activity is deemed unenforceable by virtue of its scope or in terms of geographic area, type of business activity prohibited and/or length of time, but could be rendered enforceable by reducing any part or all of it, you and Franchisor agree that it will be enforced to the fullest extent permissible under applicable law and public policy. In addition to relief as may be available at equity or law, Franchisor may obtain in any court of competent jurisdiction any injunctive relief, including temporary restraining orders and preliminary injunctions, against conduct or threatened conduct for which no adequate remedy at law may be available or which may cause it irreparable harm. You and each of your Owners acknowledges that any violation of Sections 4, 5 or 6 hereof would result in irreparable injury for which no adequate remedy at law may be available. If Franchisor files a claim to enforce this Agreement and prevails in such proceeding, you agree to reimburse Franchisor for all its costs and expenses, including reasonable attorneys' fees.

IN WITNESS WHEREOF, the undersigned have executed and delivered this Agreement as of the date first written above.

OWNER

If an Individual:

If a corporation, partnership, limited liability company or other legal entity:

(Signature)

(Print Name)

(Name of corporation, partnership, Limited liability company or other legal entity)

By: _____
Print Name: _____
Title: _____

OWNERS

By: _____
Print Name: _____

By: _____
Print Name: _____

By: _____
Print Name: _____

EXHIBIT E-2

COVENANTS REGARDING CONFIDENTIALITY

In conjunction with my employment with _____ (“Franchisee”), a _____, I acknowledge and agree as follows:

1. Franchisee owns and operates, or is developing, a Panera Bread Bakery-Cafe located or to be located at _____ pursuant to a franchise agreement dated _____, _____ (“Franchise Agreement”) with Panera, LLC (“Franchisor”), which Franchise Agreement requires management and executive-level employees of Franchisee to be personally bound by the confidentiality covenants contained in the Franchise Agreement. All capitalized terms contained herein shall have the same meaning set forth in the Franchise Agreement.
2. I acknowledge and agree that I may gain access to parts of Franchisor’s Confidential Information as a result of my employment with Franchisee. The Confidential Information is proprietary and includes Franchisor’s trade secrets. I hereby agree that I: (a) will not use the Confidential Information in any other business or capacity (such use being an unfair method of competition); (b) will maintain the confidentiality of the Confidential Information; and (c) will not make unauthorized copies of any portion of the Confidential Information disclosed in written, electronic or other form.
3. In addition to relief as may be available at equity or law, Franchisor may obtain in any court of competent jurisdiction any injunctive relief, including temporary restraining orders and preliminary injunctions, against conduct or threatened conduct for which no adequate remedy at law may be available or which may cause it irreparable harm. I acknowledge that any violation of this Agreement would result in irreparable injury for which no adequate remedy at law may be available. If Franchisor files a claim to enforce this Agreement and prevails in such proceeding, I agree to reimburse Franchisor for all its costs and expenses, including reasonable attorneys’ fees.

IN WITNESS WHEREOF, the undersigned have executed and delivered this Agreement as of the date first written above.

(Signature)

(Print Name)

EXHIBIT C-1 TO FDD

NON-TRADITIONAL LOCATION ADDENDUM TO FRANCHISE AGREEMENT

PANERA, LLC

NON-TRADITIONAL LOCATION
ADDENDUM TO FRANCHISE AGREEMENT

THIS NON-TRADITIONAL LOCATION ADDENDUM (this “Addendum”) is made and entered by and between **PANERA, LLC**, a Delaware limited liability company, with its principal place of business is 1400 South Highway Drive, Suite 100, Fenton Missouri 63026 (“Franchisor”, “we”, “us”, or “our”), and _____, [a _____], whose principal place of business is _____ (“you” or “your”). This Addendum will be deemed effective as of the date below our signature (the “Addendum Effective Date”).

1. **Background.** We and you entered into a Franchise Agreement (the “Franchise Agreement”) dated concurrently herewith, pursuant to which you acquired the right to own and operate a Panera Bakery-Café, which will be located at a Non-Traditional Location (defined below). We and you are signing this Addendum to modify certain provisions of the Franchise Agreement to recognize that your Panera Bakery-Cafe will be located at a Non-Traditional Location. All references in this Addendum to “Sections,” and/or “Exhibits” shall mean the applicable Section and/or Exhibit of and to the Franchise Agreement. All initial capitalized terms used but not defined in this Addendum shall have the meanings set forth in the Franchise Agreement. A “Non-Traditional Location,” is a location at transportation facilities (such as airport facilities, inter-MSA train and/or bus stations, turnpikes or other limited access highway rest stops); hospitals; colleges and universities; sports arenas and entertainment facilities; and retail outlets, grocery stores and supermarkets, or where any locations or its food operations are controlled by a third party or in our judgment should be operated by a third party.

2. **Non-Traditional Location.** You desire to operate a Panera Bakery-Cafe located at a Non-Traditional Location (a “Non-Traditional Bakery-Cafe”). You and we acknowledge and agree that the products and services offered for sale from the Non-Traditional Bakery-Cafe, and our standards and specifications, may differ from that of a traditional Panera Bread Bakery-Cafe and will be subject to alternative standards and specifications developed and made available by us and our affiliates. The term “Bakery-Cafe” in the Franchise Agreement shall be replaced with “Non-Traditional Bakery-Cafe”.

3. **Grant of Franchise.** Section 2.01 of the Franchise Agreement is deleted in its entirety and replaced with the following language:

“**2.01 Grant of Franchise.** You desire to operate a Panera Bakery-Cafe located at the Non-Traditional Location (a “Non-Traditional Bakery-Cafe”) identified on Exhibit D and to use the System and the Marks solely in connection therewith, for a term starting from and after date hereof and, unless sooner terminated as provided herein, and expire the earlier of ten (10) years thereafter or when the Lease terminates. You may not conduct the business of your Non-Traditional Bakery-Cafe or use the System at any site other than the Premises without our prior written consent. You may not relocate your Non-Traditional Bakery-Cafe, without our prior written consent and paying our standard relocation fee for a Non-Traditional Bakery-Cafe which currently is Seven Thousand Five Hundred Dollars (\$7,500).”

4. **Site Acceptance.** Section 3.01 of the Franchise Agreement is deleted in its entirety and replaced with the following language:

“**3.01 Site Acceptance.** You acknowledge that you located, and we have accepted, the Premises, and you negotiated, and we accepted the lease for the Premises (“Lease”), before you signed this Agreement. The Premises shall be located within or adjacent to a Non-Traditional Location, which is set forth on Exhibit D. If the placement and operation of the Non-Traditional Bakery-Cafe in or in connection with the Non-Traditional Location requires the consent of the owner, franchisor, and/or licensor of the Non-Traditional Location, you agree to obtain such consent in writing (and provide a copy to us), and you acknowledge and agree that such consent is a condition precedent to the grant of your right to establish and operate the Non-Traditional Bakery-Cafe. You acknowledge and agree that the Premises will be

strictly limited to the physical area within the Non-Traditional Location occupied by the Non-Traditional Bakery-Cafe. The Premises cannot and will not under any circumstances be defined as a geographic area or be described in terms other than a specific location within the Non-Traditional Location. Neither our acceptance of the Premises nor any information communicated to you regarding our standard site selection criteria for Panera Bread Bakery-Cafes or the specific location of the Premises constitutes a warranty or representation of any kind, express or implied, as to the suitability of the Premises for any Panera Bread Bakery-Cafe or for any other purpose. Our acceptance of the Premises merely signifies that we are willing to grant a franchise for a Non-Traditional Bakery-Cafe at that location. Your decision to develop and operate a Non-Traditional Bakery-Cafe at the Premises is based solely on your own independent investigation of the suitability of the Premises for a Non-Traditional Bakery-Cafe. In consideration of our acceptance of the Premises, you and your Owners release us, and our Affiliates, officers, directors, employees and agents from any and all loss, damages and liability arising from or in connection with the selection and/or acceptance of the Premises for development as a Panera Bread Bakery-Cafe. Our approval of the Lease does not constitute a warranty or representation of any kind, express or implied, as to its fairness or suitability or as to your ability to comply with its terms. We do not, by virtue of approving the Lease, assume any liability or responsibility to you or to any third parties.”

5. **Purchase or Lease of Premises.** Section 3.02 of the Franchise Agreement is deleted in its entirety.

6. **Computer System.** The first and second paragraphs of Section 3.05 of the Franchise Agreement is deleted and replaced with the following language:

“3.05 **Computer System.** Before opening the Non-Traditional Bakery-Cafe, you must obtain and install, at your expense, the computer hardware, software, internet connections and service, other computer-related and point-of-sale related accessories, and all equipment components and software necessary for you to accept and process our gift and loyalty cards and participate in our gift card, customer loyalty, affinity and similar programs (the “Computer System”). It is your sole and complete responsibility to: (1) obtain and maintain such high-speed communications access as we require for the Computer System; (2) obtain and use a point-of-sale system as required by the Non-Traditional Location; (3) ensure that the Computer System interfaces with our and any third party’s computer system; and (4) further ensure that the Computer System otherwise complies with our System Standards. You also agree to maintain a functioning e-mail address.

You agree to provide promptly all assistance we request or require to bring the Computer System online with our computers, networks and systems to maintain all connections we request and require from time to time. You agree to input and maintain in the Computer System all data and information which we prescribe in the Operations Manual, in related manuals, or otherwise. We may retrieve from the Computer System all information that we consider necessary, desirable or appropriate. If we cannot retrieve the information, you agree to provide any information maintained in the Computer System as we may request and shall obtain cooperation of third-party service providers/vendors as necessary. You must accurately, consistently and completely record and provide through the Computer System all information concerning the operation of the Bakery-Cafe that we require, in the form and at the intervals we require.

7. **Our Training Programs.** We and you each acknowledge and agree that we may modify the training provided pursuant to Section 4.01 of the Franchise Agreement to account for operation of a Non-Traditional Bakery-Cafe.

8. **Operations Manual.** The following is hereby added to the end of Section 4.03 of the Franchise Agreement:

“You acknowledge that the Operations Manual includes information that may not be applicable to the Non-Traditional Bakery-Cafe.

9. **Initial Franchise Fee.** Section 6.01 of the Franchise Agreement is deleted in its entirety and replaced with the following language:

“**6.01** You agree to pay us upon signing this Agreement a nonrecurring and nonrefundable initial franchise fee in the amount of Twenty-Five Thousand Dollars (\$25,000), which we will fully earn upon execution of this Agreement.”

10. **Specifications and Standards.** The first sentence of Section 9.05 of the Franchise Agreement is deleted and replaced with the following language:

“You acknowledge that the signs, equipment configuration, menu, products, services, size, specifications, and appearance of the Non-Traditional Bakery-Cafe offered pursuant to this Agreement may significantly differ from that of a traditional Panera Bread Bakery-Cafe and will be subject to alternative standards and specifications developed and made available by us. Changes in the standards, specifications, and procedures applicable to the operation of the Non-Traditional Bakery-Cafe and related common areas may become necessary and desirable from time to time, and you agree to accept and comply with such modifications and revisions.”

11. **Common Areas.** The following is hereby added as a new Section 9.16 to the Franchise Agreement:

9.16 Common Areas. If the Non-Traditional Bakery-Cafe shares a common customer seating, storage area, and/or freezer with any other business operated on the Premises, you will maintain the common customer seating, storage area, and/or freezer in accordance with the applicable provisions of the Operations Manual. If each of the businesses operated at the Premises has a separate restroom facility, the restroom located at the Non-Traditional Bakery-Cafe shall be maintained in accordance with our standards for restroom cleanliness and repair. If there is only one restroom facility located on the Premises, it shall be maintained in accordance with our standards for cleanliness and repair.”

12. **Insurance.** Notwithstanding anything to the contrary in Section 9.08 of the Franchise Agreement, we and you agree that we may modify the insurance requirements to account for operation of a Non-Traditional Bakery-Cafe.

13. **Marketing and Advertising.**

(a) **National Advertising Fund (NAF).** The first paragraph of Section 10.01 of the Franchise Agreement is deleted and replaced with the following language:

“**10.01 National Advertising Fund (NAF).** We administer a National Advertising Fund (“NAF”) for the creation and development of marketing, advertising and related programs and materials, including electronic, print and Internet media as well as the planning and purchasing of national and/or regional network advertising. You must contribute to the NAF an amount up to two and six tenths percent (2.6%) of your Non-Traditional Bakery-Cafe’s Net Sales, payable on the first business day following the immediately preceding Reporting Period together with the Royalty Fees due hereunder. At our discretion, NAF contributions may be electronically drafted from the designated account referred to in Section 6.04 hereof.

(b) **Local Advertising Funds (LAF).** Section 10.02 of the Franchise Agreement is deleted in its entirety.

(c) **Advertising Approvals and Initial Advertising Costs.** The second paragraph of Section 10.04 of the Franchise Agreement is deleted and replaced with the following language:

“In addition to your contributions to the NAF, you shall spend a minimum of Two Thousand Five Hundred Dollars (\$2,500) for grand opening advertising and promotional programs for your Non-Traditional Bakery-Cafe pursuant to a grand opening marketing plan developed by us or developed by you and approved by us prior to implementation. You must use the types of advertising media specified in Section 10.02, and your grand opening program must be executed within ninety (90) days after your Non-Traditional Bakery-Cafe commences operation.”

14. **Inspections.** Section 12.01 of the Franchise Agreement is deleted and replaced with the following language:

“**12.01 Inspections.** You acknowledge that we shall require access to the Non-Traditional Bakery-Cafe and the Premises in order to effectuate the terms of this Agreement. Accordingly, you hereby agree that you will obtain the right, on your and our behalf, to enter the Non-Traditional Location, the Non-Traditional Bakery-Cafe, the common areas and all other areas of the Premises from any and all persons whose approval is required for the purpose of effectuating the terms of this Agreement. We and our designated agents shall have the right, from time to time, to enter upon the entire Premises of the Non-Traditional Bakery-Cafe and common areas during business hours to: (a) inspect your Non-Traditional Bakery-Cafe; (b) observe, photograph, and/or audio/video record the operations of your Non-Traditional Bakery-Cafe; (c) remove samples of any food and beverage products, materials or supplies for testing and analysis; and (d) interview personnel and customers of your Non-Traditional Bakery-Cafe. You agree to cooperate fully with such activities. If we determine that you Non-Traditional Bakery-Cafe fails to meet our minimum standards (as we may determine from time to time), we may charge you our standard re-inspection fee for any follow-up inspection relating for such failure. The current amount of the reinspection fee is Three Thousand Five Hundred Dollars (\$3,500.00). You shall furnish to us immediately upon receipt by you all inspection reports, citations or warnings received from municipal or other authorities. You acknowledge that any evaluation or inspection that we or our designated agents or representatives conduct is conducted in order to protect our interests in the System and Marks and is not intended to exercise, and does not constitute, in whole or in part, control over the day-to-day operation of your Non-Traditional Bakery-Cafe and you agree to never contend otherwise.

15. **Records.** The following language is added to the end of Section 11.01 of the Franchise Agreement:

“You acknowledge and agree that if the Computer System you use at the Non-Traditional Bakery-Cafe will record sales from third party businesses within the Non-Traditional Location, then the Computer System must differentiate between your sales at the Non-Traditional Bakery-Cafe and those of such third party businesses.”

16. **No Other Modifications.** Except as expressly set forth herein, all of the terms and conditions of the Franchise Agreement shall remain in full force and effect. If there is a conflict between the terms of the Franchise Agreement and the terms of this Addendum, the terms of this Addendum shall control.

17. **Due Authorization.** The person or persons executing this Addendum on behalf of us and you each, respectively, certify and warrant that they are duly authorized to execute this Addendum and that this Addendum is a valid, binding and enforceable agreement on such party.

18. **Counterparts.** This Addendum may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument, notwithstanding that all parties are not signatory to the original or the same counterpart. The parties agree that an electronic transmission, including email, of any duly executed copy of this Addendum constitutes an original and binding document.

19. **Entire Agreement.** This Addendum is annexed to and forms part of the Franchise Agreement, and constitutes the entire understanding of the parties with respect to the subject matter hereof and may not be further modified or amended except in a written agreement signed by us and you.

20. **Confidentiality.** You agree, except as required by law, not to disclose the existence of this Addendum or any of its terms or conditions to any other person or entity without the prior written consent of a duly authorized officer of ours. You further acknowledge and agree that failure to comply with this Section is a material breach of the terms of this Addendum for which we may terminate this Addendum in its entirety.

21. **Electronic Signature.** The counterparts of this Addendum and all ancillary documents executed or delivered in connection with this Addendum may be executed and signed by electronic signature by any of the parties to this Addendum, and delivered by electronic or digital communications to any other party to this Addendum, and the receiving party may rely on the receipt of such document so executed and delivered by electronic or digital communications signed by electronic signature as if the original has been received. For the purposes of this Addendum, electronic signature means, without limitation, an electronic act or acknowledgement (e.g., clicking an "I Accept" or similar button), sound, symbol (digitized signature block), or process attached to or logically associated with a record and executed or adopted by a person with the intent to sign the record.

IN WITNESS WHEREOF, the parties have executed and delivered this Addendum on the dates noted below, to be effective as of the Addendum Effective Date.

FRANCHISOR:

PANERA, LLC, a Delaware limited liability company

By: _____

Printed Name: _____

Its: _____

Date*: _____

*Addendum Effective Date

FRANCHISEE:

_____, a _____

By: _____

Printed Name: _____

Its: _____

EXHIBIT C-2 TO FDD

DEVELOPMENT AND OPERATIONS AGREEMENT FOR NON-TRADITIONAL LOCATIONS

**PANERA BREAD BAKERY-CAFE®
DEVELOPMENT AND OPERATIONS AGREEMENT**

**ENTERED INTO
BY AND BETWEEN**

PANERA, LLC

AND

AS OF _____

TABLE OF CONTENTS

Section Number

Page Number

1.	INTRODUCTION.....	1
1.1	Panera Bread Bakery-Cafes.	1
1.2	Franchisee Business.	1
1.3	Franchisee’s Acknowledgments.	1
1.4	Franchisee’s Representations.2	
1.5	Certain Definitions.	2
2.	GRANT OF RIGHTS.	2
2.1	Rights to Panera Bread Bakery-Cafes.....	2
2.2	Reservation of Rights..	2
2.3	Term and Renewal.....	2
3.	DEVELOPMENT OF PANERA BREAD BAKERY-CAFES.....	3
3.1	Site Selection for Panera Bread Bakery-Cafes.	3
3.2	Location Approval Process.	3
3.3	Development of the Premises of Each Bakery-Cafe.	4
3.4	Equipment, Furniture, Fixtures and Signs.	5
3.5	Computer System.	5
3.6	Opening Assistance.	6
4.	TRAINING.	6
4.1	Training Programs.....	6
4.2	On-Going Guidance.....	7
5.	FEES.	7
5.1	Initial Franchise Fees.....	7
5.2	Royalty Fees.	7
5.3	Miscellaneous Administrative Fees	7
5.4	Designated Account..	8
5.5	Payment Due Date/Interest On Late Payments.	8
5.6	Application of Payments..	8
6.	PANERA BREAD BAKERY-CAFE OPERATING STANDARDS.	8
6.1	Condition of Bakery-Cafes.....	8
6.2	Uniform Image.	9
6.3	Purchase of Ingredients and Food and Beverage Products.....	9
6.4	Specifications and Standards.	10
6.5	Compliance With Laws.	10

TABLE OF CONTENTS

<u>Section Number</u>	<u>Page Number</u>
6.6	Personnel..... 11
6.7	Insurance..... 11
6.8	Quality Control..... 11
6.9	Test Marketing..... 12
6.10	Pricing..... 12
6.11	Customer Data..... 12
6.12	Credit Cards..... 13
6.13	Discounts, Giveaways and Other Promotions..... 13
6.14	Gift Cards, Loyalty and Incentive Programs..... 13
6.15	Facility Agreements..... 13
7.	MARKETING AND ADVERTISING..... 14
7.1	National Advertising Fund (NAF)..... 14
7.2	Marketing Administration Fee (MAF)..... 15
7.3	Advertising Approvals and Initial Advertising Costs..... 15
7.4	Grand Opening Spend..... 15
7.5	System Website; Franchisee Websites..... 15
7.6	Social Media Sites..... 15
8.	RECORDS AND REPORTS..... 16
8.1	Records..... 16
8.2	Periodic Reports..... 16
9.	INSPECTIONS AND AUDITS..... 16
9.1	Inspections..... 16
9.2	Audits..... 17
9.3	Delegation of Panera's Duties..... 17
10.	INTELLECTUAL PROPERTY RIGHTS AND OBLIGATIONS..... 17
10.1	Ownership of the Intellectual Property..... 17
10.2	Authorized Use of the Intellectual Property..... 17
10.3	No Unauthorized Use of Intellectual Property..... 17
10.4	Intellectual Property Notices..... 18
10.5	Discontinuance of Use of Intellectual Property..... 18
10.6	Notification of Infringements and Claims for Intellectual Property..... 18
10.7	Indemnification of Franchisee Regarding Marks..... 18
11.	RESTRICTIVE COVENANTS..... 18
11.1	Confidential Information..... 18

TABLE OF CONTENTS

<u>Section Number</u>	<u>Page Number</u>
11.2 In-Term Covenants.	19
11.3 Information Exchange.	19
12. TRANSFER.	19
12.1 Transfer by Panera.	19
12.2 Transfer by Franchisee Subject to Panera’s Consent.	20
12.3 Panera’s Consent.	20
13. DEFAULT AND TERMINATION.	20
13.1 Events of Default by Franchisee.	20
13.2 Events of Default by Either Party.	21
13.3 Remedies for Event of Default.	21
13.4 Liquidated Damages.	21
13.5 Franchisee Loss of Location Rights.	22
13.6 Additional Remedies.	22
13.7 No Court Order.	22
14. EFFECT OF TERMINATION OR EXPIRATION.	22
14.1 Payment of Amounts Owed.	22
14.2 Discontinue Use of Marks and Confidential Information.	22
14.3 Post-Term Covenants.	23
14.4 Continuing Obligations.	23
15. RELATIONSHIP OF THE PARTIES.	23
15.1 Independent Contractors.	23
15.2 Indemnification.	24
15.3 Taxes.	25
16. DISPUTE RESOLUTION.	25
16.1 Mediation.	25
16.2 Arbitration.	26
16.3 Jurisdiction.	27
16.4 Governing Law.	27
16.5 Injunctive Relief.	27
16.6 No Punitive Damages.	27
16.7 Attorneys’ Fees.	27
16.8 Survival.	27
17. MISCELLANEOUS.	27
17.1 Severability.	27

TABLE OF CONTENTS

<u>Section Number</u>	<u>Page Number</u>
17.2 Severability and Substitution of Provisions.....	27
17.3 Waiver of Obligations.	28
17.4 Exercise of Rights.	28
17.5 Successors and Assigns.	28
17.6 Entire Agreement.	28
17.7 Construction.	28
17.8 Approvals and Consents.	29
17.9 Notices.	29
17.10 Franchisee’s Representations and Warranties.	29
17.11 Panera’s Representations and Warranties.	30
17.12 Public Announcements.	30
17.13 Business Integrity.	30
17.14 Further Assurances.	30
 Appendix A - Definitions	
Exhibit 1 - Form of Site Addendum	

PANERA BREAD BAKERY-CAFE DEVELOPMENT AND OPERATIONS AGREEMENT

This Development and Operations Agreement (this “Agreement”) is made as of this ____ day of____, ____ (the “Effective Date”) between **PANERA, LLC** (“Franchisor”, “we”, “us” or “Panera”), a Delaware limited liability company, with its principal place of business located at 1400 South Highway Drive, Suite 100, Fenton, MO 63026, and _____ (“____”, “Franchisee,” or “you”), a _____ organized under the laws of _____, with its principal place of business located at _____ (Panera and Franchisee are sometimes referred to herein individually as a “Party” and collectively as the “Parties”).

1. INTRODUCTION.

1.1 **Panera Bread Bakery-Cafes.** Panera and its Affiliates own, operate and franchise Panera Bread Bakery-Cafes, specializing in the retail sale of high-quality food in a warm, friendly and comfortable environment. Our key menu groups are sandwiches, salads, soups, baked goods, pasta dishes and side items, and beverages, as well as other menu items and merchandise related to the Panera Bread concept, as we may authorize from time to time. Panera Bread Bakery-Cafes operate using the System and the Marks.

1.2 **Franchisee Business.** Franchisee is a food service management company, providing a variety of branded and non-branded food services (“Food Services Business”) at various locations within institutions and other similar venues (“Non-Traditional Locations”) pursuant to occupancy or management agreements (each a “Facility Agreement”) with the owners of the Non-Traditional Locations (each a “Location Owner”).

1.3 **Franchisee’s Acknowledgments.**

1.3.1 Franchisee has read and understands the terms of this Agreement and accept them as being necessary to maintain the uniformity of our high-quality standards at all Panera Bread Bakery-Cafes in order to protect and preserve the goodwill of the Marks and the integrity of the System.

1.3.2 Franchisee has conducted an independent investigation of the business contemplated by this Agreement and recognize that the restaurant industry is highly competitive, with constantly changing market conditions.

1.3.3 Franchisee recognizes that the nature of Panera Bread Bakery-Cafes may change over time, that an investment in a Panera Bread Bakery-Cafe involves business risks, and that the success of the venture is largely dependent on your own business abilities, efforts and financial resources.

1.3.4 Franchisee understands that attracting customers to its Bakery-Cafe(s) will require you to make consistent marketing efforts in your community through various methods, including media advertising, social media advertising, search engine marketing, search engine optimization, direct mail advertising, and display and use of in-Bakery-Cafe(s) promotional materials;

1.3.5 Franchisee understands that retaining customers for its Bakery-Cafe will require it to have a high-level of customer service and adhere strictly to the System, and that Franchisee is committed to maintaining the System;

1.3.6 Franchisee has not received from Panera, and are not relying upon, any representations or guarantees, express or implied, as to the potential volume, sales, income or profits of a Panera Bakery-Cafe;

1.3.7 Franchisee has received as one document at one time a copy of this form of Agreement, the exhibits thereto, and the applicable complete franchise disclosure document not less than fourteen (14) days prior to the earlier of: (i) the date on which this Agreement or any other agreement relating thereto was executed, and (ii) the payment of any consideration by or on behalf of you relating to this Agreement, and the franchise associated therewith

(except, where applicable, any deposited permitted under applicable law);

1.3.8 Franchisee acknowledges that Panera the right to restrict your sources of Food and Beverage Products and other goods and services, as provided in various sections of this Agreement, including Section 6; and

1.3.9 you have been afforded an opportunity to ask any questions you have, to review any materials of interest to you concerning the franchise opportunity for Panera Bread Bakery-Cafes, and we have encouraged you to have this Agreement and all other agreements and materials we have given or made available to you reviewed by an attorney and have either done so or waive your right to do so.

1.4 **Franchisee's Representations.** Franchisee represents and warrants to Panera that:

1.4.1 Franchisee has not knowingly made any untrue statement of any material fact nor has knowingly omitted to state any material fact in obtaining the rights granted hereunder; and

1.4.2 The execution and performance of this Agreement will not violate any other agreement to which Franchisee or any of its Affiliates may be bound.

1.4.3 Franchisee (or an Affiliate) has been in business for at least five (5) years and has a net worth in excess of \$7,348,000 and therefore acknowledges that Panera is not subject to the FTC Rule on Franchising (16 CFR Part 430 – Disclosure Requirements and Prohibitions Concerning Franchising) in connection with this transaction.

1.5 **Certain Definitions.** Any initially capitalized terms not otherwise defined herein shall have the meanings given them in Appendix "A". Where the context requires, such definitions shall include the plural as well as the singular.

2. GRANT OF RIGHTS.

2.1 **Rights to Panera Bread Bakery-Cafes.**

2.1.1 Panera hereby grants Franchisee the right, and Franchisee hereby accepts the obligation, to develop and operate Panera Bread Bakery-Cafes at mutually agreed upon Non-Traditional Locations located within the continental United States of America, and to use the System in connection therewith, on the terms and conditions contained in this Agreement.

2.1.2 Franchisee may not license others, directly or indirectly, the rights granted hereunder.

2.2 **Reservation of Rights.** Except as otherwise expressly provided in Section 3.2.3, Panera and its Affiliates (and their respective successors and assigns, by purchase, merger, consolidation or otherwise) retain all of their respective rights and discretion with respect to the Marks, the System and Panera Bread Bakery-Cafes anywhere in the world, and the right to engage in any business whatsoever, whether or not competitive with Franchisee's Panera Bread Bakery-Cafes and without consideration of any actual or threatened impact on Franchisee's sales or profits, on such terms and conditions as they may deem appropriate, including the right to operate, and grant others the right to operate, Panera Bread Bakery Cafes and other food service establishments selling competitive products located in the market area of any Bakery-Cafes operated by Franchisee hereunder. Franchisee acknowledges and agrees that, except as provided to the contrary in Section 3.2.3, Franchisee's rights hereunder are non-exclusive.

2.3 **Term and Renewal.** Unless sooner terminated in accordance with the provisions of this Agreement, this Agreement shall commence on the Effective Date and shall expire on the expiration date of the last effective Site Addendum (the "Term"). Neither Party shall have any right or obligation to extend or renew this Agreement, and any extension or renewal shall be subject to mutual agreement of the Parties.

3. DEVELOPMENT OF PANERA BREAD BAKERY-CAFES.

3.1 **Site Selection for Panera Bread Bakery-Cafes.** Franchisee may only develop and operate Panera Bread Bakery-Cafes at locations authorized by Panera pursuant to Section 3.2. Franchisee is solely responsible for selecting the location of, and developing, each Panera Bread Bakery-Cafe, for all expenses associated therewith and for compliance with the Policy Manual (subject to variations mandated by Facility Requirements, which variations are subject to Panera's approval, not to be unreasonably withheld) and all Legal Requirements. Franchisee shall submit all plans and specifications (whether comprising its own plans or modifications to Panera's prototype plans and/or drawings) to Panera for its approval before starting to develop each Panera Bread Bakery-Cafe. All development must be in accordance with the plans and specifications Panera has approved and must comply with all Legal Requirements. All prototype plans and drawings for any Panera Bread Bakery-Cafe shall be Panera's sole and exclusive property, and Franchisee may claim no interest therein.

3.2 **Location Approval Process.** Franchisee may open and operate Panera Bread Bakery-Cafes only at Non-Traditional Locations approved by Panera, as follows:

3.2.1 Franchisee must submit to Panera for approval (which approval will not be unreasonably withheld, conditioned or delayed), in accordance with procedures Panera establishes from time to time, a completed site application form (including information about general location and neighborhood, demographic information, access, visibility, size, condition, appearance and other physical characteristics and other commercial information required by Panera) for each proposed site for a Panera Bread Bakery-Cafe at an Non-Traditional Location. Panera will approve or disapprove each site for which Franchisee submits a complete site application form and, if Panera approves the site, Panera will do so by delivering its standard Site Addendum pursuant to Section 3.2.2. Panera will use all reasonable efforts to make a site acceptance decision and, if the site is accepted, deliver a Site Addendum within thirty (30) days after Panera receives the complete site application form (including complete and accurate description of all relevant Facility Requirements and copies of the Facility Agreements that are relevant to the proposed site) and any other materials Panera reasonably requests. In deciding whether to accept or reject a site, Panera may consider such factors as Panera, in its reasonable discretion, deems appropriate, including the ability of Panera and/or its Approved Suppliers to cost-effectively provide requisite services to the proposed site, Panera's willingness to have a Panera Bread Bakery-Cafe operating in the particular jurisdiction of the proposed site under the Facility Requirements and Panera's evaluation of the other types of food service operations then existing or anticipated to be operated at the Non-Traditional Location. In considering the Facility Requirements, Panera may reasonably request that: (a) Franchisee seek certain modifications, deletions or additions to the Facility Requirements in order to ensure the integrity of the Panera Bread concept; and (b) the Location Owner and Franchisee each exercise commercially reasonable efforts to maintain the integrity of the Panera Brand Bakery-Cafe concept in the context of the Facility Requirements approved by Panera. Neither Panera's acceptance of a proposed site, nor any information communicated to Franchisee regarding Panera's standard site selection criteria or the proposed site, constitutes a warranty or representation of any kind, express or implied, as to the suitability of the proposed site for a Panera Bread Bakery-Cafe or for any other purpose. Panera's acceptance of a proposed site merely signifies that Panera is willing to grant the right to develop and operate a Panera Bread Bakery-Cafe at that location in accordance with the terms of this Agreement. Franchisee's decision to develop and operate a Panera Bread Bakery-Cafe at any site is based solely on its own independent investigation of the suitability of the site for a Panera Bread Bakery-Cafe.

3.2.2 Upon Panera's approval of a site pursuant to Section 3.2.1, Panera will authorize Franchisee to develop and operate a Panera Bread Bakery-Cafe at the site for a period of ten (10) years, starting from the effective date of the Site Addendum, in accordance with the terms of this Agreement by delivering to Franchisee a completed Site Addendum. The current form of the Site Addendum is attached hereto as Exhibit 1. Each Site Addendum will identify: (a) a geographic area ("Protected Area") consisting of the physical structure or legal boundaries of the particular Non-Traditional Location, unless the Parties agree to and have identified a different geographic area in the Site Addendum, and (b) any operational variances, non-competition variances, and other variances applicable to the particular Non-Traditional Location. The Site Addendum must be executed by Franchisee and returned to Panera, along with payment of the initial franchise fee under Section 5.2, not later than thirty (30) days after Panera delivers it

to Franchisee. If Panera does not timely receive the fully executed Site Addendum, or full payment of the initial franchise fee, Panera may revoke its authorization to develop and operate a Panera Bread Bakery-Cafe at the site.

3.2.3 During the Term, Panera will not operate (directly or through an Affiliate), nor grant to another person the right to operate, any Panera Bread Bakery-Cafes located within the Protected Area of a Bakery-Cafe owned by Franchisee hereunder.

3.2.4 Panera may, at its sole discretion, grant Franchisee the non-exclusive right to provide offsite catering and delivery services for certain food and beverage products Panera may authorize from time to time within a geographical area around each Bakery-Cafe that Panera may designate from time to time (“Catering/Delivery Area”). Franchisee may not provide any such services to or at locations outside the Catering/Delivery Area without Panera’s prior consent. Any consent to provide such services beyond the Catering/Delivery Area may be revoked at any time. Franchisee acknowledges and agrees that Panera has the right, in its sole discretion, at any time and from time to time, to revoke its authorization that Franchisee’s Bakery-Cafes may provide offsite catering or delivery services and to modify or reduce any Catering/Delivery Area. In such event, Franchisee agrees to promptly discontinue offsite catering or delivery services in the affected geographical area(s), notwithstanding that Franchisee may have provided such services within such area prior thereto. Franchisee will not be entitled to any compensation for any elimination or reduction of any Catering/Delivery Area.

3.3 **Development of the Premises of Each Bakery-Cafe.**

3.3.1 Franchisee is solely responsible for developing each Bakery-Cafe, for all associated expenses and for compliance with all Legal Requirements. Panera will furnish Franchisee with an operational concept plan and specifications for each Bakery-Cafe. The operational concept plan and specifications will not contain the requirements of any Legal Requirements. Franchisee shall review and modify (if necessary) the operational concept plan and specifications to ensure that they comply with all Legal Requirements and any Facility Requirements. Franchisee acknowledges that design quality is important to Panera and that Panera has the right to review and approve all plans and specifications and to confirm that construction is completed in conformance with the plans and specifications it has approved. Franchisee must employ an architect and/or engineer acceptable to Panera. Franchisee must submit all such modified plans and specifications, including design specifications, to Panera for its approval before starting to construct and/or improve the premises of any Bakery-Cafe. All final plans, including any changes required by any Legal Requirements and Facility Requirements, are subject to Panera’s approval, which will not be unreasonably withheld. Franchisee must submit any revised plans and specifications to Panera for its approval. Panera’s review and approval of Franchisee’s plans is not designed to assess compliance with Legal Requirements, as compliance with such laws is Franchisee’s sole responsibility. All construction and/or improvements and any signage must comply with all Legal Requirements and must be in accordance with the plans and specifications Panera has approved.

3.3.2 Panera will furnish such guidance to Franchisee in developing the premises of each Bakery-Cafe as Panera deems appropriate. Panera may periodically inspect the premises of each Bakery-Cafe during its development. Panera does not, by approving Franchisee’s plans or specifications or inspecting the premises of any Bakery-Cafe, assume any liability or responsibility to Franchisee or to any third parties. Such approvals and inspections shall be solely for the purpose of assuring compliance with Panera’s standards and shall not be construed as any express or implied representation or warranty that Franchisee’s Bakery-Cafe complies with any Legal Requirements or that the construction thereof is sound or free from defects. All prototype and modified plans and specifications for Franchisee’s Bakery-Cafes remain Panera’s sole and exclusive property, and Franchisee may claim no interest therein. Franchisee shall execute such work-for-hire or intellectual property assignment agreements as Panera requires to confirm its ownership of all such plans and specifications, and shall cause appropriate third parties (e.g., architect) to execute similar agreements, as well as confidentiality agreements.

3.3.3 Franchisee agrees to obtain (or cause the Location Owner to obtain) all required permits and licenses as soon as reasonably possible to commence construction of each Bakery-Cafe. Franchisee must procure (or cause its construction contractor to procure) construction insurance customary for the type of work to be performed

in commercially reasonable amounts and coverages. Franchisee must provide Panera with periodic progress reports during construction in a format acceptable to Panera. Panera has the right to visit and inspect, at its sole discretion, the site during the construction phase. Such visits shall be Panera's expense, except for visits made upon Franchisee's request, which shall be at Franchisee's expense.

3.3.4 The requirement to complete construction of each Bakery-Cafe includes obtaining all required construction and occupancy licenses and permits, developing the premises, installing all required fixtures, furnishings, equipment and signs, and doing all other things as may be required pursuant to this Agreement or by practical necessity to have such Bakery-Cafe ready to open for business. No Bakery-Cafe may be opened for business until Panera has notified Franchisee that the Bakery-Cafe meets its requirements for opening, including written confirmation that construction has been completed in accordance with the approved plans and specifications.

3.3.5 Franchisee acknowledges and agrees that Panera has the right to withhold and/or defer its notice authorizing Franchisee to open any Bakery-Cafe for business to the public if Panera determines, at its discretion, that any Panera Bread Bakery-Cafe owned by Franchisee fails to meet Panera's benchmark operational standards it establishes from time to time for those Panera Bread Bakery-Cafes. Franchisee agrees not to open any Bakery-Cafe to the public without such notice and Franchisee acknowledges and agrees that Panera will not be liable for exercising its rights under the foregoing sentence, including any claims that the exercise of such rights has caused any Bakery-Cafe not to open or have delayed its opening.

3.3.6 Following the opening of a Bakery-Cafe, Franchisee has sixty (60) days to provide Panera with a final set of "as built" plans and specifications and a complete and full detailed statement of construction costs in a format prescribed by Panera. Franchisee must execute a verification that the information in the construction cost statement is complete and accurate.

3.3.7 Franchisee may not open a Panera Bread Bakery-Cafe for business until Panera has notified Franchisee in writing that it meets Panera's requirements for opening, including payment in full of all amounts then owing to Panera, successful completion of Panera's initial training program, and receipt of Franchisee's certificates of insurance in compliance with Section 6.10, for such Panera Bread Bakery-Cafe.

3.4 **Equipment, Furniture, Fixtures and Signs.** Franchisee agrees to purchase or lease all required equipment, furnishings, fixtures and signs for each Bakery-Cafe. Franchisee agrees to purchase or lease only such types, brands and models of fixtures, furniture, equipment, signs and supplies that Panera approves for Panera Bread Bakery-Cafes as meeting its standards and specifications, including standards and specifications for quality, design, warranties, appearance, function and performance. Panera acknowledges that Franchisee has relationships with various suppliers in connection with its Institutional Food Service Business, and Panera agrees not to unreasonably withhold approval for Franchisee to purchase or lease approved types, brands or models of fixtures, furniture, equipment, signs and supplies from such suppliers. From time to time, Panera may modify the list of approved types, brands and/or models, and Franchisee may not, after receipt of notice of such modification, reorder any type, brand or model that is no longer approved. If Franchisee proposes to purchase any fixtures, furniture, equipment, signs or supplies of a type, brand or model that Panera has not previously approved, Franchisee must notify Panera and submit to Panera such information as it may request. Panera may impose reasonable inspection and supervision fees on approved suppliers to cover its costs.

3.5 **Computer System.** You agree to obtain and use the computer hardware and/or operating software (including point-of-sale equipment (including kiosks) and software and other electronic information systems and all equipment components and software necessary for you to accept and process our gift and loyalty cards and participate in our gift card, customer loyalty, affinity, and similar programs) we specify at any time and from time to time (the "Computer System"). You agree to coordinate directly with us to ensure timely procurement of the Computer System for the Premises. We may modify specifications for and components of the Computer System at any time and in our sole discretion. You also agree to maintain a functioning e-mail address. Our modification of specifications for the Computer System, and/or other technological developments or events, might require you to purchase, lease, and/or

license new or modified computer hardware and/or software and to obtain service and support for the Computer System. Although we cannot estimate the future costs of the Computer System or required service or support, and although these costs might not be fully amortizable over this Agreement's remaining Term, you agree to incur the costs of obtaining the computer hardware and software comprising the Computer System (or additions and modifications) and required service or support. We have no obligation to reimburse you for any Computer System costs. Within sixty (60) days after you receive notice from us of any modifications required to the Computer System, or such other timeframe as may be specified within said notice, you agree to obtain the Computer System components that we designate and to ensure that your Computer System, as modified, is functioning properly.

You agree that we or our Affiliates may condition any license of proprietary software to you, or your use of technology that we or our Affiliates develop or maintain, on your signing a software license agreement or similar document that we or our Affiliates prescribe to regulate your use of, and our and your respective rights and responsibilities with respect to, the software or technology. We, our Affiliates, or Approved Suppliers may charge you a monthly or other fee for any proprietary software or technology that we or they license to you and for other maintenance and support services that we or they may require you to receive during the Term. Despite the fact that you agree to buy, use, and maintain the Computer System according to our standards and specifications, you will have sole and complete responsibility for: (1) the acquisition, operation, maintenance, and upgrading of the Computer System; (2) the manner in which your Computer System interfaces with our and any third party's computer system; and (3) any and all consequences if the Computer System is not properly operated, maintained, and upgraded.

You are further required to activate and honor all customer-facing technology that we may designate, which may change from time to time. This includes MyPanera Loyalty, Unlimited Sip Club, and any other programs or services Franchisor designates in the future (collectively, the "Customer-Facing Technology"). We have the sole right to enhance, modify or change the platforms, software, hardware and/or processes related to any such Customer-Facing Technology, and you must comply with all such enhancements, modifications and changes to such Customer-Facing Technology. You further must ensure that your employees receive adequate training to properly execute all Customer-Facing Technology and the collection of customer payments in your Bakery-Cafe(s).

You shall adopt and use any artificial intelligence ("AI") systems, tools, or applications that we may designate from time to time as part of the System and shall do so at your own cost and in the manner and within the timeframe required by us. You shall not disclose our Confidential Information or the System to any AI system that we do not manage without prior written consent. All AI-generated materials relating to your Bakery-Cafe(s) shall be owned by us. You shall indemnify and hold us harmless from any claims, damages, or liabilities arising out of your use of AI.

3.6 **Opening Assistance.** Panera will provide Franchisee with such opening operational assistance at each Bakery-Cafe as Panera deems appropriate to assist Franchisee in starting its operations, including on-site opening assistance for not more than four (4) days, as scheduled by Panera.

4. TRAINING.

4.1 **Training Programs.**

4.1.1 If this is your first or second Panera Bread Bakery-Cafe, your Bakery-Cafe(s) shall not open unless the Operating Principal and the Bakery-Cafe general manager have successfully completed our certified training program (the "**Initial Training**"). You must ensure that the Operating Principal and Bakery-Cafe general manager complete continuing certified operations training programs from time to time as we may require to reinforce operational standards ("**Continuing Operations Training**"). The required frequency, duration, location, and subject matter of Continuing Operations Training shall be specified by us. Thereafter, any person who replaces your Operating Principal or Bakery-Cafe general manager must successfully complete the Initial Training and the Continuing Operations Training before assuming the particular position.

4.1.2 After the opening of the second Panera Bread Bakery-Cafe hereunder and prior to Panera accepting subsequent locations (if any) pursuant to Section 3 hereof, the parties shall discuss the establishment of Franchisee's own certified training program for Bakery-Cafe personnel in accordance with Panera's requirements. No training shall be conducted under Franchisee's training programs unless and until it has been certified by Panera as meeting its high standards, and Franchisee will be required to obtain re-certification of Franchisee's training programs from time to time. Panera may withhold certification if Panera determines that Franchisee's training programs do not meet its high standards.

4.1.3 If you (or any of your Affiliates) have not previously owned or managed a Panera Bread Bakery-Cafe, we may provide advisory opening assistance focused solely on operational and brand standards, including up to four (4) days of on-site support, as scheduled by us. For avoidance of doubt, we solely determine the timing, scheduling and staffing of on-site support we provide according to this subparagraph, including the calendar dates, times of our support, and whether we provide these days consecutively or intermittently.

4.1.4 We will provide you access to the Operations Manual. We may modify the Operations Manual from time to time to reflect changes in the System Standards. You must keep current with the Operations Manual.

4.1.5 We will furnish periodic guidance regarding the System, including improvements and changes. Such guidance is intended to maintain brand and operational standards and consistency.

4.1.6 You shall implement training programs for your Personnel to ensure the System Standards are met. Before providing any training on System Standards to your Personnel, such training must be certified by us to confirm compliance with System Standards for brand and operational requirements

4.1.7 We may delegate the performance of any portion or all of our obligations under this Agreement to third party designees, whether these designees are our agents or independent contractors with whom we have contracted to perform these obligations. If we do so, such third-party designees will be obligated to perform the delegated functions for you in compliance with this Agreement.

4.2 **On-Going Guidance.** Panera will furnish Franchisee periodic guidance with respect to the System, including improvements and changes to the System. Such guidance, at Panera's discretion, will be furnished in the form of the Policy Manual, bulletins and other written materials, consultations by telephone or in person at Panera's offices or at Franchisee's Bakery-Cafe, or by any other means of communications. At Franchisee's request, Panera may provide special assistance for which Franchisee will be required to pay the per diem fees and charges Panera may establish from time to time.

5. FEES.

5.1 **Initial Franchise Fees.** Franchisee shall pay an initial franchise fee in the amount of Thirty-Five Thousand Dollars (\$35,000.00), which shall be payable concurrently with the execution of each Site Addendum. Franchisee acknowledges and agrees that no portion of the initial franchise fee shall be refundable for any Panera Bread Bakery-Cafes that Franchisee has failed to develop in accordance with the terms of this Agreement.

5.2 **Royalty Fees.** Franchisee agrees to pay Panera a continuing royalty fee of five percent (5%) of Net Sales (the "**Royalty Fee**") accrued at each Bakery-Cafe during each Reporting Period.

5.3 **Miscellaneous Administrative Fees.** Franchisee agrees to pay Panera such miscellaneous administrative fees in such amounts as Panera may establish from time to time for all, or substantially all, franchised Panera Bread Bakery Cafes in the U.S. The amounts of such fees shall be reasonably determined by Panera and may include recovery of its direct costs as well as reasonable allocations of overhead and indirect costs.

5.4 **Designated Account.** Prior to the opening of the first Bakery-Cafe, and as a condition thereof, Franchisee shall establish a designated bank account from which Panera shall be authorized to withdraw in any manner which it prescribes, which may include electronic transfer of funds, any amounts due to Panera or its Affiliates from Franchisee or its Affiliates under this Agreement, including Royalty Fees. Panera has the right to review Franchisee's Net Sales on a daily basis. Any time from and after the fifteenth (15th) day following a Reporting Period Panera shall calculate the Royalty Fee due for that Reporting Period and withdraw such amount and any other amount due under this Agreement, including any advertising and marketing fees set forth under Section 10 directly from the designated account. All costs and expenses of establishing and maintaining such designated account, including transaction fees and wire transfer fees, shall be paid by Franchisee.

5.5 **Payment Due Date/Interest On Late Payments.** Royalty Fees, advertising fees, or any other such recurring fees shall be paid in accordance with Section 5.4 within fifteen (15) days following the close of each Reporting Period. Any payment or report not actually received by Panera on or before such date shall be deemed overdue. If any payment that is not the subject of a good faith dispute is overdue, Franchisee shall pay to Panera, in addition to the overdue amount, interest on such amount from the date it was due until paid, at a rate which is the lesser of two (2) percentage points above the prime interest rate as reported by the Wall Street Journal on the day the payment was due or the maximum rate permitted by law. Entitlement to interest shall be in addition to any other remedies. Franchisee's failure to pay all amounts when due shall constitute grounds for termination of this Agreement.

5.6 **Application of Payments.** Panera may apply any payments by Franchisee to any of its past due indebtedness for Royalty Fees, advertising fund contributions or any other indebtedness to Panera or any of its Affiliates, notwithstanding any designation by Franchisee.

6. PANERA BREAD BAKERY-CAFE OPERATING STANDARDS.

6.1 **Condition of Bakery-Cafes.**

6.1.1 You must maintain your Bakery-Cafe(s)'s condition and appearance so that it is attractive, clean and efficiently operated in accordance with the Operations Manual and our System Standards. You agree to maintain your Bakery-Cafe(s)'s condition and appearance and to make such modifications and additions to its layout, decor, operations, and general theme as we require from time to time, including replacement of worn-out or obsolete fixtures, equipment, furniture, signs and utensils, repair of the interior and exterior and appurtenant outdoor and parking areas and periodic cleaning and redecorating. If at any time the general state of repair, appearance or cleanliness of your Bakery-Cafe(s), or its fixtures, equipment, furniture, signs or utensils, does not meet our standards, we may notify you and specify the action you must take to correct such deficiency. If, within ten (10) days after receiving such notice, you fail or refuse to complete such required maintenance in the time period specified in our notice to you, we have the right (in addition to our rights to terminate under Section 14), but not the obligation, to enter the Premises and do such maintenance on your behalf and at your expense. You must promptly reimburse us for such expenses.

6.1.2 In addition to your obligations under Section 9.01(a) above, and no later than five (5) years after the Effective Date, you must refurbish and refresh your Bakery-Cafe(s), including to re-equip and/or upgrade your Bakery-Cafe(s) pursuant to our plans and specifications. You agree to diligently complete any such refurbish and refresh of your Bakery-Cafe(s) within a reasonable time of commencing the work, but not to exceed sixty (60) days. You may not make any alterations to your Bakery-Cafe(s), nor any replacements, relocations or alterations of fixtures, equipment, furniture or signs, without our prior written approval. Panera acknowledges that the timing of repairs and upgrades may be subject to Location Owner restraints and, in the case of university locations most repairs will take place during a semester break. Panera agrees to make reasonable accommodations to Franchisee if the Location Owner imposes restrictions on Franchisee's repair or upgrade efforts.

6.1.3 If your Bakery-Cafe(s) is or are damaged or destroyed by fire or other casualty, you must initiate within thirty (30) days (and continue until completion) all repairs or reconstruction to restore your Bakery-Cafe(s) to its or their original condition. If, in our reasonable judgment, the damage or destruction is of such a nature that it is

feasible, without incurring substantial additional costs, to repair or reconstruct your Bakery-Cafe(s) in accordance with the then-standard Panera Bread Bakery-Cafe layout and decor specifications, we may require you to repair or reconstruct your Bakery-Cafe(s) in accordance with those specifications.

6.1.4 Franchisee may not make any alterations to any Bakery-Cafe, nor any replacements, relocations or alterations of fixtures, equipment, furniture or signs, without Panera's approval. Panera has the right at Franchisee's expense to rectify any replacements, relocations or alterations not previously approved by Panera.

6.2 **Uniform Image.** You agree that your Bakery-Cafe(s) will offer for sale food, beverages and other products, services and merchandise related to the Panera Bread concept that we determine from time to time to be appropriate for your Bakery-Cafe(s). You further agree that your Bakery-Cafe(s) will not, without our approval, offer any products or services (including promotional items) not then authorized by us. Your Bakery-Cafe(s) may not be used for any purpose, other than the operation of a Panera Bread Bakery-Cafe in compliance with this Agreement. You agree that your Bakery-Cafe(s) will offer courteous and efficient service and a pleasant atmosphere, consistent with your acknowledgements in Section 1.2.1.

6.3 **Purchase of Ingredients and Food and Beverage Products.**

6.3.1 . You acknowledge and agree that the reputation and goodwill of Panera Bread Bakery-Cafes are based on, and can be maintained only by, the sale of distinctive high quality products and services. Therefore, you agree to purchase any and all products, goods, services or supplies in connection with developing and/or operating Panera Bread Bakery-Cafes, including (but not limited to) Food and Beverage Products, merchandise, uniforms, packaging materials, POP materials, third-party food delivery services, smallwares, menus, forms, marketing materials and labels, only from Approved Suppliers. You acknowledge and agree that we do not act as agent, representative, or in any other intermediary or fiduciary capacity for you in our relationship with any Approved Suppliers. You must maintain at all times an inventory of approved products, Food and Beverage Products, merchandise, uniforms, packaging materials, POP materials, smallwares, menus, forms, labels and other supplies and other products related to the Panera Bread concept sufficient in quantity, quality and variety as prescribed by the Operations Manual. Subject to the provisions contained in this Section 6.3.1, you acknowledge and agree that we and/or our Affiliates may (i) receive payments, fees, rebates, commission, reimbursements and other material consideration from Approved Suppliers and third parties in respect to purchases by franchisees, (ii) have investments in such Approved Suppliers, (iii) concentrate purchases with one or more Approved Suppliers or distributors to obtain advantageous prices and/or the best support or services, and/or (iv) profit from your purchases from Approved Suppliers.

6.3.2 All Food and Beverage Products are sold at prices and on credit and shipping terms established from time to time by the Approved Supplier thereof. Approved Suppliers shall not be liable for any delay in the delivery of any Food and Beverage Products as a result of any Force Majeure (including force majeure as it may be defined under any applicable supply contract). Approved Suppliers may establish policies and procedures from time to time for the allocation and distribution of Food and Beverage Products among Panera Bread Bakery-Cafes.

6.3.3 You shall sell and/or use Food and Beverage Products only at the Premises for sale to retail customers of your Bakery-Cafe(s). You shall not sell any Food and Beverage Products to wholesalers or any other party on a wholesale basis.

6.3.4 If you propose to purchase any items used in the development or operation of your Bakery-Cafe(s) from an Alternative Supplier who is not then an Approved Supplier, you and the proposed supplier must submit to us all information that we may request in order to determine whether to approve the Alternative Supplier. We will have the right to approve or disapprove any Alternative Supplier, including to approve an Alternative Supplier conditionally, and not list or authorize the Alternative Supplier as part of our wider distribution system. In evaluating an Alternative Supplier you propose, we may, subject to restrictions and conditions to protect our trade secrets and Confidential Information, disclose to such proposed Alternative Supplier applicable standards, specifications, ingredients, recipes, processes, equipment and procedures for the item in sufficient detail to enable the proposed

supplier to demonstrate its capacity and capabilities to supply the items in accordance with our requirements with respect thereto. Within one hundred twenty (120) days after we receive all requested information, we will communicate to you in writing our decision to approve or disapprove your proposed Alternative Supplier. We will evaluate proposed Alternative Suppliers on their ability to comply with applicable standards, specifications, ingredients, recipes, processes, and procedures, on their consistency, reliability, financial capability, customer relations and use of approved equipment, and we will only approve those proposed Alternative Suppliers that meet our high standards. You agree to notify us at least thirty (30) days in advance before you first start purchasing any items from any Alternative Supplier who is already approved by us. We may disapprove any Alternative Supplier who we previously approved, and you may not, after receipt of notice of disapproval, reorder from any Alternative Supplier we have disapproved.

6.3.5 We may prescribe procedures for the submission of requests for approval and impose obligations on Alternative Suppliers, which will be incorporated in a written agreement you and the Alternative Supplier may enter and which we may be a party to. We may obtain from you and/or such Alternative Suppliers reimbursement of our reasonable costs and expenses incurred in connection with the approval process and on-going monitoring of the supplier's compliance with our requirements, but we will not profit from the sale of items to you from an Alternative Supplier. You acknowledge and agree that we do not act as agent, representative or in any other intermediary or fiduciary capacity for you in our relationship with Alternative Suppliers and that we have no obligation to establish or maintain an ordering and invoicing process with an Alternative Supplier or to incorporate any item purchased from any Alternative Supplier into our distribution system. We may impose limits on the number of Alternative Suppliers. We have the right to monitor the quality of services provided by Alternative Suppliers in a manner we deem appropriate and may terminate any Alternative Supplier who does not meet our quality standards and specifications, as may be in effect from time to time. If you purchase one or more types of items from an Alternative Supplier, no Approved Supplier will have any obligation to sell you any items while you are purchasing from any Alternative Supplier. If, after commencing purchasing items from an Alternative Supplier, you want the Approved Supplier to resume supplying you with items, we may require you to submit to us an application, in such form as we may determine from time to time, which we will normally process within thirty (30) days. The Approved Supplier has no obligation to resume supplying items to you, and you may not place an order for such products with the Approved Supplier, until we have approved your application for resupply.

6.4 **Specifications and Standards.** You acknowledge that each and every aspect of the interior and exterior appearance, layout, decor, services and operation of your Bakery-Café(s) is important to us and is subject to our specifications and standards. Consequently, you agree to comply with all specifications, standards and operating procedures and other obligations for the System that we prescribe from time to time in the Operations Manual. More particularly, you agree to comply with all mandatory specifications, standards and operating procedures, as modified from time to time relating to the appearance, function, cleanliness or operation of a Panera Bread Bakery-Cafe, including: (i) type, quality, taste, weight, dimensions, ingredients uniformity and manner of preparation, packaging and sale of food products and beverages; (ii) sale procedures and customer service; (iii) advertising, marketing, promotional and loyalty programs and materials and media, including social media, used in these programs; (iv) qualifications, appearance, uniforms and dress of employees; (v) safety, maintenance, appearance, cleanliness, sanitation, standards of service and operation of your Bakery-Cafe(s); (vi) days and hours of operation; (vii) bookkeeping, accounting and record keeping systems and forms; (viii) training system for both management and hourly associates; (ix) establishing and maintaining accounts with vendors and Approved Suppliers, (x) issuing and honoring gift certificates, and (xi) product ordering procedures. We may periodically modify the specifications and standards of the System, which may accommodate regional or local variations, and these modifications may obligate you to invest additional capital in your Bakery-Cafe(s) and/or incur higher operating costs. You agree to implement any changes within the time period we request, whether they involve remodeling the Premises or any other aspect of the Bakery-Cafe, buying new equipment, adding menu items and services, or otherwise modifying the nature of your operations, as if they were part of this Agreement as of the Effective Date.

6.5 **Compliance With Laws.**

6.5.1 You must maintain in force in your name all required licenses, permits and certificates relating

to the operation of your Bakery-Cafe(s). You must operate your Bakery-Cafe(s) in full compliance with all applicable laws, ordinances and regulations, including, without limitation, government regulations relating to occupational hazards, health, food safety, menu labeling, worker's compensation and unemployment insurance, and withholding and payment of federal and state income taxes, social security taxes and sales and taxes. You must notify us in writing immediately upon: (a) the commencement of any legal or administrative action, or the issuance of an order of any court, agency or other governmental instrumentality, which may adversely affect the development, occupancy or operation of your Bakery-Cafe(s) or your financial condition; or (b) the delivery of any notice of violation or alleged violation of any law, ordinance or regulation, including those relating to health or sanitation at your Bakery-Cafe(s).

6.5.2 All of your advertising and promotion must be completely factual and must conform to the highest standards of ethical advertising. In all dealings with us, as well as your Personnel, customers, suppliers, lessors and the public, you must adhere to the highest standards of honesty, integrity, fair dealing and ethical conduct. You agree to refrain from any business or advertising practice which may be injurious to our reputation, our business, to the business of other Panera Bread Bakery-Cafes or to the goodwill associated with the Marks.

6.6 **Personnel.** When your Bakery Cafe is open to the public, it must at all times be under the direct, on premises supervision of a general manager who has successfully completed the Initial Training and the Continuing Operations Training or an assistant manager or a shift supervisor and must be staffed by a sufficient number of competent hourly associates all of whom must have completed your certified System Standards training as set forth 4.05 of this Agreement. You (or your Operating Principal) at all times must remain active in overseeing the day-to-day operations of your Bakery-Cafe(s). If the relationship with your Operating Principal terminates, you must promptly designate a successor Operating Principal. Any successor Operating Principal must successfully complete the Initial Training and the Continuing Operations Training and be accepted by us. Nothing in this Agreement, including any training programs, opening assistance, System Standards, Operations Manual, or ongoing guidance, shall be construed as creating an employment relationship between us and any of your Personnel. We do not direct or control your employment practices, wages, scheduling, or other terms of employment for your Personnel. You retain full responsibility for managing your Personnel and operations and are solely responsible for all employment decisions with respect to your Personnel, including hiring, firing, compensation, training, supervision and discipline, and regardless of whether you receive advice from us on any of these subjects.

6.7 **Insurance.**

6.7.1 Franchisee must maintain in force: (a) commercial general liability insurance, including product liability insurance; (b) all risk property insurance, including fire and extended coverage, vandalism and malicious mischief insurance for the replacement value of each Bakery-Cafe and its contents; (c) commercial auto liability insurance covering owned, borrowed, hired and non-owned autos used in the operation of the Bakery-Cafe; (d) statutory workers' compensation/employer's liability insurance; and (e) such other insurance policies, that Panera may require from time to time.

6.7.2 All insurance policies must: (1) be issued by carriers reasonably approved by Panera; (2) name Panera and its Affiliates as additional insureds; (3) provide for thirty (30) days' prior written notice to Panera of any material modification or cancellation of such policy; and (4) such coverage that must apply on a primary and non-contributory basis.

6.7.3 At Panera's request, Franchisee must furnish Panera with such evidence of insurance coverage in the form of a certificate of insurance. Franchisee's obligation to maintain insurance coverage is not diminished in any manner by reason of any separate insurance Panera may choose to maintain, nor does it relieve Franchisee of its obligations under Section 15.2.

6.8 **Quality Control.** We may, in our sole discretion, establish quality control, product monitoring, and product sampling programs, including without limitation food safety programs, "secret shopper" programs, Interactive Voice Response ("IVR") Customer Satisfaction Measurement programs and/or "customer intercept" programs, to

ensure the highest quality of service and food products in all Panera Bread Bakery-Cafes. You shall participate in any such programs and bear your pro-rata share, as determined by us in our sole discretion, of the costs of any such program. We may conduct such programs at any location we determine, including, without limitation, at your Bakery-Cafe(s), our offices, or the offices of an Approved Supplier. We reserve the right to publish or disclose to other franchisees, in any manner or format that we deem appropriate in our sole discretion, any information that we collect, produce or maintain in connection with such quality control programs. We also reserve the right to publish or disclose to third parties any information that we collect, produce or maintain in connection with such quality control programs.

6.9 **Test Marketing.** We may conduct market research to determine consumer trends and salability of new food and beverage products, merchandise and services. If we require you to participate, you agree to cooperate by participating in our market research programs by test marketing new food and beverage products, merchandise and services in your Bakery-Cafe(s) and providing us timely reports and other relevant information regarding such market research. You must purchase a reasonable quantity of such test products and make a reasonable effort to sell them. If we require that you participate in any operations or marketing tests, including the testing of any product, program or media activity, you may be required to enter into a test agreement which will outline all requirements for the testing. All test requirements, processes and procedures must be adhered to as outlined by us. Any applicable costs (smallwares, product, media or costs for any associated marketing activities) will be your responsibility, and you must provide complete data statistics on the test for our review and evaluation.

6.10 **Pricing.** We reserve the right, to the fullest extent allowed by applicable law, to establish maximum, minimum, or other pricing requirements with respect to the prices you may charge for products and services. These rights may include (without limitation) prescribing the maximum and/or minimum retail prices which you may charge customers for the products and/or services offered by your Bakery-Cafe(s); recommending retail prices; advertising specific retail prices for some or all products or services sold at your Bakery-Cafe(s); requiring you to participate in marketing, promotional and related campaigns which may directly or indirectly impact your retail prices; and, otherwise mandating, directly or indirectly, the maximum and/or minimum retail prices which your Bakery-Cafe(s) may charge the public for the products and services it offers. We may engage in any such activity either periodically or throughout the Term. Further, we may engage in such activity only in certain geographic areas (cities, states, regions) and not others, or with regard to certain subsets of franchise owners and not others. You acknowledge that the prices we prescribe or suggest may or may not optimize the revenues or profitability of your Bakery-Cafe(s) and you irrevocably waive any and all claims arising from the establishment or suggestion of your Bakery-Cafes' retail prices.

6.11 **Customer Data.** All information, mailing lists and databases of Customer Data from whatever source derived, shall be our property. You agree not to use such information, except in connection with the operation of your Bakery-Cafe(s) in accordance with this Agreement. You agree not to use, process, copy, display, publish, store or transfer the Customer Data without our approval. You agree to comply with all applicable laws with respect to Customer Data (including laws regarding the collection, use, storage, disclosure, and disposition of Customer Data); in addition, you agree to comply with all data privacy and security requirements we may establish from time to time and to implement appropriate and commercially reasonable security safeguards, including administrative, physical, and technical measures to prevent the unauthorized access to, use, dissemination, or publication of Customer Data and to protect the confidentiality, integrity and availability of Customer Data, subject in all instances to applicable laws. You agree not to sell or rent Customer Data. You agree to obtain all necessary customer consents in order for Customer Data to become our property. You shall immediately notify us if you suspect or become aware of or suspect any unauthorized access to the Customer Data, or if you become the subject of any governmental, regulatory, or other enforcement or private proceeding relating to your data handling practices of Customer Data. If there is a suspected or actual breach of security or unauthorized access involving Customer Data (a "Data Security Incident"), you must notify us immediately after becoming aware of such actual or suspected occurrence and specify the extent to which Customer Data was accessed, compromised or disclosed. You assume all responsibility for providing notices, credit monitoring or other costs (including attorneys' fees) associated with any Data Security Incident. We (and our designated Affiliates) have no obligation, but retain the right, to control the direction and handling of any Data Security Incident and any related investigation, litigation, administrative proceeding or other proceeding at your expense. We and our Affiliates will own all Customer Data, and we and they may, through the Computer System or otherwise, access

Customer Data. During and after the Term, we and our Affiliates may make any and all disclosures and use the Customer Data in our and their business activities and in any manner that we or they deem necessary or appropriate. You must secure from your vendors, customers, prospective customers and others all consents and authorizations, and provide them all disclosures, that applicable law requires to transmit the Customer Data to Franchisor and its Affiliates and for Franchisor and its Affiliates to use that Customer Data in the manner that this Agreement contemplates. You agree to bind your vendors in writing to implementing security safeguards at least as onerous as those in this Agreement, including this Section 9.12, prior to sharing any Customer Data.

6.12 **Credit Cards.** It is your responsibility to maintain and report your Payment Card Industry (“PCI”) compliance, which encompasses operational policies and practices as well as networks and POS systems hardware/software used to process credit card transactions, as well as attesting that you are abiding by (i) PCI Data Security Standards enacted by the applicable Card Associations (as they may be modified from time to time or as successor standards are adopted); and (ii) all other security standards and guidelines that may be published from time to time by payment card companies and/or enacted by law, and are applicable to customer credit card and debit card information. If you know or suspect unauthorized access, use, disclosure or another security breach involving cardholder data, you must immediately notify both your credit card transaction acquirer and us, and agree to provide us with information requested in a prompt manner in connection with the security breach. You assume all responsibility for providing notice of breach or compromise, along with duties and costs associated with fraudulent transactions, penalties, and ongoing fees for monitoring customer credit card histories and/or transactions for affected customers of your Bakery-Cafe(s).

6.13 **Discounts, Giveaways and Other Promotions.** You acknowledge and agree that periodic discounts, giveaways and other promotions are an integral part of the System. Therefore, you agree to offer and participate in any required discounts, giveaways and other promotions (including those offered in connection with our loyalty program) at your sole cost and expense, in accordance with our specifications. You further agree to honor the discounts, giveaways and other promotions offered by other Panera Bread Bakery-Cafes under any such program we establish, as long as such compliance does not contravene any applicable law, rule or regulation.

6.14 **Gift Cards, Loyalty and Incentive Programs.** You agree to offer for sale, participate in, and honor for purchases by customers, all gift cards, loyalty and other incentive or convenience programs that we may periodically may institute (including, without limitation, mobile apps, mobile payment, and/or other customer affinity applications (together, “Customer Apps”) and any loyalty programs that we or a third party vendor operate); and you agree to do all of those things in compliance with our standards and procedures for such programs (which may be set out in the Operations Manual or otherwise in writing). For this purpose, you must purchase the software, hardware, and other items needed to participate in, sell, and process Customer Apps, and to contact with Customer App vendors, as we may specify in writing in the Operations Manual or otherwise.

6.15 **Facility Agreements.** Franchisee shall have the right to amend any Facility Agreement, provided however if any proposed amendment affects Franchisee’s obligations or Panera’s rights under this Agreement in any material respect (including changes to hours and/or days of operation, access, visibility and methods of accepting customer payment), Franchisee will promptly communicate such proposed change to Panera. Panera shall consider any such proposed amendment in good faith and if Panera deems any such proposed amendment to be adverse to its interests, the parties will consult with each other to determine whether alternatives to the proposed amendment are viable. If (a) Panera determines such proposed amendment is adverse to its interests, (b) the parties are unable to agree to a mutually acceptable alternative, and (c) Franchisee insists on implementing the proposed amendment, then Panera shall have the right to terminate Franchisee’s rights hereunder to such location, effective on notice thereof. In the event Panera desires to make a change in Bakery Cafe operation (including changes to hours and/or days of operation, access, visibility and methods of accepting customer payment) that is inconsistent with Franchisee’s obligations under the Facility Agreement or the Location Owner’s requirements, Franchisee shall use commercially reasonable efforts to obtain Location Owner consent. Franchisee’s failure to obtain such consent after reasonable efforts shall not be deemed a breach of this Agreement; however, Panera shall have the right to terminate Franchisee’s rights hereunder to such location, effective on notice thereof.

7. MARKETING AND ADVERTISING.

7.1 National Advertising Fund (NAF).

7.1.1 We administer a National Advertising Fund (“NAF”) for the creation and development of marketing, advertising and related programs and materials, including electronic, print and Internet media as well as the planning and purchasing of national and/or regional network advertising. You must contribute to the NAF amounts we establish from time to time (as detailed below), payable on the first business day following the immediately preceding Reporting Period together with the Royalty Fees due hereunder. At our discretion, NAF contributions may be electronically drafted from the designated account referred to in Section 5.4 hereof. Panera Bread Bakery-Cafes owned by us and our Affiliates shall contribute to the NAF on the same basis as the then-current rate for franchisees. Currently, you are required to contribute two and six tenths percent (2.6%) of a Panera Bread Bakery-Cafe’s Net Sales to the NAF.

7.1.2 The NAF will be accounted for separately from our other funds. All disbursements from the NAF shall be made first from income and then from contributions. While our intent is to balance the NAF on an annual basis, from time to time the NAF may run at either a surplus or deficit. We may spend in any fiscal year an amount greater or less than the aggregate contributions of all Panera Bread Bakery-Cafes to the NAF in that year, and the NAF may borrow from us or other lenders to cover deficits in the NAF or cause the NAF to invest any surplus for future use by the NAF. We will prepare annually an unaudited statement of funds collected and costs incurred by the NAF and furnish a copy to you upon your written request. We may use the NAF to pay the reasonable salaries and benefits of personnel who manage and administer the NAF, the NAF’s other administrative costs, travel expenses of personnel while they are on NAF business, meeting costs, overhead relating to NAF business, and other expenses that we incur in activities related to administering or directing the NAF and its programs, including, without limitation, conducting market research, public relations, content creation, preparing advertising, promotion, and marketing materials, and collecting and accounting for NAF contributions. Except as otherwise expressly provided in this Section, we assume no direct or indirect liability or obligation with respect to the maintenance, direction or administration of the NAF. We do not act as trustee or in any other fiduciary capacity with respect to the NAF. We may incorporate the NAF or operate it through a separate entity whenever we deem appropriate.

7.1.3 Although the NAF is intended to maximize general recognition of the Marks and patronage of Panera Bread Bakery-Cafes for the benefit of all Panera Bread Bakery-Cafes, we cannot assure you that any particular Panera Bread Bakery-Cafe will benefit directly or pro-rata from the placement of advertising. Additionally, we reserve the right to define, at any time, the measurement terms for any media coverage. We will direct all programs that the NAF finances, with sole control over the creative concepts, materials, and endorsements used and their geographic, market, and media placement and allocation. The NAF may be used to pay for the cost of preparing and producing materials and programs we select, including agency fees, market research and product testing, video, audio, electronic and written advertising materials, public relations programs, media planning and buying services, maintaining an e-commerce website and/or related strategies and efforts, social media strategy and execution; use of social media influencers; administering regional and multi regional marketing and advertising programs, including, without limitation, purchasing trade journal, direct mail; and the cost of employing advertising agencies and supporting market research activities; search optimization; purchasing and distributing promotional items; conducting and administering loyalty programs; research and development costs; development of new Intellectual Property; and maintenance of existing Intellectual Property. We may furnish you with marketing, advertising and promotional materials at cost, plus any related administrative, shipping, handling and storage charges.

7.1.4 We may at any time defer or reduce contributions of a Panera Bread Bakery-Cafe franchise owner and, upon thirty (30) days’ prior written notice to you, reduce or suspend NAF contributions and operations for one or more periods of any length and terminate (and, if terminated, reinstate) the NAF. If we terminate the NAF, we will distribute all unspent monies to our franchise owners, and to us and our Affiliates, in proportion to their, and our, respective NAF contributions during the preceding twelve (12) month period. We may reinstate NAF contributions upon the same terms and conditions set forth herein upon thirty (30) days’ prior written notice to you.

7.2 **Marketing Administration Fee (MAF).** In addition to the advertising and promotional expenditures and/or contributions required by Section 7.1.1 hereof, you shall contribute a Marketing Administration Fee (“MAF”) not to exceed four tenths of one percent (0.4%) of your Bakery-Cafes’ Net Sales, payable on the first business day following the immediately preceding Reporting Period together with the Royalty Fees due hereunder. At our discretion, MAF contributions may be electronically drafted from the designated account referred to in Section 5.4 hereof. The MAF shall be our exclusive property and shall be used by us to cover costs of, among other things, supporting and conducting market research activities, concept development (food and customer experience, project development and testing), design development (design, store prototyping and testing), and maintenance, administration and direction of the foregoing activities. We shall not be required to separately account to you for the MAF or the expenditures therefrom.

7.3 **Advertising Approvals and Initial Advertising Costs.** You must submit to us for our prior approval, a marketing plan and samples of all advertising and promotional materials not prepared or previously approved by us and which vary from our standard advertising and promotional materials by following the procedures that are in place at the time of submittal. If you elect to work with a marketing firm (including an advertising agency or public relations firm), you must obtain our written approval of such marketing firm and such marketing firm must execute a Panera Bread approved confidentiality agreement before you sign any contracts or share any Confidential Information with such marketing firm. Such marketing firms or agencies shall not under any circumstances be given access to any of our proprietary limited access online resources or any other information we deem inappropriate. You may not use any advertising or promotional materials that we have not approved

7.4 **Grand Opening Spend.** In addition to Franchisee’s contributions to the NAF, Franchisee shall spend a minimum of Ten Thousand Dollars (\$10,000.00) for grand opening advertising and promotional programs for each Bakery-Cafe pursuant to a grand opening marketing plan developed by Franchisee and approved by Panera prior to implementation. Franchisee must use the types of advertising media specified by Panera, and Franchisee’s grand opening program must be executed within ninety (90) days after each Bakery-Cafe commences operation.

7.5 **System Website; Franchisee Websites.**

7.5.1 We or our designees may establish a website or series of websites for the Panera Bread Bakery-Cafe network: (i) to advertise, market, and promote Panera Bread Bakery-Cafes, the products and services they offer and/or the Panera Bread Bakery-Cafe franchise opportunity; and/or (ii) for any other purposes we deem appropriate for Panera Bread Bakery-Cafe (collectively, the “System Website”). If we establish a System Website, we may provide you with a separate interior webpage (accessible only through the System Website) referencing your Bakery-Cafe(s) and/or otherwise allow you to participate in the System Website. You must develop your webpage at your own expense using a template we provide. We must pre-approve your webpage before it is posted by our webmaster on the System Website and have the continuing right to monitor and pre-approve your webpage’s form, content, and quality during the Term. We may reject your webpage if its form or content is unacceptable to us.

7.5.2 Other than as described in subsection (a) above in connection with the System Website, you may not develop, maintain, or authorize any website that mentions or describes you or your Bakery-Cafe(s) or displays any of the Marks without our prior written approval.

7.6 **Social Media Sites.** We may maintain one or more social media sites (e.g., X, Facebook, Instagram, Pinterest, TikTok, LinkedIn or such other social media sites now or in the future). You may not establish or maintain any social media sites utilizing any user names, or otherwise associating with the Marks, without our prior written consent. We may designate from time to time regional or territory-specific user names/handles to be maintained by you. You must adhere to the social media policies that we establish from time to time and you will require all of your owners to do so as well.

8. RECORDS AND REPORTS.

8.1 **Records.**

8.1.1 You agree to prepare and to maintain for three (3) years, or such longer time as required by applicable law, complete and accurate books, records (including invoices and records relating to your advertising expenditures) and accounts (using our then-current standard chart of accounts) for your Bakery-Cafe(s), copies of your sales tax returns and such portions of your state and federal income tax returns as relate to your Bakery-Cafe(s). All such books and records shall be kept at your principal address indicated on the first page of this Agreement, unless we otherwise approve.

8.1.2 You must record all sales on the Computer System, which must be fully compatible with our computer systems, and that includes a seamless information interface capability of fully integrating electronically into our computer systems for the purpose of, among other functions, the recording and transmission of information collected through the Computer System (including gross sales, Net Sales, discounts, product mix, sales by day part) to centralized data collection systems.

8.1.3 We shall have the right from time to time to retrieve such data and information from the Computer System as deemed necessary or desirable, and you agree to fully cooperate with such efforts.

8.1.4 You hereby consent to us obtaining, using and disclosing to third parties (including, without limitation, prospective franchise owners, financial institutions, legal and financial advisors), for any purpose or as may be required by law, any financial or other information contained in or resulting from information, data, materials, statements and reports received by us or disclosed to us, whether by means of the Computer System or otherwise, in accordance with this Agreement. You will obtain such consents from third parties, including your customers, as are necessary in order to give effect to the foregoing.

8.2 **Periodic Reports.** Franchisee must furnish Panera (a) no later than the first business day immediately following the end of any Reporting Period, a report of Net Sales of its Bakery-Cafes for such Reporting Period; (b) within thirty (30) days after the end of each of Franchisee's fiscal quarters, a quarterly balance sheet and income statement and statement of cash flow of Franchisee's Bakery-Cafe for such quarter in accordance with Panera Standards; (c) within ninety (90) days after the end of each of Franchisee's fiscal years, (i) a year-end balance sheet and income statement and statement of cash flow of Franchisee's Bakery-Cafe for such year, and a consolidated year-end balance sheet and income statement and statement of cash flow for Franchisee and all of Franchisee's Affiliates that develop, own or operate Panera Bread Bakery-Cafes, all prepared in accordance with Panera Standards; and (ii) such summaries of financial information as Panera may require; (d) within thirty (30) days of Panera's request, such other information as Panera may require from time to time, including sales mix data, food and labor cost reports, and sales tax statements. Franchisee must execute a verification that the information in each such report and financial statement is complete and accurate. Panera reserves the right to require that Franchisee's financial statements be audited, at Franchisee's expense, by an independent certified public accountant approved by Panera. Panera reserves the right to publish or disclose information that Panera obtains under this Section 8.2 in any data compilations, collections, or aggregations that Panera deems appropriate, in Panera's sole discretion.

9. INSPECTIONS AND AUDITS.

9.1 **Inspections.** Panera and its designated agents have the right from time to time at any reasonable time (subject to any Facility Requirements) and without prior notice to: (a) inspect any one or more of Franchisee's Bakery-Cafes; (b) observe, photograph, audio-tape and/or video tape the operations of Franchisee's Bakery-Cafes; (c) remove samples of any food and beverage products, materials or supplies for testing and analysis; and (d) interview personnel and customers of Franchisee's Bakery-Cafes. Franchisee agrees to cooperate fully with such activities. If Panera determines that any of Franchisee's Bakery-Cafes fails to meet Panera's minimum standards (as Panera may determine from time to time), Panera may charge Franchisee a standard re-inspection fee for any follow-up inspection relating for

such failure. The current amount of the re-inspection fee is Three Thousand Five Hundred Dollars (\$3,500.00). Franchisee shall furnish to Panera immediately upon receipt by Franchisee all inspection reports, citations or warnings received from municipal or other authorities.

9.2 **Audits.** Panera has the right at any time during business hours, and on ten (10) days' prior notice to Franchisee, to inspect, copy and audit the books, records, tax returns and documents (whether maintained in hard copy or in electronic or other form) relating to the development, ownership, lease, occupancy or operation of Franchisee's Bakery-Cafes. Franchisee must cooperate fully with Panera's representatives and independent accountants conducting such audits. If any inspection or audit discloses an understatement of Net Sales, Franchisee must pay Panera, within seven (7) days after receipt of the audit report, the Royalty Fees and any advertising contributions due on the amount of such understatement, plus interest (as provided in Section 5.6) from the date originally due until the date of payment. Further, if such inspection or audit is made necessary by Franchisee's failure to furnish reports, records or information on a timely basis, or if Panera determines an understatement of Net Sales for the period of any audit to be greater than two percent (2%), Franchisee must reimburse Panera for the cost of such audit or inspection, including the charges of any attorneys and independent accountants and the travel expenses, room and board and compensation of its employees.

9.3 **Delegation of Panera's Duties.** Franchisee acknowledges and agrees that any designee, Affiliate, employee, regional/branch offices, contractor or agent of Panera may perform any duty or obligation imposed on Panera by this Agreement, as Panera may designate.

10. INTELLECTUAL PROPERTY RIGHTS AND OBLIGATIONS.

10.1 **Ownership of the Intellectual Property.** You acknowledge that our Affiliate, Pumpernickel Associates, LLC ("Pumpernickel"), owns the Intellectual Property. Your use of the Intellectual Property and any goodwill established thereby inures to the exclusive benefit of Pumpernickel. This Agreement does not confer on you any ownership interest, title, or goodwill in the Intellectual Property. You may not at any time during or after the Term contest, or assist any other person or entity in contesting, the validity or ownership of any of the Intellectual Property.

10.2 **Authorized Use of the Intellectual Property.** Pumpernickel has licensed us the right to use and sublicense others to use the Intellectual Property in connection with the franchising, development and operation of Panera Bread Bakery-Cafes. Your right to use the Intellectual Property is derived solely from this Agreement and is limited to conducting business pursuant to and in compliance with this Agreement. All provisions of this Agreement applicable to the Intellectual Property apply to any additional or substitute Intellectual Property we authorize you to use. You agree to use the Marks as the sole identification of your Bakery-Cafe, while identifying yourself as the independent owner thereof in the manner we prescribe. You agree to use the Intellectual Property only in full compliance with rules prescribed by us from time to time in connection with your Bakery-Cafe and the sale of authorized food products, beverages and services.

10.3 **No Unauthorized Use of Intellectual Property.** You may not use any Intellectual Property in connection with the sale of any unauthorized product or service or in any other manner that we have not explicitly authorized in writing. You may not use the subject matter of any of the Patents in any other manner not expressly authorized by us in writing. You may not use any Mark (or any abbreviation, modification or colorable imitation) as part of any corporate, legal or other business name (other than in connection with any legally required fictitious or assumed name filings), or with any prefix, suffix or other modifying words, terms, designs or symbols, or with the name or other designation of the metropolitan area or city in which your Bakery-Cafe is located, or in any other manner (including any Internet related use such as an electronic media identifier, for websites, web pages or domain names) not expressly authorized by us in writing. Any unauthorized use, adaptation, publication, reproduction, preparation of derivative works, distribution of copies (whether by sale or other transfer of ownership, or by rental, lease or lending), or attempts to recreate all or a portion of our Copyrights shall constitute a breach of this Agreement and an infringement of the rights of Pumpernickel and us in and to the Copyrights. Your unauthorized use of any of the Intellectual Property constitutes a breach of this Agreement and an infringement of our and Pumpernickel's rights to the Intellectual Property.

In addition to all other rights and remedies we may have for unauthorized use of the Intellectual Property or the sale of unauthorized products or services, you must reimburse us for any damages, liability or expenses incurred by us arising out of your sale of any unauthorized product or service or for any damages, liability or expenses incurred by us arising out of your use of the Intellectual Property in an unauthorized manner. To the extent that any of the fees payable pursuant to Section 6 are for the right to use the System, such fees are all-inclusive and are not allocated among any of the various rights, including the Intellectual Property or any components of the Intellectual Property, that comprise the System.

10.4 **Intellectual Property Notices.** You shall display and use all copyright, trademark, and patent notices, legends, symbols, and designations for the Intellectual Property in the form and manner we prescribe and in compliance with applicable law. Without limiting this obligation, you shall display an appropriate copyright notice prescribed by us when using our Copyrights, you shall apply clear and conspicuous patent markings prescribed by us to products and equipment, and you shall display trademark symbols (® or ™), legends, and other notices exactly as prescribed by us in connection with uses of our Marks.

10.5 **Discontinuance of Use of Intellectual Property.** If, at any time, we reasonably modify or discontinue use of any Intellectual Property and/or use additional or substitute Intellectual Property, you shall comply with our directions within fourteen (14) days after written notice. You will bear all costs and expenses applicable to your Bakery-Cafe if we modify any Intellectual Property or use additional or substitute Intellectual Property. Neither we nor Pumpernickel shall have any liability or obligation whatsoever with respect to any such required modification or discontinuance of use of any Intellectual Property or the promotion or use of additional or substitute Intellectual Property, except as otherwise provided in Section 10.07 hereof.

10.6 **Notification of Infringements and Claims for Intellectual Property.** You must notify us immediately of any apparent infringement of any Intellectual Property, or any challenge to your use of any Intellectual Property, or any claim by another person of any rights in any Intellectual Property. You may not communicate with any person, other than your legal counsel, us, Pumpernickel and our respective legal counsel, in connection with any such infringement, challenge or claim. Pumpernickel will have sole discretion to take such action as it deems appropriate and will have the right to control exclusively any litigation or U.S. Patent and Trademark Office or other administrative proceeding arising out of any such infringement, challenge or claim or otherwise relating to any Intellectual Property. You must sign any and all instruments and documents, render such assistance and do such acts and things as may be necessary or advisable in the opinion of our or Pumpernickel's legal counsel to protect Pumpernickel's interests in any litigation or administrative proceeding or otherwise to protect its interests in the Intellectual Property. You further agree to promptly notify us of any event that occurs in connection with the operation of your Bakery-Cafe that may adversely affect the System or the goodwill associated with the Marks.

10.7 **Indemnification of Franchisee Regarding Marks.** We agree to indemnify you against, and to reimburse you for, all damages for which you are held liable in any proceeding arising out of your authorized use of any Mark pursuant to and in compliance with this Agreement and, except as provided herein, for all costs you actually and reasonably incur in defending any such claim brought against you, provided you have timely notified us of such claim and provided further that you and your Owners and Affiliates are in compliance with this Agreement and all other agreements entered into with us or any of our Affiliates. Pumpernickel, at its sole discretion, is entitled to prosecute, defend and/or settle any proceeding arising out of your use of any Mark pursuant to this Agreement, and, if Pumpernickel undertakes to prosecute, defend and/or settle any such matter, we have no obligation to indemnify or reimburse you for any fees or disbursements of any legal counsel retained by you.

11. RESTRICTIVE COVENANTS.

11.1 **Confidential Information.** We will disclose (or cause to be disclosed) parts of our Confidential Information to you solely for your use in the operation of your Bakery-Cafe. The Confidential Information is proprietary and includes our trade secrets. You acknowledge and agree that you will not acquire any interest in Confidential Information, other than the right to use it as we specify in operating your Bakery-Cafe During the Term

and thereafter: (a) you and your Owners may not use the Confidential Information in any other business or capacity (you and your Owners acknowledge such use is an unfair method of competition); (b) you and your Owners must maintain the confidentiality of the Confidential Information; (c) you and your Owners may not make unauthorized copies of, nor permit unauthorized access to, any portion of the Confidential Information disclosed in written, electronic or other form; and (d) you and your Owners must implement all reasonable procedures we prescribe from time to time to prevent unauthorized use or disclosure of the Confidential Information, including the use of nondisclosure agreements with your Owners, officers, directors, Operating Principals, managers, assistant managers, bakers and the like, and you and your Owners must deliver such agreements to us. We have the right to regulate the form of non-disclosure agreements that you use and to be a third-party beneficiary of those agreements with independent enforcement rights. Our form of confidentiality agreement must be signed by all management and executive-level personnel. Owners, including Principal Owners, must sign our form confidentiality and non-compete agreement attached as Exhibit E-1, as more fully described in Section 8.01 below. At the end of the Term, you and your Owners must deliver to us all such Confidential Information in your possession or control. Your restrictions on disclosure and use of Confidential Information do not apply to information or techniques which you can demonstrate lawfully came to your attention before we provided it to you directly or indirectly; which, at the time we disclosed it to you, already become generally known in the restaurant industry (other than through your own disclosure), provided that we agree this exclusion applies and you obtain our prior written consent to any such disclosure or use.

11.2 **In-Term Covenants.** During the Term, Franchisee may not, without Panera's prior consent (which consent may be withheld at its discretion):

11.2.1 directly or indirectly own any legal or beneficial interest in, or render services or give advice to: (a) any Competitive Business located anywhere; or (b) any entity located anywhere which grants franchises, licenses or other interests to others to operate any Competitive Business; or

11.2.2 divert or attempt to divert any business or customer of Panera Bread Bakery-Cafes to any Competitive Business or do anything injurious or prejudicial to the goodwill associated with the Marks or the System.

11.3 **Information Exchange.** All recipes, processes, ideas, concepts, advertising and promotional materials, website pages and content, methods, techniques or materials used or useful to a restaurant, grocery store, bakery-cafe, bakery or dough production business, or other business offering bakery products, whether or not constituting protectable intellectual property (collectively, the "Materials"), that you create, or that are created on your behalf, in connection with the development or operation of your Bakery-Cafe must be promptly disclosed to us. If we adopt any of such Materials as part of the System, or deem them to be sufficiently related to us and our business to be considered proprietary, they will be deemed to be our sole and exclusive property and deemed to be Works-made-for-Hire (as such term is defined under Section 101 of the Copyright Act) for us, and to the extent the Materials may for any reason not be considered a Work-made-for-Hire, you irrevocably convey, grant, transfer and assign to us all right, title and interest which you may have now or in the future in and to the Materials. You agree to sign whatever assignment or other documents we request, during and after the Term, to evidence our ownership or to assist us in securing intellectual property rights in the Materials, and you warrant that you will obtain all rights from any third party acting on your behalf to comply with this provision.

12. TRANSFER.

12.1 **Transfer by Panera.** You acknowledge that we maintain a staff to manage and operate the System and that staff members can change as employees come and go. You represent that you have not signed this Agreement in reliance on any particular shareholder, director, officer, member, partner, manager or employee remaining with us in that capacity. We may change our ownership or form and/or assign this Agreement or any interest therein and any other agreement to a third party without restriction or notice to you. After our assignment of this Agreement to a third party who expressly assumes the obligations under this Agreement, we no longer will have any performance or other obligations under this Agreement.

12.2 **Transfer by Franchisee Subject to Panera's Consent.** Franchisee's rights and duties under this Agreement are personal to Franchisee. Accordingly, except as provided in Section 12.3, below, Franchisee may not Transfer a Bakery-Cafe, nor cause or suffer a Transfer of a Bakery-Cafe, without Panera's prior written consent; provided, however, that Franchisee may cause a Transfer with respect to its rights to a specific Bakery-Cafe to an Affiliate without Panera's consent and without releasing Franchisee from its obligations under this Agreement, as long as Franchisee provides prompt written notice (with prior notice where permissible under the terms of the transaction documents) of such assignment to Panera (provided further that upon the occurrence of any subsequent event which causes or results in such Affiliate to become unaffiliated with Franchisee, such event shall be deemed a Transfer hereunder). Any purported Transfer without such written consent constitutes a material breach of this Agreement and is void and of no force or effect.

12.3 **Panera's Consent.** Notwithstanding Section 12.2, Panera agrees to approve any Transfer of a Bakery-Cafe that does not constitute a Transfer of Control, provided that the proposed transferee, its management and its direct and indirect owners are of good moral character and otherwise satisfies Panera's then-current franchise qualification criteria and are not deemed by Panera to be a competitor.

13. DEFAULT AND TERMINATION.

13.1 **Events of Default by Franchisee.** The following actions or events shall constitute an "Event of Default" by Franchisee under this Agreement:

13.1.1 Franchisee commits fraud or a criminal offence or maintains false books or records or submits false reports to Panera;

13.1.2 Franchisee contests Panera's ownership or right to license any of the Marks or the validity or registerability of any of the Marks or seeks to register or otherwise assert ownership interests in and to any of the Marks or any colorable imitations thereof anywhere in the world;

13.1.3 abandons or fails to actively operate any Bakery-Cafe for three (3) consecutive days, except where such failure to actively operate results solely from Force Majeure or where closure relates to scheduled semester breaks, emergencies, holidays, or other Location Owner-directed closures;

13.1.4 is convicted of, or pleads no contest to, a felony or other crime or offense that Panera reasonably believes may adversely affect the System or the goodwill associated with the Marks;

13.1.5 makes any unauthorized use or disclosure of any Confidential Information or uses duplicates or discloses any portion of the Policy Manual in violation of this Agreement;

13.1.6 fails or refuses to comply with any mandatory specification, standard, or operating procedure prescribed by us relating to the cleanliness or sanitation of any Bakery-Cafe or violates any health, safety or sanitation law, ordinance or regulation, that Panera reasonably believes may pose harm to the public or to Franchisee's or Panera's reputation, and does not correct such failure, refusal or violation within 24 hours after written notice thereof is delivered;

13.1.7 fails to report accurately Net Sales, to establish, maintain and/or have sufficient funds available in the designated account as required by Section 5.4 or to make payment of any amounts due Panera or any of its Affiliates, and does not correct such failure within ten (10) days after written notice of such failure is delivered to Franchisee;

13.1.8 fails to make a timely payment of any amount due to a supplier unaffiliated with Panera (other than payments which are subject to bona fide dispute), and does not correct such failure within thirty (30) days after Panera delivers notice of such failure to comply;

13.1.9 fails to comply with any other provision of this Agreement or any other mandatory

specification, standard or operating procedure or other obligation that Panera prescribes from time to time in the Policy Manual and does not correct such failure within thirty (30) days after notice of such failure to comply is delivered; or

13.1.10 fails on three (3) or more separate occasions within any period of twelve (12) consecutive months to submit when due reports or other data, information or supporting records or to pay when due Royalty Fees, advertising fund contributions or other payments due Panera, any of its Affiliates or any unaffiliated suppliers or otherwise fails to comply with this Agreement or any mandatory specification, standard or operating procedure or other obligation that Panera prescribes from time to time in the Policy Manual, whether or not such failure is corrected after notice is delivered.

13.2 **Events of Default by Either Party.** The following actions or events shall constitute an “Event of Default” under this Agreement:

13.2.1 A breach by a Party of any representation or warranty expressly set forth in this Agreement;

13.2.2 (a) the insolvency of a Party, or a Party’s failure generally to pay its debts as such debts become due; (b) a general assignment by a Party for the benefit of its creditors, or any similar arrangement with its creditors by a Party; (c) the entry of a judgment of insolvency against a Party; (d) the filing by a Party of a petition for relief under applicable bankruptcy, insolvency, or similar debtor relief laws; (e) the filing of a petition for relief under applicable bankruptcy, insolvency or similar debtor relief laws by any Person against a Party which is consented to by such Party; (f) the appointment (or petition or application for appointment) of a receiver, custodian, trustee, conservator, or liquidator to oversee all or any substantial part of a Party’s assets or the conduct of its business; (g) any action by a Party for dissolution of its operations; or (h) any other similar proceedings in any relevant jurisdiction affecting any Party; and

13.2.3 Except as otherwise expressly provided in this Agreement (including Section 13.1 and the other provisions of this Section 13.2), if either Party breaches in any material respect any provision of, or fails in any material respect to fulfill any obligation under, this Agreement and does not cure such breach or failure within any cure period specified herein or, if not specified, within thirty (30) days of notice thereof to the other Party, provided, however, if (a) such breach or failure is not susceptible of cure within a 30-day period, (b) the default cannot be cured solely by the payment of a sum of money, and (iii) the default would not expose the Non-Defaulting Party to an imminent and material risk of criminal liability or of material damage to its business reputation, the 30-day cure period shall be extended for up to sixty (60) days (as may reasonably be determined by the Non-Defaulting Party) if the Defaulting Party, within the 30-day period, commences to cure the default and thereafter proceeds with all reasonable diligence to complete such cure.

13.3 **Remedies for Event of Default.** Subject to the terms of this Agreement, if any Event of Default shall have occurred, the Party that is not in default (“Non-Defaulting Party”) shall have the right to terminate this Agreement effective upon notice of termination delivered to the Party that is in default (“Defaulting Party”), as well as the right to exercise against the Defaulting Party any other rights and remedies available to the Non-Defaulting Party under this Agreement or at law or in equity. In addition, if Franchisee is the Defaulting Party and any of the defaults relate to one (1) or more of its Panera Bread Bakery-Cafes, Panera shall have the right (but not the obligation) to terminate Franchisee’s rights with respect to the affected Panera Bread Bakery-Cafes without terminating the remainder of Franchisee’s rights and obligations under this Agreement.

13.4 **Liquidated Damages.** If Panera terminates Franchisee’s rights with respect to one or more Franchisee Bakery-Cafes, and/or Panera terminates this Agreement pursuant to Section 13.3, or Franchisee terminates this Agreement other than in accordance with the terms of this Agreement, then Franchisee will pay Panera within thirty (30) days following the date of termination, as Liquidated Damages, an amount equal to

13.4.1 For Bakery-Cafes which have been operating for fewer than thirty six (36) months, then the amount shall be the average Monthly Fees (e.g., Royalty Fees, and MAF and NAF contributions) since the opening date of such bakery-cafe multiplied by thirty-six (36).

13.4.2 For Bakery-Cafes operating thirty-six (36) months up to and including one hundred twenty months (120) months, an amount equal to the average of the Monthly Fees for such Franchisee Bakery-Cafes payable over the thirty-six (36) month period prior to termination, multiplied by the number of months remaining in its term.

13.5 **Franchisee Loss of Location Rights.** Notwithstanding anything to the contrary contained herein, if Franchisee's rights under a particular Facility Agreement at which it operates a Panera Bread Bakery Cafe are terminated prior to its expiration date due to reasons other than a breach or other fault of Franchisee, then Franchisee shall have the right to terminate its rights and obligations to operate a Panera Bread Bakery-Cafe at such location, without financial penalty and without giving effect to Section 13.4, on the earlier to occur of the time established in the Facility Agreement or effective sixty (60) days after notice thereof to Panera, and Franchisee will comply with all of its obligations under Section 14 hereof with respect to such Bakery-Cafe.

13.6 **Additional Remedies.** In the event Franchisee on two (2) or more occasions within any twelve (12) month period: (a) fails to comply with the specifications and standards provided for under this Agreement or the Policy Manual (including those referenced in Sections 6.5 and 6.6), (b) receives failing scores on any health or safety audits, or (c) maintains operations levels below Panera's systemwide benchmark operational standards then, Panera, at its discretion (without waiving any rights or remedies hereunder, including the right to terminate under Section 13, or effecting an election of remedies) and at Franchisee's expense, may require Franchisee to adopt and implement an Operations Improvement Plan designed to remedy such operational deficiencies. Any Operations Improvement Plan may include, without limitation, participation in supplemental training and engagement programs, augmented staffing protocols, and management or consultant services provided by Panera. Participation in, and completion of, any such Operations Improvement Plan shall not relieve Franchisee of its obligations under this Agreement, and shall not be a waiver of Panera's other rights and remedies.

13.7 **No Court Order.** The Parties acknowledge and agree that no court order shall be required to give effect to any termination or expiration of this Agreement.

14. EFFECT OF TERMINATION OR EXPIRATION.

14.1 **Payment of Amounts Owed.** Within ten (10) days after the effective date of termination or expiration of this Agreement, Franchisee must pay Panera and its Affiliates all amounts owed to Panera or its Affiliates which are then unpaid.

14.2 **Discontinue Use of Marks and Confidential Information.**

14.2.1 Upon the termination or expiration of this Agreement, Franchisee will:

14.2.1.1 not directly or indirectly at any time or in any manner use any Mark, any colorable imitation of any Mark or other indicia of a Panera Bread Bakery-Cafe;

14.2.1.2 take such action as may be required to cancel all fictitious or assumed name registrations relating to Franchisee's use of any Mark;

14.2.1.3 notify all telephone directory publishers of the termination or expiration of Franchisee's right to use any telephone number and any regular, classified or other telephone directory listings associated with any Mark;

14.2.1.4 promptly remove from each location of a former Panera Bread Bakery-Cafe and discontinue using for any purpose, all signs, fixtures, furniture, systems, items, advertising materials, forms and other materials and supplies which display any of the Marks or any distinctive features, images, or designs associated with Panera Bread Bakery-Cafes and, at Franchisee's expense, make such alterations as may be necessary to distinguish each such location so clearly from its former appearance as a Panera Bread Bakery-Cafe, and from other Panera Bread Bakery-Cafes, as to prevent any possibility of confusion by the public;

14.2.1.5 immediately cease to use all Confidential Information and return to Panera or destroy (at Panera's direction) all materials containing Confidential Information, including all copies of the Policy Manual, that have been loaned to Franchisee;

14.2.1.6 immediately discontinue any mode of communications on the internet directly or indirectly relating to Panera Bread Bakery-Cafes and immediately take all steps required by Panera to transfer to Panera (such as executing a Registrant Name Change Agreement with the applicable Registrar) any domain name associated with Franchisee's Panera Bread Bakery-Cafes. Franchisee irrevocably appoints any officer of Panera as Franchisee's duly authorized agent and attorney-in-fact to execute all instruments and take all steps to transfer such domain names;

14.2.1.7 promptly, discontinue any use of any computer software or other technology that is proprietary to Panera or any of its Affiliates; and

14.2.1.8 within thirty (30) days after the effective date of termination or expiration, furnish Panera evidence satisfactory to Panera of Franchisee's compliance with the foregoing obligations.

14.2.2 Upon the termination of the right to operate one (1) or more Panera Bread Bakery-Cafes, without a corresponding termination of this Agreement, Panera may enforce any or all of the requirements of Section 14.2.1 with respect to the locations that are being terminated.

14.3 **Post-Term Covenants.** For a period of one (1) year, starting on the effective date of termination of the right to operate any Bakery-Cafe hereunder or the effective date of termination or expiration (without renewal) of this Agreement, neither Franchisee nor any of its Affiliates will, directly or indirectly, own a legal or beneficial interest in, or render services or give advice to any Competitive Business operating within the Protected Areas of the terminated Bakery-Cafes. If Franchisee or any of its Affiliates fails or refuses to abide by any of the foregoing covenants and Panera obtains enforcement in a judicial or arbitration proceeding, the obligations under the breached covenant will be tolled during the period(s) of time that the covenant is breached and/or Panera seeks to enforce it and will continue in effect for a period of time ending one (1) year after the date of the order enforcing the covenant.

14.4 **Continuing Obligations.** All obligations under this Agreement which expressly or by their nature survive the expiration or termination of this Agreement shall continue in full force and effect until they are satisfied in full or by their nature expire, including the provisions of Sections 10, 11, 14, 15, 16, and 17.

15. RELATIONSHIP OF THE PARTIES.

15.1 **Independent Contractors.** Neither this Agreement nor the dealings of the parties pursuant to this Agreement shall create any fiduciary relationship or any other relationship of trust or confidence between the parties hereto. Franchisor and Franchisee, as between themselves, are and shall be independent contractors.

You understand and agree that we may operate and change the System and our business in any manner that is not expressly and specifically prohibited by this Agreement. Whenever we have expressly reserved in this Agreement or are deemed to have a right and/or discretion to take or withhold an action, or to grant or decline to grant you a right to take or withhold an action, except as otherwise expressly and specifically provided in this Agreement, we may make our decision or exercise our right and/or discretion on the basis of our judgment of what is in our best interests, including our judgment of what is in the best interests of our franchise network, at the time our decision is made or our right or discretion is exercised, without regard to whether: (1) other reasonable alternative decisions or actions could have been made by us; (2) our decision or the action we take promotes our financial or other individual interest; (3) our decision or the action we take applies differently to you and one or more other franchisees or our company-owned operations; or (4) our decision or the exercise of our right or discretion is adverse to your interests. In the absence of an applicable statute, we will have no liability to you for any such decision or action. We and you intend that the exercise of our right or discretion will not be subject to limitation or review. If applicable law implies a covenant of good faith and fair dealing in this Agreement, we and you 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 us the right to

make decisions, take actions and/or refrain from taking actions not inconsistent with your rights and obligations hereunder.

Nothing contained in this Agreement, or arising from the conduct of the parties hereunder, is intended to make either party a general or special agent, joint venturer, partner or employee of the other for any purpose whatsoever. You must conspicuously identify yourself in all dealings with customers, lessors, contractors, suppliers, public officials, employees and others as the owner of your Bakery-Cafe and must place such other notices of independent ownership on such forms, business cards, stationery, advertising and other materials as we may require from time to time. None of your employees or other personnel will be considered to be our employees or personnel. Neither you nor any of your employees or personnel whose compensation you pay may in any way, directly or indirectly, expressly or by implication, be construed to be our employee or personnel for any purpose, most particularly with respect to any mandated or other insurance coverage, tax or contributions, or requirements pertaining to withholdings, levied or fixed by any city, state, or federal governmental agency. We will not have the power to hire or fire your employees or personnel. You expressly agree, and will never contend otherwise, that our authority under this Agreement to certify certain of your employees or personnel for qualification to perform certain functions for your Bakery-Cafe does not directly or indirectly vest in us the power to hire, fire or control any such employee. You acknowledge and agree, and will never contend otherwise, that you alone will exercise day-to-day control over all operations, activities and elements of your Bakery Cafe, and that under no circumstance shall we do so or be deemed to do so. You further acknowledge and agree, and will never contend otherwise, that the various requirements, restrictions, prohibitions, specifications and procedures of the System which we are required to comply with under this Agreement, whether set forth in the Operations Manual or otherwise, do not directly or indirectly constitute, suggest, infer or imply that we control any aspect or element of the day-to-day operations of the your Bakery-Cafe, which you alone control, but only constitute standards you must adhere to when exercising your control of the day-to-day operations of your Bakery-Cafe.

You may not make any express or implied agreements, warranties, guarantees or representations or incur any debt in our name or on our behalf or represent that the relationship of the parties hereto is anything other than that of independent contractors. We will not be obligated by or have any liability under any agreements made by you with any third party or for any representations made by you to any third party. We will not be obligated for any damages to any person or property arising directly or indirectly out of the operation of your business hereunder.

15.2 **Indemnification.** You agree to indemnify us, our Affiliates and our respective directors, officers, employees, shareholders, members, managers, agents, successors and assigns (collectively the “**Indemnitees**”), and to hold the Indemnitees harmless to the fullest extent permitted by law, from any and all losses and expenses (as defined below) incurred in connection with any litigation or other form of adjudicatory procedure, claim, demand, investigation, or formal or informal inquiry (regardless of whether it is reduced to judgment) or any settlement thereof which arises directly or indirectly from, or as a result of, a claim of a third party against any one or more of the Indemnitees in connection with (i) your failure to perform or breach of any covenant, agreement, term or provision of this Agreement, (ii) your breach of any representation or warranty contained in this Agreement, (iii) the marketing, promotion, advertisement or sale of any of the products and services offered by your Bakery-Cafe pursuant to this Agreement, including data privacy and security, unfair or fraudulent advertising claims (whether in print advertising or electronic media), and product liability claims, (iv) your development, ownership operation and/or closing of your Bakery-Cafe, and (v) any allegedly unauthorized service or act rendered or performed in connection with this Agreement, (collectively “**Event**”) and regardless of whether it resulted from any strict or vicarious liability imposed by law on the Indemnitees. The foregoing indemnity shall apply even if it is determined that the ‘Indemnitees’ negligence caused such loss, liability or expense, in whole or in part, provided, however, that this indemnity will not apply to any liability arising from a breach of this Agreement by the Indemnitees or the gross negligence or willful acts of Indemnitees (except to the extent that joint liability is involved, in which event the indemnification provided herein will extend to any finding of comparative or contributory negligence attributable to you), each as determined by a final, unappealable ruling issued by a court or arbitrator(s) with competent jurisdiction. The term “losses and expenses” includes compensatory, exemplary, and punitive damages; fines and penalties; attorneys’ fees; experts’ fees; court costs; costs associated with investigating and defending against claims; settlement amounts; judgments; compensation for damages to our reputation and goodwill; and all other costs associated with any of the foregoing losses and expenses. You agree to give us and

the Indemnitees written notice of any action, suit, proceeding, claim, demand, inquiry or investigation that could be the basis for a claim for indemnification by any of the Indemnitees within three (3) days of your actual or constructive knowledge of it. We agree to give you reasonable notice of any Event of which we become aware for which indemnification may be required and we may elect (but are not obligated) to direct the defense thereof. The Indemnitees shall have the right, in their sole discretion to: (i) retain counsel of their own choosing to represent them with respect to any claim; and (ii) control the response thereto and the defense thereof, including the right to enter into settlements or take any other remedial, corrective, or other actions. You agree to give your full cooperation to the Indemnitees in assisting the Indemnitees with the defense of any such claim, and to reimburse the Indemnitees for all of their costs and expenses in defending any such claim, including court costs and reasonable attorneys' fees, within ten (10) days of the date of each invoice delivered by the Indemnitees to you enumerating such costs, expenses and attorneys' fees. Notwithstanding the foregoing, if the insurer on a policy or policies obtained in compliance with the Agreement agrees to undertake the defense of an Event (an "Insured Event"), we agree not to exercise our right to select counsel to defend the event if such would cause your insurer to deny coverage. We reserve the right to retain counsel to represent us with respect to an Insured Event at our sole cost and expense. This Section 17.02 shall continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement. An Indemnitee need not seek recovery from any insurer or other third party, or otherwise mitigate its or their losses and expenses, in order to maintain and recover from third parties fully a claim against you under this Section 17.02. You agree that a failure to pursue a recovery or mitigate a loss will not reduce or alter the amounts that an Indemnitee may recover from you under this Section 17.02. Our or any of the other Indemnitees' undertaking of defense and/or settlement will in no way diminish your obligation to indemnify us and the other Indemnitees and to hold us and any of the Indemnitees harmless

15.3 **Taxes.** We will have no liability for any sales, use, service, occupation, exercise, gross receipts, income, property or other taxes, whether levied upon your Bakery-Cafe, your property or upon us, in connection with sales made or business conducted by you (except any taxes we are required by law to collect from you). Payment of all such taxes shall be your responsibility. In the event of a bona fide dispute as to your liability for taxes, you may contest your liability in accordance with applicable law. In no event, however, will you permit a tax sale, seizure, or attachment to occur against your Bakery-Cafe or any of its assets.

16. DISPUTE RESOLUTION.

16.1 **Mediation.** Except as otherwise provided herein, if a dispute arises out of or relates to this Agreement, the breach hereof, the rights and obligations of the parties hereto, or the making, interpretation, or performance of either party under this Agreement, the parties agree first to try in good faith to settle the dispute by mediation administered by the American Arbitration Association ("AAA") in accordance with its commercial mediation rules before resorting to arbitration or litigation in accordance with the terms of this Agreement. Such mediation shall take place before a sole mediator at a location we designate (currently, Boston, Massachusetts). The parties shall each bear all of their own costs of mediation; provided, however, the fees of the mediator shall be divided equally between you and us. All aspects of the mediation, including statements made and documents produced as part of or within the mediation, will be confidential in nature and will not be admissible in any subsequent arbitration or other legal proceeding. If the matter is not settled by mediation within thirty (30) days of the commencement of the mediation, or such further period as the parties shall agree in writing, the matter shall be referred to arbitration as described in Section 18.02 below for final resolution. The parties hereto agree that mediation shall not be required with respect to: (a) any claim or dispute involving any payment obligation of us that is more than thirty (30) days past due; (b) any claim or dispute involving actual or threatened disclosure or misuse of our Confidential Information; (c) any claim or dispute involving the ownership, validity, or use of the Marks; (d) any claim or dispute involving the insurance or indemnification provisions of this Agreement; (e) any claim or dispute involving a non-curable default; (f) any claim or dispute involving your failure to comply with the System or Operations Manual; or (g) any action by us to enforce the covenants set forth in Section 11, Section 14.3 or Section 14.4 of this Agreement. The object of any mediation subject to this Section 18.01 is to assist the parties in reaching a mutually acceptable resolution of the dispute. Such mediation will, in all circumstances, be consistent with the rights and obligations created by this Agreement and will not be premised on the derogation or diminution of those rights or disregard of those rights.

16.2 **Arbitration.** Subject to Section 16.1, all controversies, disputes, or claims between the parties, including their respective Affiliates, owners, officers, directors, agents, and employees, arising from or relating to this Agreement, including the scope and validity of any provision of this Agreement (such as this Section 18.02), shall on demand of either party be submitted for arbitration to the AAA. The arbitration shall be governed exclusively by the Federal Arbitration Act (9 U.S.C. § 1, et seq.), without reference to any state arbitration statutes. There shall be one (1) arbitrator if the amount of the claim is Five Hundred Thousand Dollars (\$500,000) or less, or three (3) arbitrators if the amount of the claim is more than Five Hundred Thousand Dollars (\$500,000). If there is one (1) arbitrator, the arbitrator shall be appointed by the AAA. If there are three (3) arbitrators, the claimant shall appoint one (1) arbitrator in its notice of arbitration and statement of claim; the respondent shall appoint one (1) arbitrator in its statement of defense, and the third arbitrator, who shall act as the Chairman, shall be appointed by the two (2) arbitrators appointed by the parties within thirty (30) days of the appointment of the second arbitrator. If any arbitrators are not appointed within these time periods, the AAA shall make the appointments. The parties agree that, in connection with any such arbitration proceeding, each shall submit or file any claim that would constitute a compulsory counterclaim (as defined by Rule 13 of the Federal Rules of Civil Procedure) within the same proceeding as the claim to which it relates. Any such claim that is not submitted or filed in such proceeding shall be barred. The arbitration proceedings shall be conducted in the city where we then have our principal place of business (currently, Boston, Massachusetts) in accordance with the then-current commercial arbitration rules of the AAA (“AAA Rules”), except the parties shall be entitled to limited discovery at the discretion of the arbitrator(s) who may, but are not required to, allow depositions. The parties acknowledge that the arbitrators’ subpoena power is not subject to geographic limitations. The arbitration proceedings shall be conducted on an individual basis and not on a multi-plaintiff, consolidated, collective or class-wide basis. The foregoing sentence is an integral provision of the arbitration procedures set forth in this paragraph, and may not be severed therefrom, notwithstanding Section 19.01 of this Agreement. If such sentence is determined to be invalid or unenforceable in connection with a particular controversy, dispute, or claim, then this Section 18.02 shall be stricken from this Agreement and neither party shall be deemed to have consented to arbitration of such controversy, dispute, or claim.

The parties agree to resolve all controversies, disputes, or claims between the parties where the aggregate amount claimed is Five Hundred Thousand Dollars (\$500,000) or less in accordance with the AAA’s Expedited Procedures (“Expedited Procedures”) as set out in the AAA Rules. Where the aggregate amount claimed is more than Five Hundred Thousand Dollars (\$500,000), the Expedited Procedures will not apply unless otherwise agreed to by the parties.

The arbitrator(s) shall have the right to award the relief that he or she deems proper, consistent with the terms of this Agreement, including compensatory damages (with interest on unpaid amounts from date due), specific performance, injunctive relief, legal fees and costs, provided that the arbitrators may not declare any Mark generic or otherwise invalid or, except as expressly provided in Section 19.08, award any punitive or exemplary damages against either party (we and you hereby waiving to the fullest extent permitted by law, except as expressly provided in Section 19.08 below, any right to or claim for any punitive or exemplary damages against the other). The award by the arbitrator(s) shall be in writing and present the reasons in fact and law upon which it is based and rendered within 30 days of the final hearing or final submission of briefs, whichever is later, unless otherwise agreed to by the parties. The award and decision of the arbitrator(s) shall be conclusive and binding on all parties, and judgment upon the award may be entered in any court of competent jurisdiction. Any right to contest the validity or enforceability of the award shall be governed exclusively by the Federal Arbitration Act.

The parties undertake to keep confidential all arbitral proceedings and awards rendered in the arbitration, together with all materials in the proceedings created for the purpose of the arbitration and all other documents produced by another party in the proceedings not otherwise in the public domain, save and to the extent that disclosure may be required of a Party by legal duty, to protect or pursue a legal right or to enforce or challenge an award in legal proceedings before a court or other judicial authority. In all cases, any documents exchanged between the parties as part of the discovery process must be returned or destroyed (with proof of destruction) within thirty (30) days of the final award or dismissal of the arbitration.

16.3 **Jurisdiction.** All disputes and claims not subject to arbitration under Section 16.2 must be brought in the state or federal court with jurisdiction in the city where our principal place of business is then-located (currently Boston, Massachusetts); provided that we have the option to bring a suit against you in any state or federal court within the jurisdiction where your Bakery-Cafe is or was located or where any of your Owners lives. The parties consent to the exercise of personal jurisdiction over them by these courts, and to the propriety of venue in these courts for the purpose of this Agreement, and the parties waive any objections that they would otherwise have in this regard. Each of the parties specifically waives any defense of inconvenient forum to the maintenance of any action or proceeding so brought and waives any bond, surety, or other security that might be required of any other party with respect thereto.

16.4 **Governing Law.** This Agreement shall be construed under the laws of the State of Delaware, provided the foregoing shall not constitute a waiver of any of your rights under any applicable franchise law of another state. Otherwise, in the event of any conflict of law, Delaware law will prevail, without regard to its conflict of law principles.

16.5 **Injunctive Relief.** Notwithstanding the provisions of Section 16.2, we may obtain in any court of competent jurisdiction any preliminary relief, including temporary restraining orders and preliminary injunctions, against conduct or threatened conduct for which no adequate remedy at law may be available or which may cause us irreparable harm. Any such action for preliminary relief shall be in aid of arbitration and shall not be deemed incompatible with the agreement to arbitrate or constitute a waiver of our right to arbitrate under Section 18.02. We may have such injunctive relief, without bond, but upon due notice, in addition to such further and other relief as may be available at equity or law, and your sole remedy in the event of the entry of such injunction, shall be its dissolution, if warranted, upon hearing duly held (all claims for damages by reason of the wrongful issuance of any such injunction being expressly waived). You and each of your Owners acknowledge that any violation of Sections 11, 12.2, 14.2, 14.3, or 14.4 would result in irreparable injury to us for which no adequate remedy at law may be available. Accordingly, you and each of your Owners' consent to the issuance of an injunction prohibiting any conduct in violation of any of those Sections and agree that the existence of any claim you or any of your Owners may have against us, whether arising from this Agreement, shall not constitute a defense to the enforcement of any of those Sections.

16.6 **No Punitive Damages.** Except with respect to obligations regarding use of the Marks and another Party's Confidential Information, or as may be awarded in a third-party action, Panera and Franchisee (and each of their respective Affiliates) each waive, to the fullest extent permitted by law, any right to or claim for any punitive or exemplary damages against the other.

16.7 **Attorneys' Fees.** In a judicial or arbitration proceeding, the non-prevailing party agrees to reimburse the prevailing party for all of the prevailing party's costs and expenses, including reasonable accounting, paralegal, expert witness and attorneys' fees.

16.8 **Survival.** The provisions of this Section 16 shall continue in full force and effect subsequent to and notwithstanding expiration or termination of this Agreement.

17. MISCELLANEOUS.

17.1 **Severability.** Except as expressly provided to the contrary herein, each section, paragraph, term and condition of this Agreement shall be considered severable and if, for any reason, any provision of this Agreement is held to be invalid, contrary to, or in conflict with any applicable present or future law or regulation in a final, unappealable ruling issued by any court, arbitrator, agency or tribunal with competent jurisdiction in a proceeding to which Panera is a party ("Unenforceable Provision"), that ruling shall not impair the operation of, or have any other effect upon, other terms and conditions of this Agreement, which shall continue to be given full force and effect and bind the parties hereto, although any Unenforceable Provision shall be deemed not to be a part of this Agreement from the earlier of the date on which the time for appeal expires or receipt by Panera or Franchisee of a notice of non = enforcement.

17.2 **Severability and Substitution of Provisions.** Every part of this Agreement shall be considered

severable. If for any reason any part of this Agreement is held to be invalid, that determination shall not impair the other parts of this Agreement. If any covenant herein which restricts competitive activity is deemed unenforceable by virtue of its scope or in terms of geographic area, type of business activity prohibited and/or length of time, but could be rendered enforceable by reducing any part or all of it, you and we agree that it will be enforced to the fullest extent permissible under applicable law and public policy.

If any applicable law requires a greater prior notice of the termination of or refusal to enter into a successor franchise than is required hereunder, a different standard of “good cause”, or the taking of some other action not required hereunder, the prior notice, “good cause” standard and/or other action required by such law shall be substituted for the comparable provisions hereof. If any provision of this Agreement or any specification, standard or operating procedure prescribed by us is invalid or unenforceable under applicable law, we have the right, in our sole discretion, to modify such invalid or unenforceable provision, specification, standard or operating procedure to the extent required to make it valid and enforceable.

17.3 **Waiver of Obligations.** We and you may by written instrument unilaterally waive or reduce any obligation of the other under this Agreement. Any such waiver granted shall be without prejudice to any other rights the waiving party may have, will be subject to continuing review by such party and may be revoked, in such party’s sole discretion, at any time and for any reason, effective upon delivery to the other party of ten (10) days’ prior notice. You and we shall not be deemed to have waived any right reserved by this Agreement or be deemed to have modified this Agreement by virtue of any custom or practice of the parties at variance with it; any failure, refusal or neglect by you or us to exercise any right under this Agreement (except as provided in Section 17.4) or to insist upon exact compliance by the other with its obligations hereunder; any waiver, forbearance, delay, failure or omission by us to exercise any right, whether of the same, similar or different nature, with respect to other Panera Bread Bakery-Cafes; or the acceptance by us of any payments due from you after any breach of this Agreement.

17.4 **Exercise of Rights.** The rights of Franchisor and Franchisee hereunder are cumulative and no exercise or enforcement by Franchisor or Franchisee of any right or remedy hereunder shall preclude the exercise or enforcement by Franchisor or Franchisee of any other right or remedy hereunder which Franchisor or Franchisee is entitled to enforce by law. Franchisee acknowledges and agrees that the proximate cause of such damages sustained by Franchisor is Franchisee’s act of default and not Franchisor’s exercise of its right to terminate. Notwithstanding the foregoing, and except as otherwise prohibited or limited by applicable law, any failure, neglect, or delay of a party to assert any breach or violation of any legal or equitable right arising from or in connection with this Agreement shall constitute a waiver of such right and shall preclude the exercise or enforcement of any legal or equitable remedy arising therefrom, unless written notice specifying such breach or violation is provided to the other party within twenty four (24) months after the later of: (a) the date of such breach or violation; or (b) the date of discovery of the facts (or the date the facts could have been discovered, using reasonable diligence) giving rise to such breach or violation.

17.5 **Successors and Assigns.** This Agreement is binding on the parties hereto and their respective executors, administrators, heirs, assigns and successors in interest. This Agreement is fully transferable and assignable by us, whether by operation of law or otherwise (without notice to you, or approval by you) and shall inure to the benefit of any transferee or other legal successor to our interests herein.

17.6 **Entire Agreement.** The preambles, appendix and exhibits are part of this Agreement, which constitutes the Parties’ entire understanding of the subject matter hereof, and there are no other oral or written understandings or agreements relating to the subject matter of this Agreement. Franchisee shall not rely on any alleged oral or written understandings, agreements or representations not contained in this Agreement. Any policies Panera adopts and implements from time to time to guide Panera in its decision-making are subject to change, are not a part of this Agreement, and are not binding on Panera. Except as expressly provided in this Agreement, nothing in this Agreement is intended or deemed to confer any rights or remedies upon any Person not a Party to this Agreement. Time is of the essence in this Agreement.

17.7 **Construction.** All words in this Agreement shall be deemed to include any number or gender as the

context or sense of this Agreement requires. The words “will,” “shall,” and “must” in this Agreement indicate a mandatory obligation. The use of the words “include,” “includes,” and “including” followed by one or more examples is intended to be illustrative and is not a limitation on the scope of the description or term for which the examples are provided. The words “day” and “days” refer to calendar days unless otherwise stated. The words “hereof,” “hereto” and “herein” refer to this Agreement, and are not limited to the article, section, paragraph or clause in which such words are used.

17.8 **Approvals and Consents.** In all cases where Panera’s consent or approval is required and no other method or timing for obtaining such consent or approval is prescribed, Franchisee must request such consent or approval in writing, and Panera will notify Franchisee of Panera’s decision within thirty (30) days after receiving Franchisee’s written request and all supporting documentation. Whenever Panera’s consent or approval is required hereunder, such consent or approval must be obtained prior to the referenced action and must be in writing (which may include electronic means). Panera’s consent to or approval of any request by Franchisee shall be effective only to the extent specifically stated and shall not be deemed to waive or render unnecessary Panera’s consent or approval of any subsequent similar request. Except where this Agreement expressly obligates Panera to reasonably approve or consent to (or not to unreasonably withhold Panera’s approval of or consent to) any action or request by Franchisee, Panera has the absolute right for any good faith reason to withhold Panera’s approval of or consent to any action by Franchisee.

17.9 **Notices.** All notices must be in writing and will be deemed to be delivered (a) at the time delivered by hand; or (b) upon actual receipt or first refusal if delivered by a nationally recognized commercial courier service for delivery.

Any notice must be sent to the address specified below. Either Party may change this address for notice by giving the other Party fifteen (15) days’ prior written notice by any means specified in subparagraphs (a) or (b) above. Any payment or report Panera does not receive during regular business hours on the date due will be deemed delinquent.

Panera notice address: Panera, LLC
1400 South Highway Drive, Suite 100
Fenton, MO 63026
Attention: General Counsel

With a copy to:
Panera, LLC
1400 South Highway Drive, Suite 100
Fenton, MO 63026
Attention: Chief Franchise Officer

Franchisee notice
address:

17.10 **Franchisee’s Representations and Warranties.** Franchisee represents and warrants to Panera, as of the Effective Date, as follows:

17.10.1 Franchisee is duly organized, validly existing and in good standing under the laws of its organization and has all necessary power and authority to enter into and perform its obligations under this Agreement, and to carry on its business, as presently conducted.

17.10.2 There are no proceedings pending seeking to dissolve or to liquidate Franchisee and no action has been taken by the managing member, board of directors, shareholders, or the members of Franchisee authorizing any such proceedings.

17.10.3 The persons executing this Agreement on behalf of Franchisee has been duly authorized to perform such actions on behalf of Franchisee. This Agreement constitutes the valid, legal and binding obligations of Franchisee and is enforceable in accordance with its terms, subject to applicable bankruptcy laws and general principles of equity.

17.11 **Panera's Representations and Warranties.** Panera hereby represents and warrants to Franchisee, as of the Effective Date, as follows:

17.11.1 Panera is duly organized, validly existing and in good standing under the laws of its organization, has all necessary power and authority to enter into and perform its obligations under this Agreement and to carry on its business, as presently conducted.

17.11.2 There are no proceedings pending seeking to dissolve or to liquidate Panera, and no action has been taken by the managing member or the members of Panera authorizing any such proceedings.

17.11.3 The persons executing this Agreement on behalf of Panera have been duly authorized to perform such actions on behalf of Panera. This Agreement constitutes the valid, legal and binding obligations of Panera and is enforceable in accordance with its respective terms, subject to applicable bankruptcy laws and general principles of equity.

17.12 **Public Announcements.** The Parties shall cooperate with each other on all press releases and other public statements relating to this Agreement and marketing, promotional, and solicitation materials relating to this Agreement. Neither Party shall issue any press release or other public statement relating to this Agreement without the prior written approval of the other Party, except for any public statement required under Legal Requirements (including reporting requirements applicable to public companies). With respect to any public statement required under Legal Requirements (including reporting requirements applicable to public companies), the issuing Party shall provide the other Party with a reasonable opportunity to review and comment upon any such statement prior to its issuance.

17.13 **Business Integrity.** Franchisee is committed to conducting business with the highest legal and ethical standards and endeavors to do business with others who conduct business with the highest legal and ethical standards. Franchisee and Panera agree to perform their respective obligations under this Agreement in conformance with business integrity, provided that any failure to do so shall not constitute a breach of this Agreement or confer any other legal or equitable rights on the other Party.

17.14 **Further Assurances.** To facilitate the execution of this Agreement by geographically separated parties, it may be executed in two or more counterparts, all of which shall constitute one agreement. The execution by one Party of any counterpart shall be sufficient execution by that party whether or not the same counterpart has been executed by any other Party. This Agreement shall become effective when each party has signed at least one counterpart. All facsimile and scanned executions shall be treated as originals for all purposes. The Parties shall do and cause to be done all such acts, matters and things and shall execute and deliver all such documents and instruments as shall be required to enable the Parties to perform their respective obligations under, and to give effect to the transactions contemplated by, this Agreement.

[Signature Page Immediately Following]

IN WITNESS WHEREOF, the Parties have executed and delivered this Agreement on the day and year first above written.

PANERA LLC

a limited liability company organized under the laws of the State of Delaware

FRANCHISEE

a _____ organized under the laws of the State of _____

By: _____

Print Name: _____

Title: _____

By: _____

Print Name: _____

Title: _____

APPENDIX A

DEFINITIONS

“Affiliate” – any person or entity that directly or indirectly owns or controls the referenced party, that is directly or indirectly owned or controlled by the referenced party, or that is under common control with the referenced party. The term “control” means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of an entity, whether through ownership of voting securities, by contract or otherwise. Without limiting the foregoing, the term “Affiliate” when used herein in connection with Franchisor shall be limited to Franchisor and the entities whose ownership interest are directly or indirectly controlled by Franchisor’s immediate and direct parent company, Panera Brands, Inc.

“Agreement” – As described in the preambles of this Agreement. This Agreement includes its appendix and exhibits, as well as all amendments executed from time to time in accordance with its terms.

“Alternative Supplier” – any supplier who has been proposed by you or by another franchisee to manufacture, produce, and/or supply any item, including Food and Beverage Products, and who must be approved by us to do so in accordance with the terms of this Agreement.

“Approved Supplier” – any supplier, including us, an Affiliate of ours, or an independent third party, whom we authorize to manufacture, produce, and/or supply any products, goods, services or supplies in connection with developing and/or operating Panera Bread Bakery-Cafes, including (but not limited to) Food and Beverage Products, merchandise, uniforms, packaging materials, POP materials, third-party food delivery services, smallwares, menus, forms, marketing materials and labels.

“Claims” – Claims, demands, suits, criminal or civil actions or similar proceedings filed by a third party (including enforcement proceedings by any governmental authority) against any Indemnified Party, and all damages, fines, penalties, costs or expenses (including reasonable attorneys’ fees and expenses and other reasonable costs for defense, settlement and appeal) incurred in connection therewith by any Indemnified Party.

“Competitive Business” – any restaurant business, including a business that awards franchises or licenses others to operate or to be involved with any such restaurant business; provided, however, “Competitive Business” does not include (a) restaurant businesses that specialize in the sale of burgers, pizza, fried chicken or Mexican-style food; (b) the ownership or operation of other Panera Bread Bakery-Cafes that are licensed or franchised by us or any of our Affiliates; or (c) the ownership of shares of a class of securities that are listed on a public stock exchange or traded on the over-the-counter market and that represent less than five percent (5%) of that class of securities.

“Confidential Information” – our proprietary and confidential information relating to the development and operation of Panera Bread Bakery-Cafes, including: (1) all information contained in our Operations Manual; (2) ingredients, recipes, and methods of preparation and presentation of authorized food products; (3) site selection criteria for Panera Bread Bakery-Cafes and plans and specifications for the development of Panera Bread Bakery-Cafes; (4) sales, marketing and advertising programs and techniques for Panera Bread Bakery-Cafes; (5) identity of Approved Suppliers and knowledge of specifications, processes, procedures and equipment, and pricing for authorized food products, materials, supplies and equipment; (6) knowledge of operating results and financial performance of Panera Bread Bakery-Cafes, other than Panera Bread Bakery-Cafes you own; (7) methods of inventory control, storage, product handling, training and management relating to Panera Bread Bakery-Cafes; (8) computer systems and software programs used or useful in Panera Bread Bakery-Cafes; (9) future business plans relating to Panera Bread Bakery-Cafes and the Panera franchise opportunity, including expansion and development plans; (10) all data and other information generated by, or used in, the operation of Panera Bread Bakery-Cafes, including Customer Data; (11) all Intellectual Property; and (12) any and all other information which is provided to you that is designated orally or in writing as proprietary or confidential or by its nature would reasonably be understood to be proprietary or confidential regardless of whether such information is specifically designated as proprietary or confidential.

“Controlling Owner” means **[insert Franchisee controlling owner information]**.

“Copyrights” – Works of authorship and other categories of work entitled to copyright protection that Panera

license for use in connection with the operation of Panera Bread Bakery-Cafes and for which Panera or any of our Affiliates claims copyright protection.

“Customer Data” – any information of customers of your Bakery-Cafe that identifies or can be used to identify, contact, locate, or be traced back to the specific person to whom such information pertains, or from which identification or contact information of an individual person can be derived. Customer Data includes any personally identifiable information, such as a person’s name, address, phone number, e-mail address, and any other identifiable information derived from the transaction, including, but not limited to, information derived from participation in the loyalty program (such as privacy designations, opt outs, etc.).

“Effective Date” – As defined in the preambles.

“Entity” shall mean a partnership, a corporation, a limited liability company, a governmental authority, a trust, an unincorporated organization or any other legal entity of any kind.

“Facility Agreement” shall have the meaning given to it in Section 1.2.

“Facility Requirements” – The contractual requirements under a Facility Agreement imposed by the Location Owner with respect to the material aspects of the development and operation of a Panera Bread Bakery-Cafe at such location.

“Food and Beverage Products” – the finished or partially finished food and beverage products we authorize to be offered and sold at Panera Bread Bakery-Cafes.

“Food Services Business” shall have the meaning given to it in Section 1.2.

“Force Majeure” – any of the following events or circumstances beyond the reasonable control of the party claiming relief: (i) casualty or condemnation; (ii) storm, earthquake, hurricane, tornado, flood or other act of God; (iii) war, insurrection, pandemic, epidemics, quarantine restrictions, civil commotion or act of terrorism; (iv) strikes or lockouts; or (v) embargoes, lack of water, materials, power or telephone transmissions specified or reasonably necessary in connection with the production, storage, shipment or sale of ingredients.

“Individual” shall mean a natural person, whether acting for himself or herself, or in a representative capacity.

“Insured Event” shall have the meaning given to it in Section 15.2.

“Intellectual Property” – The Copyrights, Marks, Patents and any of Panera’s trade secrets and know-how.

“Internet” – All communications between computers and between computers and television, telephone, facsimile and similar communications devices, including the World Wide Web, proprietary online services, e-mail, news groups and electronic bulletin boards.

“Legal Requirements” – All laws, ordinances, regulations, rules, administrative orders, decrees and policies of any government, governmental agency or department applicable to either of the Parties.

“Location Owner” – As defined in Section 1.2.

“MAC” – The Marketing Advisory Committee.

“MAF” – The Marketing Administration Fee.

“Marks” – The current and future trade names, trademarks, service marks and trade dress that are used to identify the services and/or products offered by Panera Bread Bakery-Cafes, including the mark “PANERA BREAD”

and the distinctive building design and color scheme of Panera Bread Bakery-Cafes.

“NAF” – The National Advertising Fund established by Panera’s Affiliate for the U.S. market.

“Net Sales” – the aggregate amount, determined in accordance with Panera Standards, of all sales of food, beverages and other products and merchandise sold and services rendered at the Premises or otherwise rendered in connection with your Bakery-Cafe or your use of the Marks, including monies (whether for cash or credit) (a) derived from sales at or away from your Bakery-Cafe (e.g., catering or delivery), and (b) you receive from the proceeds of any business interruption insurance policies, but excluding: (1) all federal, state or municipal sales or service taxes collected from customers and paid to the appropriate taxing authorities; and (2) all documented customer refunds and adjustments and promotional discounts made by your Bakery-Cafe.

“Operations Manual” – all information for the development, establishment and operation of a Panera Bread Bakery-Cafe that contains the System Standards necessary to maintain brand consistency, product quality and customer experience. This includes information communicated in writing, electronically (such as in bulletins, updates, guidelines, newsletters, e-mails, presentations, limited access online resources), or through other media as supplemented and amended from time to time. The Operations Manual may address areas such as training, quality assurance, health, safety, security, site selection and acceptance processes, customer service, Approved Suppliers, operating system manuals, and the menu policy. The Operations Manual and any revisions or updates thereto may be provided in electronic format including via the Internet, intranet, or other electronic means.

“Owner” shall mean each Person that has an Ownership Interest in Franchisee.

“Ownership Interest” – shall mean all forms of ownership, whether legal or beneficial, voting or non-voting, including stock, partnership interests, limited liability company membership or ownership interests, joint tenancy interests, proprietorship interests, trust beneficiary interests, proxy interests, power-of-attorney interests, and all options, warrants and instruments convertible into such other interests, and any other right, title or interest not included in this definition that Panera determines to constitute a form of direct or indirect ownership in Franchisee.

“Panera” – As defined in the preambles. The term Panera includes all of its successors and assigns.

“Panera Bread Bakery-Cafes” – Bakery-cafes that Panera or any of its Affiliates own, operate or franchise and that use the Marks and the System.

“Panera Indemnitees” shall mean Panera and its Affiliates, and their respective officers, directors, employees, agents, owners, representatives, successors and assignees.

“Panera Standards” – the accounting, audit and tax standards, methods, practices and procedures as may be established from time to time by us, in our sole discretion, with respect to, among other things, the maintenance of books and records, and the preparation and presentation of financial information and financial statements, but which shall not be materially inconsistent with generally accepted accounting principles consistently applied and which are utilized by us in connection with our Panera Bread Bakery-Cafes. In absence of any particular standard, method, practice or procedure established by us, the term “Panera Standards” shall refer to generally accepted accounting principles, consistently applied.

“Party” or “Parties” – As defined in the preambles.

“Patents” – The current and future patents and patent applications, if any, that cover business methods, processes, products, structures, equipment and designs that Panera licenses for use in connection with the operation of Panera Bread Bakery-Cafes.

“Person” shall mean an Entity or Individual.

“Personnel” – all individuals employed by you in connection with the development, management, or operation

of your Bakery-Cafe, including but not limited to those in general and district management positions, crew trainers, unit general and assistant managers, shift supervisors, hourly associates, and any other persons who work in or for your Bakery-Cafe.

“Reporting Period” – shall consist of fifty-two (52) or fifty-three (53) reporting periods (Wednesday through following Tuesday, subject to change by Panera) in each of Panera’s fiscal years.

“Site Addendum” – An addendum to this Agreement to be executed by Franchisee and Panera in connection with the opening and operation of each Panera Bread Bakery-Cafe to be developed under this Agreement, the current form of which is attached as Exhibit 1.

“System” – the business methods, designs and arrangements for developing and operating Panera Bread Bakery-Cafes, including the System Standards, the Operations Manual, Intellectual Property, building design and layouts, equipment, technologies, ingredients, recipes, methods of preparation and specifications for authorized food products, training, methods of inventory control and certain operating and business standards and policies, all of which we may improve, further develop or otherwise modify from time to time.

“System Standards” – the mandatory specifications, standards and operating procedures that we periodically prescribe for the development and operation of a Panera Bread Bakery-Cafe, which shall include establishing, designating and modifying Approved Suppliers, distributors, equipment, manuals, guides, specifications, standards, programs, policies, materials, procedures, and alerts and amendments thereto.

“Term” – As defined in Section 2.3.

“Transfer” – The voluntary, involuntary, direct or indirect sale, assignment, transfer, license, sublicense, sublease, collateral assignment, grant of a security, collateral or conditional interest, or other disposition of this Agreement, an interest in or right under this Agreement, or any Ownership Interest or the assets, revenues or income of any Panera Bread Bakery-Cafe, including: (a) any transfer, redemption or issuance of a legal or beneficial ownership interest in the capital stock of, or a partnership interest in Franchisee or of any interest convertible to or exchangeable for capital stock of, or a partnership interest in Franchisee; or (b) any merger, consolidation or amalgamation of Franchisee, whether or not Franchisee is the surviving corporation; (c) any transfer in, or as a result of, an insolvency, corporate or partnership dissolution proceeding or otherwise by operation of law; or (d) any foreclosure on any Panera Bread Bakery-Cafe, or the transfer, surrender or loss by Franchisee of possession, control or management of any Panera Bread Bakery-Cafe. Notwithstanding anything to the contrary contained herein, Franchisee may not under any circumstances sub-license any rights granted under this Agreement, nor transfer any individual Panera Bread Bakery-Cafe (other than in connection with transferring all of its Panera Bread Bakery-Cafes to the same transferee in accordance with this Agreement).

“Transfer of Control” – means any Transfer of Ownership Interests that results in either (a) a dilution of the direct or indirect Ownership Interest by the Controlling Owner to fifty percent (50%) or less, or (b) the loss of the right by the Controlling Owner to direct or control the management of the operations of Franchisee.

“Transfer of Ownership Interest” shall mean any (a) sale, assignment, disposition, conveyance, gift, pledge or other transfer, in whole or in part, of any Ownership Interests in Franchisee or in any parent company of Franchisee, (b) merger, consolidation, reorganization or other restructuring of Franchisee or any parent company of Franchisee, (c) issuance of additional Ownership Interests in Franchisee or in any parent company of Franchisee that would have the effect of diluting voting rights or the Ownership Interests in Franchisee or in any parent company of Franchisee; in each of (a), (b), or (c) whether voluntary, involuntary, by operation or law or otherwise (including as a result of any divorce, bankruptcy, insolvency or dissolution proceedings, by declaration of or transfer in trust, or under a will or the laws of intestate succession).

“Unenforceable Provision” shall have the meaning given to it in Section 16.1.

EXHIBIT 1

FORM OF SITE ADDENDUM

EXHIBIT D-1

DEVELOPMENT SERVICES AGREEMENT

Development Services Agreement

This Development Services Agreement (the "Agreement") is made this ____ day of _____, _____ ("Effective Date"), by and between _____, a _____ ("Franchisee" or "you"), with a mailing address at _____ and Panera, LLC, a Delaware limited liability company ("Panera", "we" or "us"), with a mailing address of 1400 South Highway Drive, Suite 100, Fenton, MO 63026.

1. **Development** - Panera may, from time to time, at its discretion, offer to sell to you on a non-exclusive basis one or more Panera Bread Bakery-Cafes on the terms and conditions contained in this Agreement. Each Panera Bread Bakery-Cafe offered to you shall be referred to herein as "a proposed location" or a "proposed Bakery-Cafe". You acknowledge and agree that nothing contained in this Agreement shall grant you any development rights or obligate Panera to offer any proposed locations to you. Panera may develop, open and operate (or permit others to develop, open and operate) any new Bakery-Cafe (wherever located) without offering the proposed location to you. The intention of this Agreement is to establish in advance mutually agreeable terms and conditions should Panera, at its sole discretion, decide to offer to sell you a proposed location.

2. **Terms and Conditions** - Any proposed location will be offered to you on the following terms and conditions:

(a) **The Offer** - An offer may be made to you after Panera's Development Committee approves a proposed location. Any offer will be in writing and will include a copy of the First Pass package containing such information regarding the proposed location as Panera may then include in First Pass packages for new locations proposed to its Development Committee. The offer will also include an initial estimate of the Total Cost, as hereinafter defined, of development of the proposed location (the "First Pass Budget"). You acknowledge that any offer made by Panera may include any radius protection we deem appropriate for the proposed location and any other conditions we deem appropriate.

(b) **Purchase Price, Franchise Agreement and Lease** - The purchase price for the proposed location will be an amount equal to the Total Cost of development of the Panera Bread Bakery-Cafe, plus a development fee of one hundred and fifty thousand dollars (\$150,000) in consideration of the services to be provided by Panera in developing the proposed location (the "Purchase Price"). The "Total Cost" shall be defined to include any and all costs and expenses incurred by Panera in connection with selection and development of the proposed location, including, without limitation, any and all land or lease costs, including the cost of site improvements, leasehold improvements, building construction, architectural, engineering, consulting, expediting and legal expenses (including the cost of title insurance, opinions, closing and permit costs), brokerage commissions, costs of furniture, fixtures, equipment and signage, tap fees, impact fees, or any similar fees charged by municipal jurisdictions or utility providers, pre-opening rent and taxes, financing and interest costs incurred during the development of the bakery-cafe, and any other costs or expenses incurred by Panera in developing the proposed location; provided, however, that no overhead expenses of Panera other than the development fee shall be included in Total Cost. Total Cost shall be reduced by the amount of any Landlord construction allowance received by Panera applicable to the development of the proposed location. Panera shall, to the fullest extent allowed by applicable law, require its contractors and subcontractors to issue resale certificates in lieu of paying sales or use taxes on purchases of taxable services and tangible personal property. Total Cost shall not include sales or use taxes which could have been avoided through the issuance of a resale certificate.

At closing, you will also enter into a Franchise Agreement and Lease or Purchase and Sale Agreement for the Bakery-Cafe on the terms described in this Agreement and pay the initial franchise fee and all other amounts payable under the Franchise Agreement and Lease or Purchase and Sale Agreement.

(c) **Acceptance of an Offer** - You may accept Panera's offer for a proposed location by countersigning the offer letter and returning it to Panera with a check in the amount of thirty seven thousand five hundred dollars (\$37,500), which represents payment of twenty five percent (25%) of the total development fee for the proposed location. Your acceptance of the offer will not be valid or binding on Panera unless it is duly executed on behalf of Franchisee, is unqualified and unconditional, and is received by Panera within fifteen (15) days of the date of Panera's offer letter.

(d) **Due Diligence** - Promptly after Panera completes its due diligence review, Panera will provide you with an updated estimate of the Total Cost of development of the proposed location (the "Second Pass Budget"). You will have the right, by giving written notice to Panera delivered within ten (10) days after your receipt of the Second Pass Budget, to rescind your acceptance of the offer if the amount of the Second Pass Budget exceeds the amount of the First Pass Budget by more than ten percent (10%). If you elect to rescind your acceptance after receipt of the Second Pass budget, the initial thirty seven thousand five hundred dollars (\$37,500) installment of the development fee for the proposed location will be refunded to you. If you do not elect

to rescind your acceptance, a second payment in the amount of thirty thousand dollars (\$30,000) which represents an additional twenty percent (20%) of the total development fee for the proposed location will be payable by you within ten (10) days of your receipt of the Second Pass budget.

(e) Preconstruction Budget - Prior to commencing construction of the proposed location, Panera will provide you with an updated estimate of the Total Cost of development of the proposed Bakery-Cafe ("Preconstruction Budget"). You will have the right, by giving written notice to Panera delivered within ten (10) days after receipt of the Preconstruction Budget, to rescind your acceptance of the offer if the amount of the Preconstruction Budget exceeds the amount of the Second Pass Budget by more than ten percent (10%). If you elect to rescind your acceptance after receipt of the Preconstruction Budget, all prior installments of the development fee will be refunded to you. If you do not elect to rescind your acceptance, a payment in the amount of thirty seven thousand five hundred dollars (\$37,500) which represents an additional twenty five percent (25%) of the total development fee for the proposed location will be payable by you within ten (10) days of your receipt of the Preconstruction Budget.

(f) Closing - The balance of the development fee for the proposed location in the amount of forty five thousand dollars (\$45,000) and an amount equal to thirty percent (30%) of the Preconstruction Budget to be applied to the purchase price will be payable by you at a closing. At closing, you will also provide a loan commitment or other evidence satisfactory to Panera of the availability of cash or financing for payment of the balance of the purchase price. At closing, you will also pay the initial franchise fee, and any other amounts then due under the Franchise Agreement, Lease or Purchase and Sale Agreement.

(g) Delivery of Possession - Panera will deliver possession of the proposed location to you when the proposed location is substantially complete, including issuance of a certificate of occupancy. Panera will give you thirty (30) days prior notice of the estimated date of delivery of possession. On or before the actual date of delivery of possession, you will be required to deliver an amount equal to an additional sixty percent (60%) of the Preconstruction Budget to be applied to the Purchase Price. On the date of delivery of possession, the parties will conduct a walk through of the proposed location to identify any "punch list items" to be completed by Panera. Panera will use reasonable effort to cause all punch list items to be completed promptly after the date of delivery of possession of the proposed location.

(h) Opening for Business - You will open the proposed Bakery-Cafe for business with the public within ten (10) days of the date of delivery of possession of the proposed location to you, subject to your obtaining all approvals and satisfying all requirements and conditions under the Franchise Agreement.

(i) The balance of the Purchase Price (the difference between ninety percent (90%) of the Preconstruction Budget and the Total Cost) will be billed by Panera when the final amount of the Total Cost is determined and will be payable by you within fifteen (15) days of demand.

(j) The Total Cost, First Pass Budget, Second Pass Budget, Preconstruction Budget, and any similar report by Panera to the Franchisee called for by this Agreement shall be presented with reasonably sufficient detail. Panera shall provide additional detail and supporting documentation for said reports as Franchisee may reasonably request.

3. Franchise Agreement - You understand and agree that no Franchise Agreement shall be issued for any proposed location unless all of the following conditions have been met:

- (a) Your decision to purchase and operate a Panera Bread Bakery-Cafe at a proposed location is based solely on your own independent investigation of the suitability of the location for a Panera Bread Bakery-Cafe. In consideration of the services provided hereunder, you and your Owners (as defined in the Franchise Agreement) agree to release us, and our Affiliates, shareholders, members, officers, directors, employees, agents, successors and assigns from any and all loss, damages and liability arising from or in connection with your purchase and operation of the proposed Bakery-Cafe. You understand and agree that, notwithstanding anything herein to the contrary, if Panera offers a location to you and you do not unconditionally accept the offer in strict accordance with the terms of this Agreement, Panera may at any time develop and operate a Panera Bread Bakery-Cafe at the proposed location.
- (b) Financial Qualifications. In conjunction with our decision to offer a location to you, we may require that you furnish us updated financial statements (historical and pro forma), statements of the sources and uses of capital funds, budgets and other information regarding yourself and each legal entity, if any, involved in the ownership and operation of any Bakery-Cafe we may offer to you, as well as any then existing Panera Bread Bakery-Cafes you or your Affiliates own. We may refuse to grant you a franchise for a Panera Bread Bakery-Cafe, and terminate and rescind any offer made under this Agreement, if you fail to demonstrate sufficient financial and management capabilities to pay the purchase price at closing and properly operate the proposed Bakery-Cafe and the

then-existing Panera Bread Bakery-Cafes you and your Affiliates own. We will evaluate such financial and management capabilities in accordance with the then-current standards we use to establish Panera Bread Bakery-Cafes in other comparable market areas.

- (c) Execution of Franchise Agreement. If we determine to grant any rights to operate any Panera Bread Bakery-Cafe hereunder, we will do so by issuing Panera's then-current form of standard franchise agreement, together with all standard ancillary documents (including exhibits, addendum, riders, collateral assignments of leases, Principal Owner guarantees and other related documents) that we then customarily use in granting franchises for the operation of Panera Bread Bakery-Cafes (the "Franchise Agreement"). In such event;

- (i) You and your Owners shall execute and return the Franchise Agreement and pay the initial franchise fee at the closing of the transaction under this Agreement, but no earlier than five (5) business days after we deliver it to you. If we do not receive the fully executed Franchise Agreement and payment of the initial franchise fee as required hereunder, we may revoke our offer to grant you a franchise to operate a Panera Bread Bakery-Cafe at the proposed location and may revoke our offer to sell you the proposed location. Concurrently with your execution and delivery to us of each Franchise Agreement, you and your Owners and Affiliates must, except to the extent limited or prohibited by applicable law, execute and deliver to us a general release in form and substance satisfactory to us, of any and all claims against us, our Affiliates and shareholders, members, officers, directors, employees, agents, successors and assigns; and
- (ii) The initial franchise fee payable for each proposed Bakery-Cafe pursuant to this Agreement shall be Thirty Five Thousand Dollars (\$35,000.00), payable at the closing of the transactions under this Agreement, and the royalty fees shall not exceed the percentage set forth in our standard form franchise agreement being offered as of the date of this Agreement.

4. Lease or Purchase and Sale Agreement - At closing, you will enter into a sublease for the proposed location (the "Lease"). The Lease will be on the standard form then used by Panera. The base rent payable under the Lease will be a pass through of the base rent payable by Panera under the underlying lease for the premises. The Lease will be a "triple net lease" which means that any and all additional rent, taxes, common area maintenance and other costs and charges will be passed through, dollar for dollar, to you and must be paid by you. The Lease will be subject and subordinate to all of the terms and conditions of the underlying lease between Panera and the property owner of the premises. Panera may also, at its discretion, at any time at or after closing, elect to assign the underlying lease for the premises to you. If Panera makes such election, you agree to enter into an assignment and assumption agreement on the form then used by Panera which will include a collateral assignment and an obligations by you to assume all obligations of the tenant under the underlying lease and to defend and indemnify Panera from and against any and all cost, expenses or damages arising from any breach of the tenant's obligations under the underlying lease. The signatories to the Lease and to any assignment and assumption of the underlying lease must be exactly the same as the individuals and/or entities that are signatories to the Franchise Agreement and any guaranty of the Franchise Agreement.

If the Offer contemplates a land purchase rather than a lease, you will enter a Purchase and Sale Agreement with Panera promptly after your acceptance of the Offer. The Purchase and Sale Agreement will be on the standard form then used by Panera, and will incorporate the terms and conditions of the Offer.

5. Development of the Premises - Panera will develop and equip the proposed Bakery-Cafe as a typical Panera Bread Bakery-Cafe in accordance with its then current design and construction standards and specifications as applied by Panera to the proposed location, in its sole discretion. Panera will consult with you before finalizing its design and construction plans for the proposed location.

6. Furniture, Fixtures and Equipment - Title to all furniture, fixture and equipment will be transferred to you upon payment in full of the Purchase Price. All equipment will be new and, to the extent permitted will be guaranteed by the manufacturer under the manufacturer's standard warranty, if any. The assets to be purchased do not include any small wares, food, merchandise or paper goods inventory all of which will be provided by you. At closing, Panera will execute a bill of sale for the furniture, fixtures and equipment which will be held in escrow by Panera and released to Franchisee upon payment in full of the Purchase Price. ALL FURNITURE, FIXTURES AND EQUIPMENT SHALL BE TRANSFERRED WITHOUT WARRANTY OF ANY KIND, EITHER EXPRESS OR IMPLIED INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

7. Panera may rescind any offer of a proposed location made under this Agreement at any time if Panera is unable to enter into a lease for the proposed location, or is unable to obtain any necessary permit or other third party approval to develop and

operate the proposed location, or if Panera determines, in its sole discretion, that development of the proposed Bakery-Cafe is not feasible for any reason or no longer meets Panera's development standards. If Panera rescinds an offer pursuant to this section, all installments of the development fee previously paid by Franchisee will be refunded.

8. Panera may rescind any offer of a proposed location made under this Agreement if Franchisee is in default under this Agreement or under any Franchise Agreement or other agreement with Panera. If Panera rescinds an offer pursuant to this section, Panera will retain all installments of the development fee previously paid by Franchisee.

9. Adjustments - At closing, the following adjustments shall be made between Panera and Franchisee: electricity, gas, fuel, and water. Panera will also be entitled to a return of all utility deposits.

10. Closing - Closing shall take place on a date specified by Panera within ninety (90) days prior to the scheduled date of opening of the proposed Bakery-Cafe, at a mutually agreeable location. In no event shall the proposed Bakery-Cafe open for business prior to the closing. Panera will give Franchisee thirty (30) days prior written notice of the date of closing. At closing, the parties shall execute the documents required under this Agreement, and such other related documents as may be necessary and customary to complete the transactions contemplated by this Agreement, including all documents ancillary to the Franchise Agreement and Lease and the transfer of all right title and interest to the furniture, fixture and equipment to you free and clear of any liens or encumbrances created by us. As used herein, the word "closing" shall refer to the closing described in this section.

11. Sales Taxes - Sales taxes, if any, imposed by a municipal or state taxing authority in connection with the sale of the proposed Bakery-Cafe or any equipment or signs shall be paid by Franchisee, and may be included in Total Cost.

12. Term - This Agreement shall become effective as of the Effective Date and continue for a period (the "Term") through the first anniversary thereof, subject to renewal for successive one year periods, and further subject to termination as provided in this section or elsewhere in this Agreement. Panera or Franchisee may terminate this Agreement with respect to future offers at any time upon written notice, with or without cause, given to the other.

Each offer made by Panera and accepted by Franchisee under this Agreement shall be deemed a separate transaction. The obligations with respect to each transaction shall be separate and distinct and shall survive the termination of this Agreement by Panera or Franchisee under this section. The termination or revocation of any offer or acceptance pursuant to the terms of this Agreement with respect to any specific proposed location shall not alter the rights or obligations of the parties under this Agreement with respect to any other proposed location, except as otherwise provided herein.

13. Representations - You and each Owner represent, warrant, covenant and agree that:

(a) Organization. (i) You are duly organized and validly existing under the laws of the state of [_____]; (ii) you have the authority to execute and deliver this Agreement and to perform your obligations hereunder; (iii) true and complete copies of the articles of incorporation, articles of organization, operating agreement, subscription agreements, buy-sell agreements, voting trust agreements and all other documents relating to your ownership, organization, capitalization, management and control ("Organizational Documents") have been promptly delivered to us and have not been amended since delivery to us; (iv) any and all amendments, deletions and additions to your Organizational Documents shall be promptly delivered to us-for our approval, which approval shall not be unreasonably withheld; (v) your activities are restricted to those necessary solely for the development, ownership and operation of Panera Bread Bakery-Cafes in accordance with this Agreement and in accordance with any other agreements entered into with us or any of our Affiliates; (vi) the articles of incorporation, articles of organization, operating agreement or principles, or other Organizational Documents recite that the issuance, transfer or pledge of any direct or indirect legal or beneficial ownership interest is restricted by the terms of this Agreement; (vii) all certificates representing direct or indirect legal or beneficial ownership interests now or hereafter issued shall bear a legend in conformity with applicable law reciting or referring to such restrictions; and (viii) you will deliver to us a Secretary/Clerk's Certificate or other evidence satisfactory to us that the execution, delivery and performance of this Agreement, each Franchise Agreement, each Lease, and all other agreements and ancillary documents contemplated hereby or thereby have been duly authorized by all necessary action by your corporation, partnership, limited liability company or other legal entity, as applicable.

(b) Ownership.

(i) The information set forth on Exhibit A attached hereto contains a complete and accurate description of you, your Owners, Principal Owners and Operating Partner and the other information supplied thereon. You agree that updated Exhibits A will be furnished promptly to us, so that Exhibit A (as so revised and signed by you) is

at all times current, complete and accurate. Each person who is or becomes an Owner or Principal Owner who has not already done so must execute an agreement in the form we prescribe, undertaking to be bound by the confidentiality and non-competition covenants contained in this Agreement. Each Owner is an individual acting in his/her individual capacity, unless we waive this requirement.

- (ii) The Operating Partner you have designated in Exhibit A: (i) owns and controls, or has the right to own and control (subject to terms and conditions reasonably acceptable to us), not less than a ten percent (10%) interest in your equity; (ii) has the authority to bind you regarding all operational decisions with respect to your Panera Bread Bakery-Cafes; (iii) has completed our training program to our satisfaction and (iv) has agreed that if he/she is terminated, for whatever reason, he/she shall not for a period of two (2) years after such termination, recruit or hire any person who is an employee of yours, ours or any Panera Bread Bakery-Cafe operated by us, our Affiliates or any franchisee of ours without obtaining the employer's consent, which consent may be withheld for any reason.

14. Covenants -

(a) Activities. You (or your Operating Partner): (i) shall exert your full-time and best efforts to the development and operation of all Panera Bread Bakery-Cafes you own; and (ii) may not engage in any other business or activity, directly or indirectly, that requires substantial management responsibility or time commitments or otherwise may conflict with your obligations hereunder or under the Franchise Agreements. You agree to provide us with a copy of any proposed arrangement, agreement or contract, and all amendments thereto, with your Operating Partner for our prior review and approval, and upon approval thereof, executed copies thereof. We shall have no responsibility, liability or obligation to any party to any such arrangement, agreement or contract, or any amendments thereto, on account of our approval thereof or otherwise, and you agree to indemnify and hold us harmless with respect thereto.

(b) Annual Reports. You shall furnish us: (i) within ninety (90) days after the end of each calendar year, (ii) a consolidated year-end balance sheet and income statement and statement of cash flow for you and all of your Affiliates that develop, own or operate Panera Bread Bakery-Cafes, all prepared in accordance with generally accepted accounting principles, consistently applied, and reflecting all year-end adjustments and accruals; (iii) similar information from all Principal Owners who have executed guarantees of this Agreement; and (iv) such summaries of financial information as we may require from time to time; and (v) within thirty (30) days of our request, such other information as we may require from time to time, including income tax statements. All such reports shall use our then-current standard chart of accounts. You shall execute verification that the information in each such report and financial statement is complete and accurate. We reserve the right to require that your annual financial statements be audited, at your expense, by an independent certified public accountant approved by us. We reserve the right to publish or disclose information that we obtain under this Section in any data compilations, collections, or aggregations that we deem appropriate, in our sole discretion, so long as we do not disclose information relating to performance of your individual Bakery-Cafes, unless such disclosure is required by law or order of a court. Additionally, you shall complete and submit to us a franchisee financial qualification summary in the form designated by us, as it may change from time to time, with your submission.

(c) Ownership of the Marks. You acknowledge and agree that (i) our Affiliate, Pumpnickel Associates, LLC, owns the Marks and that you are not granted the right under this Agreement to use the Marks; (ii) your right to use the Marks arises solely from, and is limited to, Franchise Agreements entered into between you and us; (iii) you may not use any Mark (or any abbreviation, modification or colorable imitation) as part of any corporate or legal business name or in any other manner not explicitly authorized in writing by us; and (iv) you may not at any time during or after the Term contest, or assist any other person or entity in contesting, the validity or ownership of any of the Marks. You shall promptly disclose to us all recipes, processes, ideas, concepts, methods, techniques or materials used or useful to a restaurant, grocery store, bakery-cafe, bakery or dough production business, or other business offering bakery products, whether or not constituting protectable intellectual property, that you create, or that are created on your behalf, in connection with the development or operation of your Panera Bread Bakery-Cafes must be promptly disclosed to us. If we adopt any of them as part of the System, they will be deemed to be our sole and exclusive property and deemed to be works made-for-hire for us. You agree to sign whatever assignment or other documents we request to evidence our ownership or to assist us in securing intellectual property rights in such recipes, processes, ideas, concepts, methods, techniques or materials.

(d) Confidential Information. We will disclose parts of our Confidential Information to you solely for your use in connection with this Agreement and the Franchise Agreements. The Confidential Information is proprietary and includes our trade secrets and all information relating to our development strategy and development plans for any proposed location. During the Term and thereafter: (i) you and your Owners may not use the Confidential Information in any other business or capacity (you acknowledge such use is an unfair method of competition); (ii) you and your Owners shall maintain the confidentiality of the

Confidential Information; (iii) you and your Owners may not make unauthorized copies of any portion of the Confidential Information disclosed in written, electronic or other form; and (iv) you and your Owners must implement all reasonable procedures we prescribe from time to time to prevent unauthorized use or disclosure of the Confidential Information, including the use of nondisclosure agreements with your Owners, officers, directors, Operating Partner, managers, assistant managers, head bakers and the like, and you and your Owners must deliver such agreements to us. At the end of the Term, you and your Owners must deliver to us all such Confidential Information in your possession or control, except for such information as you are permitted to retain pursuant to Franchise Agreements then in effect. Your restrictions on disclosure and use of Confidential Information do not apply to information or techniques which are or become generally known in the restaurant industry (other than through your own disclosure), provided you obtain our prior written consent to such disclosure or use.

(e) In-Term Covenants. During the Term, neither you nor any of your Owners may, without our consent (which consent may be withheld at our discretion): (i) directly or indirectly (such as through a member of his/her or their Immediate Families) own any legal or beneficial interest in, or render services or give advice to: (A) any Competitive Business located anywhere; or (B) any entity located anywhere that grants franchises, licenses or other interests to others to operate any Competitive Business; or (ii) divert or attempt to divert any business or customer of Panera Bread Bakery-Cafes to any competitor or do anything injurious or prejudicial to the goodwill associated with the Marks or the System.

15. Termination for Default - In addition to our right to terminate pursuant to other provisions of this Agreement or under applicable law, we may terminate this Agreement and terminate and rescind any offer made under this Agreement, effective upon delivery of notice of termination to you if you or any of your Principal Owners or Affiliates: (i) fail to pay any amounts payable hereunder when due; (ii) make any unauthorized use or disclosure of the Confidential Information; (iii) fail to comply with any other provision of this Agreement and do not correct such failure within thirty (30) days after written notice of such failure to comply is delivered to you; (iv) are in breach of any Franchise Agreement or other agreement between you or any of your Affiliates and us or any of our Affiliates such that we have the right to terminate such Franchise Agreement or other agreement whether or not we elect to exercise our right to terminate the Franchise Agreement; or (v) if we determine that any applicable federal or state statute, regulation, rule or law, which is enacted, promulgated or amended after the date hereof, may have a material adverse effect on our rights, remedies or discretion in franchising Panera Bread Bakery-Cafes.

16. Effect of Termination and Expiration -

(a) Continuing Obligations. All obligations under this Agreement, which expressly or by their nature survive the expiration or termination of this Agreement, shall continue in full force and effect until they are satisfied in full or by their nature expire.

(b) Post-Term Covenants. For a period of two (2) years, starting on the effective date of termination or expiration, neither you nor any of your Owners shall directly or indirectly (such as through an Affiliate or through you or their Immediate Families) own a legal or beneficial interest in, or render services or give advice to: (i) any Competitive Business operating within the Non-Compete Area; (ii) any Competitive Business operating within a radius of five (5) miles of any Panera Bread Bakery-Cafe in operation or under construction on the effective date of termination or expiration; (iii) any entity that grants franchises or licenses interests to others to operate any Competitive Business; or (iv) recruit or hire any person who is an employee of ours or of any Panera Bread Bakery-Cafe operated by us, our Affiliates or another franchisee of ours without obtaining the employer's consent, which consent may be withheld for any reason. You and each of your Owners expressly acknowledge the possession of skills and abilities of a general nature and other opportunities for exploiting such skills in other ways, so that enforcement of the covenants contained in this section will not deprive any of you of your personal goodwill or ability to earn a living. If you or any of your Owners fail or refuse to abide by any of the foregoing covenants and we obtain enforcement in a judicial or arbitration proceeding, the obligations under the breached covenant will continue in effect for a period of time ending two (2) years after the date of the order enforcing the covenant.

17. Miscellaneous Provisions -

(a) Governing Law. This Agreement shall be construed under the laws of the State of Missouri, provided the foregoing and any applicable provision in any Franchise Agreement shall not constitute a waiver of your rights under any applicable franchise law of another state. Otherwise, in the event of any conflict of law Missouri law will prevail, without regard to its conflict of law principles. However, if any provision of this Agreement would not be enforceable under Missouri law, and if such provision would be enforceable under the laws of Texas, then such provision shall be construed under the laws of that state. Nothing in this section is intended to subject this Agreement to any franchise or similar law, rule or regulation of the State of Missouri or any other state or political subdivision to which it otherwise would not be subject.

Subject to the foregoing and any applicable provision in any Franchise Agreement, you and your Owners irrevocably submit to the jurisdiction of the courts of the State of Missouri in any suit, action or proceeding, arising out of or relating to this Agreement or any other dispute between you and us, and you irrevocably agree that all claims in respect of any such suit, action or proceeding must be brought and/or defended therein except with respect to matters that are under the exclusive jurisdiction of the Federal Courts of the United States, which shall be brought and/or defended in the Federal District Court sitting in St. Louis, Missouri. You irrevocably waive, to the fullest extent you may lawfully do so, the defense of an inconvenient forum to the maintenance of such suit, action or proceeding and agree that service of process for purposes of any such suit, action or proceeding need not be personally served or served within the State of Missouri but may be served with the same effect as if you were served within the State of Missouri, by certified mail or any other means permitted by law addressed to you at the address set forth herein. Nothing contained herein shall affect our rights to bring a suit, action or proceeding in any other appropriate jurisdiction, including any suit, action or proceeding brought by us to enforce any judgment against you entered by a State or Federal Court.

The provisions of this section shall continue in full force and effect subsequent to and notwithstanding expiration or termination of this Agreement.

(b) Time of the Essence. Time is of the essence with respect to this Agreement and the transactions contemplated by this Agreement.

(c) Injunctive Relief. Notwithstanding Section 17(a), we may obtain in any court of competent jurisdiction any injunctive relief, including temporary restraining orders and preliminary injunctions, against conduct or threatened conduct for which no adequate remedy at law may be available or which may cause us irreparable harm. We may have such injunctive relief, without bond, but upon due notice, in addition to such further and other relief as may be available at equity or law, and your sole remedy in the event of the entry of such injunction, shall be its dissolution, if warranted, upon hearing duly held (all claims for damages by reason of the wrongful issuance of any such injunction being expressly waived). You and each of your Owners acknowledges that any violation of Section 14(d), 14(e) or 16(b) would result in irreparable injury to us for which no adequate remedy at law may be available. Accordingly, you and each of your Owners consent to the issuance of an injunction at our request prohibiting any conduct in violation of any of those Sections and agree that the existence of any claim you or any of your Owners may have against us, whether arising from this Agreement, shall not constitute a defense to the enforcement of any of those Sections.

(d) Remedies for Nonperformance. Any refusal by you to consummate a transaction contemplated by this Agreement shall be a default allowing Panera to seek and obtain specific performance or to seek and obtain monetary damages.

(e) Attorneys' Fees. In a judicial or arbitration proceeding, the non-prevailing party agrees to reimburse the prevailing party for all of the prevailing party's costs and expenses, including reasonable accounting, paralegal, expert witness and attorneys' fees.

(f) Notices. All notices, requests and reports permitted or required to be made by the provisions of this Agreement shall be in writing and shall be deemed delivered: (i) at the time delivered by hand to the recipient party or any officer, director or partner of the recipient party; (ii) on the same date of the transmission by facsimile, telegraph or other reasonably reliable electronic communication system; (iii) one (1) business day after being placed in the hands of a commercial courier service for guaranteed overnight delivery; or (iv) five (5) business days after placement in the United States Mail by Registered or Certified Mail, Return Receipt Requested, postage prepaid. All notices to us must include a copy to our General Counsel and our Chief Financial Officer to be effective. Such notices, requests and reports shall be sent to the addresses identified in this Agreement unless and until a different address has been designated by appropriate written notice to the other party.

(g) Limitation of Panera's Liability. You agree that in the event of any claim by you against Panera under this Agreement, Panera's liability for with respect to any proposed Bakery-Cafe shall not exceed an amount equal to the development fee paid, whether in full or partial, by Franchisee to Panera under this Agreement for that the proposed Bakery-Cafe.

(h) You acknowledge and agree that you are granted no development rights under this Agreement. You further acknowledge and agree that nothing contained in this Agreement shall obligate Panera to offer any proposed locations to you, and that Panera may develop, open and operate (or permit others to develop, open and operate) new Bakery-Cafes without offering the proposed location to you.

(i) You acknowledge and agree that your decision to purchase and operate any proposed Bakery-Cafe is based solely on your own independent investigation of the suitability of the location for a Panera Bread Bakery-Cafe. You acknowledge and agree

that nothing contained in this Agreement or in any document provided in connection with this Agreement shall be deemed in any way to be a representation regarding the suitability of any location for the operation of a Panera Bread Bakery-Cafe.

(j) Other Agreements. Except as provided herein, nothing contained in this Agreement, and no actions or representations by any Panera employee in the course of discussing any location to be developed under this Agreement, shall amend or modify the rights or obligations of Franchisee and Panera under any Area Development Agreement, Franchise Agreement or any other agreement between Franchisee and Panera.

(k) Defined Terms. Any capitalized term used herein and not otherwise defined shall have the meaning ascribed to that term in the Franchise Agreements.

(l) Complete Agreement. This Agreement represents the entire and complete agreement between you and Panera concerning the subject matter, and may not be amended except in writing signed by a duly authorized representative of each of Panera and you.

IN WITNESS WHEREOF, the parties have entered into this Agreement as of the day and year first above written.

Witness:

PANERA, LLC,
a Delaware limited liability company

By: _____

Witness:

[FRANCHISEE]

By: _____

EXHIBIT A
TO THE
DEVELOPMENT SERVICES AGREEMENT
BETWEEN
PANERA, LLC
AND

DATED _____, 201_

1. Operating Partner. The name and home address of the Operating Partner is as follows: _____

2. Form of Entity of Franchisee.

(a) Corporation or Limited Liability Company. Franchisee was organized on _____, _____ under the laws of the State of _____. Its Federal Identification Number is _____. It has not conducted business under any name other than its corporate or company name. The following is a list of all of Franchisee's directors and officers or managing members as of _____, _____.

Name of Each Director/Officer/Managing Member

Position(s) Held

(b) Partnership. Franchisee is a [general] [limited] partnership formed on _____, _____ under the laws of the State of _____. Its Federal Identification Number is _____. It has not conducted business under any name other than its partnership name. The following is a list of all of Franchisee's general partners as of _____, _____.

Name of Each General Partner

3. Owners. Franchisee and each of its owners represents and warrants that the following is a complete and accurate list of all owners of Franchisee, including the full name and mailing address of each owner, and fully describes the nature and extent of each owner's interest in Franchisee. Franchisee and each owner as to his/her ownership interest, represents and warrants that each owner is the sole and exclusive legal and beneficial owner of his/her ownership interest in Franchisee, free and clear of all liens, restrictions, agreements and encumbrances of any kind or nature, other than those required or permitted by this Agreement.

Owner's Name and Address

Percentage and Nature of Ownership Interest

Accepted by Franchisor and
made a part of the Development
Services Agreement
as of _____, _____, _____.

Submitted by Franchisee
on _____, _____, _____.

PANERA, LLC,
a Delaware limited liability company

(Name of corporation,
limited liability company
or partnership)

By: _____
Print Name: _____
Title: _____

By: _____
Print Name: _____
Title: _____

By: _____
Print Name: _____
Title: _____

Owners:

(Signature)

(Print Name)

(Signature)

(Print Name)

EXHIBIT D-2

**REAL ESTATE SELECTION AND
CONSTRUCTION MANAGEMENT SERVICES AGREEMENT**

Real Estate Selection and Construction Management Services Agreement

This Real Estate Selection and Construction Management Services Agreement (the "Agreement") is made this _____ day of _____, _____ ("Effective Date"), by and between _____ ("Franchisee" or "you"), with a mailing address of _____ and Panera, LLC, a Delaware limited liability company ("Panera", "we" or "us"), with a mailing address of 1400 South Highway Drive, Suite 100, Fenton, MO 63026.

1. Services. Panera will provide the real estate selection and construction management services described on Exhibit A attached hereto. The services will be provided for development of a Panera Bread Bakery Cafe to be located at _____, _____, _____ (the "Bakery-Cafe").

2. Fee. You will pay Panera an amount equal to the Total Cost of development of the Bakery-Cafe, plus a development services fee (the "Development Fee") of one hundred and fifty thousand dollars (\$150,000). The "Total Cost" is defined to include any and all out of pocket costs and expenses incurred by Panera in connection with site selection and development of the Bakery-Cafe, including, without limitation, any and all land or lease costs, including the cost of site improvements, leasehold improvements, building construction, architectural, engineering, consulting, expediting and legal expenses (including the cost of title insurance, opinions, closing and permit costs), brokerage commissions, costs of furniture, fixtures, equipment and signage, tap fees, impact fees, or any similar fees charged by municipal jurisdictions or utility providers, pre-opening rent and taxes, financing and interest costs incurred during the development of the Bakery-Cafe, and any other costs or expenses incurred by Panera in developing the Bakery-Cafe; provided, however, that no overhead expenses of Panera other than the Development Fee shall be included in Total Cost. Sales taxes, if any, imposed by a municipal or state taxing authority in connection with the services to be provided under this Agreement, or the transfer of any furniture, fixture, equipment or signs shall be paid by Franchisee, and may be included in Total Cost. Panera shall, to the fullest extent allowed by applicable law, require its contractors and subcontractors to issue resale certificates in lieu of paying sales or use taxes on purchases of taxable services and tangible personal property. Total Cost shall not include sales or use taxes which could have been avoided through the issuance of a resale certificate. Notwithstanding the foregoing, Total Cost shall not include legal expenses incurred by Franchisee in connection with any agreement entered into by Franchisee to acquire a real estate interest in the premises at which the Bakery-Cafe will be located.

The Total Cost shall be payable to Panera as follows:

You will pay all of the Total Cost directly to the third party contractors and vendors that provide services, materials, furniture, fixtures or equipment. You will be responsible for prompt payment to each of the applicable contractors and vendors in accordance with the terms and conditions established by or agreed to with the contractor or vendor. Panera may require that you enter into contracts for certain services, materials, furniture, fixtures or equipment directly with the third party contractor or vendor. Panera may terminate this Agreement effective upon delivery of notice of termination to you if you fail to timely pay any contractor or vendor. If Panera terminates this Agreement pursuant to this section, Panera will retain all installments of the Development Fee previously paid by Franchisee, and any unpaid installment of the Development Fee shall become immediately due and payable.

The Development Fee shall be payable as follows:

- (i) \$35,000 upon execution of this Agreement;
- (ii) \$35,000 upon Panera's approval of the location of the Bakery-Cafe;
- (iii) \$40,000 upon commencement of construction; and
- (iv) \$40,000 upon substantial completion of construction.

3. Real Estate Acquisition. Development of the Panera Bread Bakery-Cafe at a given location (the "Proposed Location") will be subject to all of Panera's then current site approval standards, and any and all site approval conditions or requirements established by Panera.

Panera will assist you in selecting a location for the proposed Bakery-Cafe as provided in this Agreement. You will be responsible for negotiating and entering into appropriate agreements to obtain a real estate interest in the premises at which the Bakery-Cafe will be located.

We may terminate this Agreement effective upon delivery of written notice to you if: (i) the Proposed Location is not approved by Panera; (ii) you fail to comply with any site approval condition or requirement established by Panera; or (iii) you are in default under any lease, purchase and sale agreement, or other agreement pursuant to which you hold a real estate interest in the Proposed Location. If Panera terminates this Agreement pursuant to this section, Panera will retain all installments of the Development Fee previously paid by you, and any unpaid installment of the Development Fee shall become immediately due and payable.

4. Franchise Agreement. You understand and agree that no Franchise Agreement shall be issued for any Proposed Location unless all of the following conditions have been met:

(a) Independent Investigation of Suitability. Your decision to purchase and operate a Bakery-Cafe at a Proposed Location is based solely on your own independent investigation of the suitability of the location for a Panera Bread Bakery-Cafe. In consideration of the services provide hereunder, you and your owners agree to release us, and our affiliates, shareholders, members, officers, directors, employees, agents, successors and assigns from any and all loss, damages and liability arising from or in connection with your purchase and operation of the proposed Bakery-Cafe.

(b) Financial Qualifications. We may require that you furnish us updated financial statements (historical and pro forma), statements of the sources and uses of capital funds, budgets and other information regarding yourself and each legal entity, if any, involved in the ownership and operation of the proposed Bakery-Cafe, as well as any then existing Panera Bread Bakery-Cafes you or your affiliates own. We may refuse to grant you a franchise for a Panera Bread Bakery-Cafe, and terminate and rescind any offer made under this Agreement, if you fail to demonstrate sufficient financial and management capabilities to pay amounts due in connection with development of the proposed Bakery-Cafe and properly operate the proposed Bakery-Cafe and the then-existing Panera Bread Bakery-Cafes you and your affiliates own. We will evaluate such financial and management capabilities in accordance with the then-current standards we use to establish Panera Bread Bakery-Cafes in other comparable market areas.

(c) Execution of Franchise Agreement. If we determine to grant any rights to operate any Panera Bread Bakery-Cafe hereunder, we will do so by issuing Panera's then-current form of standard franchise agreement, together with all standard ancillary documents (including exhibits, addendum, riders, collateral assignments of leases, principal owner guarantees and other related documents) that we then customarily use in granting franchises for the operation of Panera Bread Bakery-Cafes (the "Franchise Agreement"). In such event:

- (i) You and your owners shall execute and return the Franchise Agreement and pay the initial franchise fee at the closing of the transaction under this Agreement, but no earlier than five (5) business days after we deliver it to you. If we do not receive the fully executed Franchise Agreement and payment of the initial franchise fee as required hereunder, we may revoke our offer to grant you a franchise to operate a Panera Bread Bakery-Cafe at a Proposed Location; and
- (ii) The initial franchise fee payable for each proposed Bakery-Cafe pursuant to this Agreement shall be Thirty Five Thousand Dollars (\$35,000), payable at execution of the Franchise Agreement, and the royalty fees shall not exceed the percentage set forth in our standard form franchise agreement being offered as of the date of this Agreement. You will also pay a fee of Five Thousand Dollars (\$5,000) upon approval of any Proposed Location. If the Franchise Agreement is executed, the Five Thousand Dollars (\$5,000) fee will be credited against the initial franchise fee.

5. Development of the Premises. Panera will develop and equip the Bakery-Cafe as a typical Panera Bread Bakery-Cafe in accordance with its then current design and construction standards and specifications as applied by Panera to the Proposed Location, in its sole discretion. Panera will consult with you before finalizing its design and construction plans for the Proposed Location.

6. Furniture, Fixtures and Equipment. All equipment will be new and will be guaranteed by the manufacturer under the manufacturer's standard warranty, if any. The assets to be ordered by Panera pursuant to this Agreement will not include any small wares, food, merchandise or paper goods inventory all of which will be provided by you.

7. Termination. Panera may terminate this Agreement at any time effective upon written notice to you if you are unable to enter into a lease for the Proposed Location, or if Panera is unable to obtain any necessary permit or other third party approval to develop and operate the Proposed Location, or if Panera determines, in its sole discretion, that development of the proposed Bakery-Cafe is not feasible for any reason or no longer meets Panera's development

standards. If Panera terminates this Agreement pursuant to this section, all installments of the Development Fee previously paid by Franchisee, with respect to in process but uncompleted projects will be refunded.

8. Adjustments. At the time of substantial completion of construction of the Bakery-Cafe, the following adjustments shall be made between Panera and Franchisee: electricity, gas, fuel, and water. Panera will also be entitled to a return of all utility deposits.

9. Turnover and Opening. Panera and Franchisee will conduct a walk through inspection of the Bakery-Cafe upon substantial completion of construction. In no event shall the Bakery-Cafe open for business prior to completion of the walk through and execution and delivery by Panera of a fully executed Franchise Agreement and all documents ancillary to the Franchise Agreement. Panera will give Franchisee thirty (30) days prior written notice of the estimated date of the walk through inspection. Opening of the Bakery-Cafe is subject to all of the terms and conditions of the Franchise Agreement for the Proposed Location.

10. Representations. You and each owner represent, warrant, covenant and agree that:

(a) Organization. (i) You are duly organized and validly existing under the laws of the state of _____; (ii) you have the authority to execute and deliver this Agreement and to perform your obligations hereunder; (iii) true and complete copies of the articles of incorporation, articles of organization, operating agreement, subscription agreements, buy-sell agreements, voting trust agreements and all other documents relating to your ownership, organization, capitalization, management and control ("Organizational Documents") have been promptly delivered to us and have not been amended since delivery to us; (iv) any and all amendments, deletions and additions to your Organizational Documents shall be promptly delivered to us—for our approval, which approval shall not be unreasonably withheld; (v) your activities are restricted to those necessary solely for the development, ownership and operation of Panera Bread Bakery-Cafes in accordance with the Franchise Agreement and in accordance with any other agreements entered into with us or any of our affiliates; (vi) the Organizational Documents recite that the issuance, transfer or pledge of any direct or indirect legal or beneficial ownership interest is restricted by the terms of the Franchise Agreement; (vii) all certificates representing direct or indirect legal or beneficial ownership interests now or hereafter issued shall bear a legend in conformity with applicable law reciting or referring to such restrictions; and (viii) you will deliver to us a Secretary's Certificate or other evidence satisfactory to us that the execution, delivery and performance of this Agreement, each Franchise Agreement, and all other agreements and ancillary documents contemplated hereby or thereby have been duly authorized by all necessary action by your corporation, partnership, limited liability company or other legal entity, as applicable.

(b) Ownership.

- (i) The information set forth on Exhibit B attached hereto contains a complete and accurate description of you, your owners and Operating Partner and the other information supplied thereon. You agree that an updated Exhibit B will be furnished promptly to us, so that Exhibit B (as so revised and signed by you) is at all times current, complete and accurate. Each person who is or becomes an owner who has not already done so must execute an agreement in the form we prescribe, undertaking to be bound by the confidentiality and non-competition covenants contained in the Agreement. Each owner is an individual acting in his/her individual capacity, unless we waive this requirement.
- (ii) The "Operating Partner" you have designated in Exhibit B: (i) owns and controls, or has the right to own and control (subject to terms and conditions reasonably acceptable to us), not less than a ten percent (10%) interest in your equity; (ii) has the authority to bind you regarding all operational decisions with respect to your Panera Bread Bakery-Cafes; (iii) has completed our training program to our satisfaction; and (iv) has agreed that if he/she is terminated, for whatever reason, he/she shall not for a period of two (2) years after such termination, recruit or hire any person who is an employee of yours, ours or any Panera Bread Bakery-Cafe operated by us, our affiliates or any franchisee of ours without obtaining the employer's consent, which consent may be withheld for any reason.

11. Covenants.

a. Annual Reports. You shall furnish us within ninety (90) days after the end of each calendar year (i) a consolidated year-end balance sheet and income statement and statement of cash flow for you and all of your affiliates that develop, own or operate Panera Bread Bakery-Cafes, all prepared in accordance with generally accepted accounting principles, consistently applied, and reflecting all year-end adjustments and accruals; (ii) similar information from all owners

who have executed guarantees of this Agreement; (iii) such summaries of financial information as we may require from time to time; and (iv) within thirty (30) days of our request, such other information as we may require from time to time, including income tax statements. All such reports shall use our then-current standard chart of accounts. You shall execute verification that the information in each such report and financial statement is complete and accurate. We reserve the right to require that your annual financial statements be audited, at your expense, by an independent certified public accountant approved by us. We reserve the right to publish or disclose information that we obtain under this section in any data compilations, collections, or aggregations that we deem appropriate, in our sole discretion, so long as we do not disclose information relating to performance of your individual Panera Bread Bakery-Cafes, unless such disclosure is required by law or order of a court. Additionally, you shall complete and submit to us a franchisee financial qualification summary in the form designated by us, as it may change from time to time, with your submission.

b. Ownership of the Marks. You acknowledge and agree that (i) our affiliate, Pumpnickel Associates, LLC, owns the current and future trade names, trademarks, service marks and trade dress that are used to identify the services and/or products offered by Panera Bread Bakery-Cafes, including the mark “PANERA BREAD” and the distinctive building design and color scheme of Panera Bread Bakery-Cafes (the “Marks”) and that you are not granted the right under this Agreement to use the Marks; (ii) your right to use the Marks arises solely from, and is limited to, Franchise Agreements entered into between you and us; (iii) you may not use any Mark (or any abbreviation, modification or colorable imitation) as part of any corporate or legal business name or in any other manner not explicitly authorized in writing by us; and (iv) you may not at any time contest, or assist any other person or entity in contesting, the validity or ownership of any of the Marks. You shall promptly disclose to us all recipes, processes, ideas, concepts, methods, techniques or materials used or useful to a restaurant, grocery store, bakery-cafe, bakery or dough production business, or other business offering bakery products, whether or not constituting protectable intellectual property, that you create, or that are created on your behalf, in connection with the development or operation of your Panera Bread Bakery-Cafes must be promptly disclosed to us. If we adopt any of them as part of the Panera Bread system, they will be deemed to be our sole and exclusive property and deemed to be works made-for-hire for us. You agree to sign whatever assignment or other documents we request to evidence our ownership or to assist us in securing intellectual property rights in such recipes, processes, ideas, concepts, methods, techniques or materials.

c. Confidential Information. We will disclose parts of our Confidential Information to you solely for your use in connection with this Agreement and the Franchise Agreements. The Confidential Information is proprietary and includes our trade secrets and all information relating to our development strategy and plans in the area where the proposed Bakery-Cafe is located, and our development plans for any proposed location. During the term of this Agreement and thereafter: (i) you and your owners may not use the Confidential Information in any other business or capacity (you acknowledge such use is an unfair method of competition); (ii) you and your owners shall maintain the confidentiality of the Confidential Information; (iii) you and your owners may not make unauthorized copies of any portion of the Confidential Information disclosed in written, electronic or other form; and (iv) you and your owners must implement all reasonable procedures we prescribe from time to time to prevent unauthorized use or disclosure of the Confidential Information, including the use of nondisclosure agreements with your owners, officers, directors, Operating Partner, managers, assistant managers, head bakers and the like, and you and your owners must deliver such agreements to us. At the end of the term of this Agreement, you and your owners must deliver to us all such Confidential Information in your possession or control, except for such information as you are permitted to retain pursuant to Franchise Agreements then in effect. Your restrictions on disclosure and use of Confidential Information do not apply to information or techniques which are or become generally known in the restaurant industry (other than through your own disclosure), provided you obtain our prior written consent to such disclosure or use.

For the purposes of this Agreement, “Confidential Information” shall mean “Our proprietary and confidential information relating to the development and operation of Panera Bread Bakery-Cafes, including: (1) Policy Manual; (2) ingredients, recipes, and methods of preparation and presentation of authorized food products; (3) site selection criteria for Panera Bread Bakery-Cafes and plans and specifications for the development of Panera Bread Bakery-Cafes; (4) sales, marketing and advertising programs and techniques for Panera Bread Bakery-Cafes; (5) identity of suppliers and knowledge of specifications, processes, procedures and equipment, and pricing for authorized food products, materials, supplies and equipment; (6) knowledge of operating results and financial performance of Panera Bread Bakery-Cafes, other than Panera Bread Bakery-Cafes you own; (7) methods of inventory control, storage, product handling, training and management relating to Panera Bread Bakery-Cafes; (8) computer systems and software programs used or useful in Panera Bread Bakery-Cafes; and (9) any and all other information that we provide you that is designated orally or in writing as proprietary or confidential or by its nature would reasonably be understood to be proprietary or confidential regardless of whether such information is specifically designated as proprietary or confidential.”

d. In-Term Covenants. During the term of this Agreement, neither you nor any of your owners may, without our consent (which consent may be withheld at our discretion): (i) directly or indirectly (such as through a member of his/her or their immediate families) own any legal or beneficial interest in, or render services or give advice to: (A) any Competitive Business located anywhere; or (B) any entity located anywhere that grants franchises, licenses or other interests to others to operate any Competitive Business; or (ii) divert or attempt to divert any business or customer of Panera Bread Bakery-Cafes to any competitor or do anything injurious or prejudicial to the goodwill associated with the Marks or the Panera Bread system.

For the purposes of this Agreement, "Competitive Business" shall mean "any retail food establishment (including any restaurant or bakery) in which any of the following categories constitutes more than twenty percent (20%) of its annual revenues: (i) bakery goods, breads and other food products for which dough is a significant ingredient or component; (ii) sandwiches of any kind or nature (including wraps and submarines), soups and/or salads, other than those ordered through a wait person taking orders at a table (the term "sandwiches" shall not include hamburgers); or (iii) coffee and coffee-based drinks; as well as any business (without regard to revenue) that manufactures, wholesales and/or distributes fresh or frozen dough or bakery products and any other business that is the same as, or similar to, the Panera Bread Bakery-Cafe concept as it evolves or changes over time. Restrictions in this Agreement on competitive activities do not apply to: (a) the ownership or operation of other Panera Bread Bakery-Cafes that are licensed or franchised by us or any of our affiliates; or (b) the ownership of shares of a class of securities that are listed on a public stock exchange or traded on the over-the-counter market and that represent less than five percent (5%) of that class of securities."

12. Termination for Default. In addition to our right to terminate pursuant to other provisions of this Agreement or under applicable law, we may terminate this Agreement, effective upon delivery of notice of termination to you if you or any of your owners or affiliates: (i) fail to pay any amounts payable hereunder when due; (ii) make any unauthorized use or disclosure of the Confidential Information; (iii) fail to comply with any other provision of this Agreement and do not correct such failure within thirty (30) days after written notice of such failure to comply is delivered to you; (iv) are in breach of any franchise agreement or other agreement between you or any of your affiliates and us or any of our affiliates such that we have the right to terminate such franchise agreement or other agreement whether or not we elect to exercise our right to terminate the franchise agreement; or (v) if we determine that any applicable federal or state statute, regulation, rule or law, which is enacted, promulgated or amended after the date hereof, may have a material adverse effect on our rights, remedies or discretion in franchising Panera Bread Bakery-Cafes. If Panera terminates this Agreement pursuant to this section, Panera will retain all installments of the Development Fee previously paid by Franchisee

13. Effect of Termination and Expiration.

a. Continuing Obligations. All obligations under this Agreement, which expressly or by their nature survive the expiration or termination of this Agreement, shall continue in full force and effect until they are satisfied in full or by their nature expire.

b. Post-Term Covenants. For a period of two (2) years, starting on the effective date of termination, neither you nor any of your owners shall directly or indirectly (such as through an affiliate or through your or their immediate families) own a legal or beneficial interest in, or render services or give advice to: (i) any Competitive Business operating within the [Non-Compete Area]; (ii) any Competitive Business operating within a radius of five (5) miles of any Panera Bread Bakery-Cafe in operation or under construction on the effective date of termination or expiration; (iii) any entity that grants franchises or licenses interests to others to operate any Competitive Business; or (iv) recruit or hire any person who is an employee of ours or of any Panera Bread Bakery-Cafe operated by us, our affiliates or another franchisee of ours without obtaining the employer's consent, which consent may be withheld for any reason. You and each of your owners expressly acknowledge the possession of skills and abilities of a general nature and other opportunities for exploiting such skills in other ways, so that enforcement of the covenants contained in this section will not deprive any of you of your personal goodwill or ability to earn a living. If you or any of your owners fail or refuse to abide by any of the foregoing covenants and we obtain enforcement in a judicial or arbitration proceeding, the obligations under the breached covenant will continue in effect for a period of time ending two (2) years after the date of the order enforcing the covenant.

c. You acknowledge and agree that in the event that this Agreement is terminated for any reason other than a default by Panera, Panera may at any time thereafter develop and operate or franchise a Bakery-Cafe at the Proposed Location. Additionally, in the event that this Agreement is terminated for any reason other than a default by Panera, Panera shall have the right, but not the obligation, to succeed to Franchisee's right, title and interest in the lease for the

premises at which the proposed Bakery-Cafe will be located pursuant to the terms of the Addendum to Lease required by the Franchise Agreement.

14. Miscellaneous Provisions.

(a) Governing Law. This Agreement shall be construed under the laws of the State of Missouri, provided the foregoing and any applicable provision in any franchise agreement shall not constitute a waiver of your rights under any applicable franchise law of another state. Otherwise, in the event of any conflict of law Missouri law will prevail, without regard to its conflict of law principles. However, if any provision of this Agreement would not be enforceable under Missouri law, and if such provision would be enforceable under the laws of _____, then such provision shall be construed under the laws of that state. Nothing in this section is intended to subject this Agreement to any franchise or similar law, rule or regulation of the State of Missouri or any other state or political subdivision to which it otherwise would not be subject.

Subject to Section 14(b) and any applicable provision in any franchise agreement, you and your owners irrevocably submit to the jurisdiction of the courts of the State of Missouri in any suit, action or proceeding, arising out of or relating to this Agreement or any other dispute between you and us, and you irrevocably agree that all claims in respect of any such suit, action or proceeding must be brought and/or defended therein except with respect to matters that are under the exclusive jurisdiction of the Federal Courts of the United States, which shall be brought and/or defended in the Federal District Court sitting in St. Louis, Missouri. You irrevocably waive, to the fullest extent you may lawfully do so, the defense of an inconvenient forum to the maintenance of such suit, action or proceeding and agree that service of process for purposes of any such suit, action or proceeding need not be personally served or served within the State of Missouri but may be served with the same effect as if you were served within the State of Missouri, by certified mail or any other means permitted by law addressed to you at the address set forth herein. Nothing contained herein shall affect our rights to bring a suit, action or proceeding in any other appropriate jurisdiction, including any suit, action or proceeding brought by us to enforce any judgment against you entered by a State or Federal Court.

The provisions of this section shall continue in full force and effect subsequent to and notwithstanding expiration or termination of this Agreement.

(b) Arbitration. All controversies, disputes, or claims between the parties, including their respective Affiliates, owners, officers, directors, agents, and employees, arising from or relating to this Agreement, including the scope and validity of any provision of this Agreement, shall on demand of either party be submitted for arbitration to the American Arbitration Association ("AAA"). The arbitration shall be governed exclusively by the United States Arbitration Act (9 U.S.C. § 1, et seq.), without reference to any state arbitration statutes. The parties agree that, in connection with any such arbitration proceeding, each shall submit or file any claim that would constitute a compulsory counterclaim (as defined by Rule 13 of the Federal Rules of Civil Procedure) within the same proceeding as the claim to which it relates. Any such claim that is not submitted or filed in such proceeding shall be barred. The arbitration proceedings shall be conducted in the city where we then have our principal place of business in accordance with the then-current commercial arbitration rules of the AAA, except the parties shall be entitled to limited discovery at the discretion of the arbitrator(s) who may, but are not required to, allow depositions. The parties acknowledge that the arbitrators' subpoena power is not subject to geographic limitations. The arbitration proceedings shall be conducted on an individual basis and not on a multi-plaintiff, consolidated, collective or class-wide basis. The foregoing sentence is an integral provision of the arbitration procedures set forth in this paragraph, and may not be severed therefrom. If such sentence is determined to be invalid or unenforceable in connection with a particular controversy, dispute, or claim, then this Section 14(b) shall be stricken from this Agreement and neither party shall be deemed to have consented to arbitration of such controversy, dispute, or claim.

The arbitrator(s) shall have the right to award the relief that he or she deems proper, consistent with the terms of this Agreement, including compensatory damages (with interest on unpaid amounts from date due), specific performance, injunctive relief, legal fees and costs. The award and decision of the arbitrator(s) shall be conclusive and binding on all parties, and judgment upon the award may be entered in any court of competent jurisdiction. Any right to contest the validity or enforceability of the award shall be governed exclusively by the United States Arbitration Act.

(c) Time of the Essence. Time is of the essence with respect to this Agreement and the transactions contemplated by this Agreement.

(a) Injunctive Relief. Notwithstanding Section 14(a) or Section 14(b), we may obtain in any court of competent jurisdiction any injunctive relief, including temporary restraining orders and preliminary injunctions, against conduct or threatened conduct for which no adequate remedy at law may be available or which may cause us irreparable harm. We may have such injunctive relief, without bond, but upon due notice, in addition to such further and other relief as may be available at equity or law, and your sole remedy in the event of the entry of such injunction, shall be its dissolution, if warranted, upon hearing duly held (all claims for damages by reason of the wrongful issuance of any such injunction being expressly waived). You and each of your owners acknowledges that any violation of Section 11(c), 11(d) or 13(b) would result in irreparable injury to us for which no adequate remedy at law may be available. Accordingly, you and each of your Owners' consent to the issuance of an injunction at our request prohibiting any conduct in violation of any of those Sections and agree that the existence of any claim you or any of your owners may have against us, whether arising from this Agreement, shall not constitute a defense to the enforcement of any of those Sections.

(b) Remedies for Nonperformance. Any refusal by you to consummate a transaction contemplated by this Agreement shall be a default allowing Panera to seek and obtain specific performance or to seek and obtain monetary damages.

(c) Attorneys' Fees. In a judicial or arbitration proceeding, the non-prevailing party agrees to reimburse the prevailing party for all of the prevailing party's costs and expenses, including reasonable accounting, paralegal, expert witness and attorneys' fees.

(d) Notices. All notices, requests and reports permitted or required to be made by the provisions of this Agreement shall be in writing and shall be deemed delivered: (i) at the time delivered by hand to the recipient party or any officer, director or partner of the recipient party; (ii) on the same date of the transmission by facsimile, telegraph or other reasonably reliable electronic communication system; (iii) one (1) business day after being placed in the hands of a commercial courier service for guaranteed overnight delivery; or (iv) five (5) business days after placement in the United States Mail by Registered or Certified Mail, Return Receipt Requested, postage prepaid. All notices to us must include a copy to our General Counsel and our Chief Financial Officer to be effective. Such notices, requests and reports shall be sent to the addresses identified in this Agreement unless and until a different address has been designated by appropriate written notice to the other party.

(e) LIMITATION OF PANERA'S LIABILITY. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS AGREEMENT OR UNDER APPLICABLE LAW, IN ANY ARBITRATION, LITIGATION, LEGAL ACTION OR PROCEEDING BETWEEN THE PARTIES ARISING FROM OR RELATING TO THIS AGREEMENT OR THE BAKERY CAFÉ, THE PARTIES UNCONDITIONALLY AND IRREVOCABLY WAIVE AND DISCLAIM TO THE FULLEST EXTENT PERMITTED UNDER APPLICABLE LAW ALL RIGHTS TO ANY CONSEQUENTIAL, PUNITIVE, EXEMPLARY, STATUTORY OR TREBLE DAMAGES (OTHER THAN PANERA'S STATUTORY RIGHTS AND REMEDIES RELATING TO TRADEMARKS, COPYRIGHTS, TRADE SECRETS AND OTHER INTELLECTUAL PROPERTY), AND ACKNOWLEDGE AND AGREE THAT THE RIGHTS AND REMEDIES IN THIS AGREEMENT, AND ALL OTHER RIGHTS AND REMEDIES AT LAW AND IN EQUITY, WILL BE ADEQUATE IN ALL CIRCUMSTANCES FOR ANY CLAIMS THE PARTIES MIGHT HAVE WITH RESPECT THERETO. YOU AGREE THAT IN THE EVENT OF ANY CLAIM BY YOU AGAINST PANERA UNDER THIS AGREEMENT, PANERA'S LIABILITY FOR WITH RESPECT TO ANY PROPOSED BAKERY-CAFE SHALL NOT EXCEED AN AMOUNT EQUAL TO THE DEVELOPMENT FEE PAID, WHETHER IN FULL OR PARTIAL, BY FRANCHISEE TO PANERA UNDER THIS AGREEMENT FOR THE PROPOSED BAKERY-CAFE.

(f) Limitations on Ability to Perform. Notwithstanding any other provision in this Agreement to the contrary, Panera is excused from the performance of its obligations under this Agreement (i) to the extent and whenever Panera is prevented from such compliance by Force Majeure, and (ii) to the extent of any material uncured breach by Franchisee of any provision of this Agreement.

(g) Independent Contractors. The parties hereto shall be independent contractors. Nothing in this Agreement shall constitute or be construed to constitute or create a partnership, joint venture or principal/agent relationship between Panera and Franchisee with respect to the Bakery-Cafe.

(h) LIMITATION ON FIDUCIARY DUTIES. TO THE EXTENT ANY FIDUCIARY DUTIES THAT MAY EXIST AS A RESULT OF THE RELATIONSHIP OF THE PARTIES ARE INCONSISTENT WITH, OR WOULD HAVE THE EFFECT OF EXPANDING, MODIFYING, LIMITING OR RESTRICTING ANY OF THE EXPRESS TERMS OF THIS AGREEMENT: (A) THE EXPRESS TERMS OF THIS AGREEMENT SHALL

CONTROL; (B) THIS AGREEMENT SHALL BE INTERPRETED IN ACCORDANCE WITH GENERAL PRINCIPLES OF CONTRACT INTERPRETATION WITHOUT REGARD TO THE COMMON LAW PRINCIPLES OF AGENCY; AND (C) ANY LIABILITY OF THE PARTIES SHALL BE BASED SOLELY ON PRINCIPLES OF CONTRACT LAW AND THE EXPRESS TERMS OF THIS AGREEMENT. THE PARTIES FURTHER ACKNOWLEDGE AND AGREE THAT FOR THE PURPOSES OF DETERMINING THE NATURE AND SCOPE OF PANERA'S FIDUCIARY DUTIES UNDER THIS AGREEMENT, THE TERMS OF THIS AGREEMENT, AND THE DUTIES AND OBLIGATIONS SET FORTH HEREIN, ARE INTENDED TO SATISFY ALL FIDUCIARY DUTIES THAT MAY EXIST AS A RESULT OF THE RELATIONSHIP BETWEEN THE PARTIES, INCLUDING ALL DUTIES OF LOYALTY, GOOD FAITH, FAIR DEALING AND FULL DISCLOSURE, AND ANY OTHER DUTY DEEMED TO EXIST UNDER THE COMMON LAW PRINCIPLES OF AGENCY OR OTHERWISE. ACCORDINGLY, NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS AGREEMENT, TO THE FULLEST EXTENT PERMITTED UNDER APPLICABLE LAW, THE PARTIES HEREBY UNCONDITIONALLY AND IRREVOCABLY WAIVE AND DISCLAIM ANY POWER OR RIGHT SUCH PARTY MAY HAVE TO CLAIM ANY PUNITIVE, EXEMPLARY, STATUTORY OR TREBLE DAMAGES OR CONSEQUENTIAL OR INCIDENTAL DAMAGES FOR ANY BREACH OF FIDUCIARY DUTIES.

(i) No Development Rights Granted. You acknowledge and agree that you are granted no development rights under this Agreement. You further acknowledge and agree that nothing contained in this Agreement shall obligate Panera to offer any proposed locations to you, and that Panera may develop and open new Bakery-Cafes in the _____ area without first offering the proposed location to you.

(j) Other Agreements. Except as provided herein, nothing contained in this Agreement, and no actions or representations by any Panera employee in the course of discussing any location to be developed under this Agreement, shall amend or modify the rights or obligations of Franchisee and Panera under any franchise agreement or any other agreement between Franchisee and Panera.

(n) Complete Agreement. This Agreement represents the entire and complete agreement between you and Panera concerning the subject matter, and may not be amended except in writing signed by a duly authorized representative of each of Panera and you.

IN WITNESS WHEREOF, the parties have entered into this Agreement as of the day and year first above written.

Witness:

PANERA, LLC,
a Delaware limited liability company

By: _____

Witness:

(Franchisee)

By: _____

EXHIBIT A
TO THE
REAL ESTATE SELECTION AND CONSTRUCTION MANAGEMENT SERVICES AGREEMENT

Description of Real Estate Selection and Construction Management Services

EXHIBIT B
TO THE
REAL ESTATE SELECTION AND CONSTRUCTION MANAGEMENT SERVICES AGREEMENT
BETWEEN
PANERA, LLC
AND

DATED _____, 20__

1. Operating Partner. The name and home address of the Operating Partner is as follows: _____

2. Form of Entity of Franchisee.

(a) Corporation or Limited Liability Company. Franchisee was organized on _____, _____ under the laws of the State of _____. Its Federal Identification Number is _____. It has not conducted business under any name other than its corporate or company name. The following is a list of all of Franchisee's directors and officers or managing members as of _____, _____.

Name of Each Director/Officer/Managing Member

Position(s) Held

(b) Partnership. Franchisee is a [general] [limited] partnership formed on _____, _____ under the laws of the State of _____. Its Federal Identification Number is _____. It has not conducted business under any name other than its partnership name. The following is a list of all of Franchisee's general partners as of _____, _____.

Name of Each General Partner

3. Owners. Franchisee and each of its owners represents and warrants that the following is a complete and accurate list of all owners of Franchisee, including the full name and mailing address of each owner, and fully describes the nature and extent of each owner's interest in Franchisee. Franchisee and each owner as to his/her ownership interest, represents and warrants that each owner is the sole and exclusive legal and beneficial owner of his/her ownership interest in Franchisee, free and clear of all liens, restrictions, agreements and encumbrances of any kind or nature, other than those required or permitted by this Agreement.

Owner's Name and Address

Percentage and Nature of Ownership Interest

Accepted by Franchisor and
made a part of the Real Estate Selection
and Construction Management Services Agreement
as of _____, _____.

Submitted by Franchisee
on _____, _____.

PANERA, LLC,
a Delaware limited liability company

(Name of corporation,
limited liability company
or partnership)

By: _____
Print Name: _____
Title: _____

By: _____
Print Name: _____
Title: _____

By: _____
Print Name: _____
Title: _____

Owners:

(Signature)

(Print Name)

(Signature)

(Print Name)

EXHIBIT E TO FDD

FRANCHISEE MASTER AGREEMENT FOR SOFTWARE, HARDWARE AND SUPPORT SERVICES

PANERA FRANCHISEE MASTER AGREEMENT FOR SOFTWARE, HARDWARE AND SUPPORT SERVICES

This Franchisee Software, Hardware and Services Master Agreement (this “Agreement”) is entered into by and between Panera, LLC (“Panera Bread”, “Panera”, the “Franchisor”, “our” or “we”) with a principal place of business at 1400 South Highway Drive, Suite 100, Fenton, MO 63026 and the party or parties identified on the signature page to this Agreement (the “Franchisee”, “you” or “your”) (individually or collectively, a “Party” or the “Parties,” respectively), and is effective on the later of the dates below the Parties’ signatures below (the “Effective Date”).

- I. We own, operate and franchise Panera Bread Bakery-Cafes in the United States. We, or our Affiliates, have developed and own a comprehensive system for developing, supporting and operating Panera Bread Bakery-Cafes, which includes certain Offerings (as defined below), all of which we may improve, further develop or otherwise modify from time to time.
- II. You and/or any Franchisee’s Affiliate (as defined below) have been granted the right to own and operate certain Panera Bread Bakery-Cafes in the United States pursuant to Franchise Document(s) (defined below).
- III. You desire to have Panera supply and we agree to supply you (and any Franchisee’s Affiliate) with select Offerings for your (and any Franchisee’s Affiliate’s) use in connection with the operation of your (and any Franchisee’s Affiliate’s) Panera Bread Bakery-Cafe(s) pursuant to: (i) the terms and conditions of this Agreement; (ii) any applicable terms and conditions set forth in the Order (defined below) or Offering descriptions as detailed in Panera’s Online Catalog (defined below); and (iii) any additional related documentation applicable to the Order provided to you by or on behalf of Panera or an Authorized Third Party.

NOW THEREFORE, in consideration of the mutual covenants and agreements contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which is acknowledged, and intending to be legally bound, Franchisee and Panera agree as follows:

1. ORDERING; GENERAL RESTRICTIONS.

1.1 **Certain Definitions.** The terms listed below have the meanings which follow them and include the plural as well as the singular. Other terms are defined elsewhere in this Agreement in the context in which they arise.

1.1.1 “Authorized Representative” means an individual or entity that has been given the legal authority to act on behalf of the Franchisee (or a Franchisee’s Affiliate) including making decisions, entering into agreements and performing actions as if they were the Franchisee.

1.1.2 “Authorized Third Party” means third parties authorized by Panera to provide the Offerings to Franchisee under the terms of this Agreement. “Authorized Third Party” does not include any third party with whom Franchisee has entered into a direct a direct agreement.

1.1.3 “Authorized User” means Franchisee and Franchisee’s owner, Franchisee’s Affiliate(s), Authorized Representative(s), employees, consultants, contractors, and agents: (i) who are authorized by Franchisee to access and use the Offerings under the rights granted to Franchisee pursuant to this Agreement; and (ii) for whom access to the Offerings has been purchased hereunder.

1.1.4 “Documentation” means Panera’s or a Third Party’s then-current technical and functional documentation as well as any roles and responsibilities descriptions, if applicable, for the Offering(s).

1.1.5 “Franchise Document(s)” means the Franchise Agreement(s) and other applicable documents entered into between Franchisor and Franchisee (or Franchisee’s Affiliates) related to the Panera Bread Bakery-Cafes.

1.1.6 “Franchisee’s Affiliate(s)” means an entity(ies) that is an affiliate of Franchisee that has entered into Franchise Documents for the operation of Panera Bread Bakery-Cafe(s).

1.1.7 “Offering(s)” means each of the Panera Software, Third Party Products, Third Party Hardware, and/or Support Services, provided to Franchisee pursuant to this Agreement.

- 1.1.8 “Order(s)” means the Offerings selected and ordered by the Franchisee in the Panera Online Catalog.
- 1.1.9 “Panera Software” means our proprietary software (including any third-party software integrated therein) for installation on Franchisee’s systems either on premises or a hosted environment.
- 1.1.10 “Panera’s Online Catalog” means online catalog of the Offerings available for order by the Franchisee and subject to the applicable terms and conditions or a link to such terms and conditions associated therewith.
- 1.1.11 “Subscription Period” means the subscription period provided in the Panera Online Catalog for the Offerings.
- 1.1.12 “Support Services” means professional, support, maintenance, and other services coordinated and/or provided by Panera or an Authorized Third Party.
- 1.1.13 “Third Party Hardware” means third-party manufactured equipment and/or hardware.
- 1.1.14 “Third Party Software” means software, cloud and software as a service products hosted or provided by an Authorized Third Party and accessed remotely by the Franchisee pursuant to the terms of this Agreement. Collectively, Third Party Hardware and Third Party Software shall be referred to as “Third Party Products”.
- 1.1.15 “Third Party Terms and Conditions” means the terms and conditions applicable to the Third Party Products ordered by Franchisee through Panera’s Online Catalog.

1.2 **Scope.** This Agreement governs Franchisee’s (or any Franchisee’s Affiliate’s) purchase and use of certain Offerings. Unless otherwise indicated, if any Franchisee’s Affiliate has entered into Franchise Document(s) with Panera to operate a Panera Bread Bakery-Cafe(s), all references to “Franchisee” or “you” in this Agreement shall apply in equal measure to, or any Offerings or SOW(s) for, such specific Panera Bread Bakery-Cafe(s). Franchisee acknowledges and agrees that as a Party to this Agreement it undertakes all obligations under this Agreement on behalf of any Franchisee’s Affiliate(s), and shall cause each Franchisee’s Affiliate to undertake and fulfill any obligations under this Agreement, as applicable.

1.3 **Ordering.** Franchisee, through its Authorized Representative, may select and order certain Offerings via Panera’s Online Catalog, a link to which is listed in Exhibit A. Panera may designate an alternative method of accessing the Panera Online Catalog for placing an Order in its sole discretion for use by Franchisee and its Authorized Users. Orders for Support Services may be provided pursuant to a Statement of Work (“SOW”) provided to Franchisee after an Order has been placed through Panera’s Online Catalog. For the avoidance of doubt, in the event Franchisee purchases products or services directly from an Authorized Third Party, Panera shall have no obligations to Franchisee with respect to any terms and conditions outside of this Agreement unless otherwise agreed to in writing between Franchisee and Panera.

1.4 **Offerings.** The Offerings may include but are not limited to: (a) Panera Software, (b) Third Party Software, (c) Third Party Hardware, and (d) Support Services. The Offerings listed on Panera’s Online Catalog shall be provided by either Authorized Third Parties or Panera. Unless otherwise specified herein, Panera’s Online Catalog provides the specific available Offerings and either the terms and conditions or a link to the terms and conditions governing your use of the Offering. By placing an Order, Franchisee agrees to: (i) the terms and conditions of this Agreement; (ii) the terms and conditions of the Authorized Third Party providing the Offering listed on the Order or the Panera Online Catalog; and (iii) any additional related Documentation applicable to the Order. Additional or different terms in any written communication from Franchisee (such as a purchase order) are void. No provision of any purchase order or other business form employed by Franchisee will supersede the terms and conditions of this Agreement or the Order, and any such document relating to this Agreement shall be for administrative purposes only and shall have no legal effect.

1.5 **Ordering Requirements.** Depending on your Offering selection and franchise model, Franchisee must order certain required Offerings and may, at its discretion, order certain recommended Offerings. Each Offering is specifically delineated as required to be purchased in conjunction with other Offerings or as recommended within Panera’s Online Catalog. For the avoidance of doubt, any Offering designated as a required selection based on another selected Offering

must be ordered and cannot be terminated for any reason unless otherwise specified. In the event Franchisee is designated as a bring your own hardware model (“BYOH”), Franchisor reserves the right to alter Franchisee’s obligations to purchase any required Offerings.

1.6 **General Admonitions and Restrictions.** Franchisee acknowledges that all Offerings will be provided for all of Franchisee’s Bakery-Cafes unless otherwise described in the applicable Order or SOW. Without limitation to any other provision of this Agreement, Franchisee acknowledges that all Offerings shall be provided only for and with respect to the Bakery-Cafes, and not for any other provider, restaurant, or establishment of any kind.

1.7 **Order of Precedence.** In the event of ambiguity, conflict or inconsistency among the documents comprising this Agreement, the documents shall be given an order of precedence as follows: (i) the Franchise Documents and any attachments and exhibits thereto; (ii) this Agreement including any attachments and exhibits thereto; (iii) a SOW; and (iv) the Order.

1.8 **Previous Agreement.** The Parties agree that this Agreement shall replace any previous agreement between the Parties related to the Offerings. All terms in any previous agreement between the Parties related to the Offerings are hereby superseded in their entirety and shall have no further force or effect.

2. FEES, EXPENSES AND PAYMENT.

2.1 **Fees.** Franchisee will pay Panera the applicable then-current standard fees (the “Fees”) due under this Agreement in accordance with the schedule as set forth in the Order. Franchisee acknowledges that the Fees set forth in the Order are provided as a general estimate and may be updated in Panera’s sole discretion, from time to time. Fees and expenses may be invoiced by Panera to Franchisee and payable by Franchisee as set forth in the applicable Franchise Documents.

2.2 **Support Services.** Panera will provide any Support Services, including, but not limited to development, testing, implementation, training, and any other such professional or consulting services as set forth in a Statement of Work (“SOW”).

2.3 **Panera Software; Third Party Products.** Franchisee is responsible for paying for all Panera Software or Third-Party Product ordered for the entire Subscription Period, whether or not such Panera Software or Third Party Products subscriptions are used. Unless otherwise set forth in the Order, Fees applicable to additional Bakery-Cafes utilizing the Panera Software or Third Party Product will be calculated each calendar month based upon the per-Bakery-Cafe Fees and the remaining time in the applicable Subscription Period, with a full calendar month’s portion of the Fee being applicable to the first calendar month with respect to Bakery-Cafes opening on or after the 15th of the calendar month and no portion of the full months portion of the fee being applicable to the first calendar month with respect to Bakery-Cafes opening before the 15th of the calendar month.

2.4 **Billing.** An invoice for any/all Fees will be provided to Franchisee as described in the Order. The renewal charge will be equal to the then-current number of total Panera Software or Third Party Product subscriptions or licenses multiplied by the current Fees, which is subject to change as described herein. Panera may invoice parts of an Order separately.

2.5 **Fee Increase.** Panera reserves the right to increase Fees. Panera will give Franchisee written notice of any increase in Fees at least sixty (60) days prior to such increase taking effect.

2.6 **Expenses.** In addition to any applicable Fees, Franchisee shall reimburse Panera for all expenses incurred in performing its obligations under this Agreement, such as incidental and travel expenses in accordance with Panera’s then-current Travel and Expense Policy. All expenses will be invoiced to Franchisee at Panera’s cost.

2.7 **Reconnection Fee.** Panera may impose a reconnection fee if any Panera Software or Third-Party Products are suspended or terminated through no fault of Panera or the Authorized Third Party, and Franchisee subsequently requests access to or reestablishment of such Panera Software or Third Party Products.

2.8 **Taxes.** All Fees are exclusive of taxes which may be imposed on Panera or Franchisee for the sale, provision or use of the Offerings under this Agreement or an Order. Franchisee will pay all such taxes, except for Panera’s U.S. federal and state income tax and Panera’s personal property tax. Panera shall not be liable for taxes based on Franchisee’s

net income, items of tax preference, net worth, capital stock, franchise, property or conduct of business, or similarly-based taxes. Franchisee shall pay all taxes collected from Panera to the appropriate taxing authority. Franchisee, and not Panera, shall be obligated to pay any applicable taxes not so invoiced to Panera for corresponding Services, including without limitation, any and all interest, penalties and attorneys' fees. Panera shall be entitled to contest, pursuant to applicable law and at its own expense, any taxes it is ultimately obligated to pay, and Franchisee shall reasonably cooperate with any such contest.

2.9 **Payment.** All payments owed by Franchisee to Panera will be made in U.S. currency. Unless otherwise agreed to by Panera in writing in each instance: (a) all Fees and expenses owed to Panera are non-refundable; and (b) Franchisee shall establish a designated bank account pursuant to the Services Authorization Sweep form executed by the Parties before or after the Effective Date of this Agreement. Panera shall be entitled to withdraw from Franchisee's designated bank account all amounts due to Panera under this Agreement. All costs and expenses of establishing and maintaining such designated account, including transaction fees and wire transfer fees, shall be paid by Franchisee and not Panera. Upon execution of this Agreement and at any other time during the Term (as defined below) upon Panera's request, Franchisee will execute Panera's then-current sweep authorization form. Any sum not available for withdrawal by Panera from the designated account or otherwise when due will bear interest until paid at a rate of 1.5% per month (18% per annum) or the maximum rate permitted by law, whichever is less. If any amount is not available or paid when due hereunder, in addition to any other remedies it may have under this Agreement and otherwise, Panera will be entitled to suspend provision of the applicable Offerings and to recover from Franchisee the related costs and expenses incurred in connection with collecting all outstanding amounts (including reasonable costs of investigation and attorneys' fees). Notwithstanding anything to the contrary in this Agreement, all rights granted to Franchisee in connection with this Agreement are contingent upon Franchisee's satisfaction of its payment obligations under the applicable Order.

3. **TERM AND TERMINATION.**

3.1 **Term.** The term of this Agreement will begin on the Effective Date and will continue for a period of two (2) years from the Effective Date hereof (the "**Initial Term**"). Thereafter, this Agreement shall automatically extend for additional consecutive two (2) year renewals thereafter (each, a "**Renewal Term**") and, together with the Initial Term, the "**Term**") unless either Party provides written notice of non-renewal to the other Party at least sixty (60) days prior to the expiration of the Initial Term or then-current Renewal Term, subject to earlier termination as set forth in this Agreement. Notwithstanding the foregoing, any outstanding PO or SOW in effect as of the expiration of a Term shall remain in effect for the duration of such PO or SOW unless otherwise terminated as provided herein or therein. For the avoidance of doubt, under no circumstances should the term of this Agreement extend beyond the expiration of the Franchisee's last remaining Franchise Agreement.

3.2 **Termination.** Either Party may terminate this Agreement and/or any Order or any part of an Order applicable to a single Bakery-Café if the other Party breaches any of the terms of this Agreement or the Order, and, if such breach is capable of cure, fails to cure such breach within thirty (30) days of receiving written notice specifying the breach. In any event, Panera shall have the right to terminate any Order on ninety (90) days written notice with or without cause.

Upon termination of this Agreement for any reason other than Panera's uncured breach, Fees will continue to be due and payable (if not prepaid) until the date that the then-current Panera Software or Third Party Products Subscription Period was scheduled to expire.

3.3 **Effect of Termination; Survival.** Upon termination of this Agreement and/or any Order for any reason, (a) all Franchisee access and use rights granted pursuant to this Agreement and/or the applicable Order will terminate; (b) Franchisee must promptly cease all use of terminated Offerings and de-install all Panera Software, Third Party Software, and any components thereof; (c) Franchisee must return all Third-Party Products and other materials and equipment provided by Panera in connection with the Offerings, (d) return all related Customer Data (as defined in the Franchise Documents), and (e) all Confidential Information (as defined in the Franchise Documents) shall remain subject to Franchisee's confidentiality obligations under this Agreement and the Franchise Documents. All provisions of this Agreement and the Order which expressly or by their nature are intended to survive its expiration or termination, will survive its expiration or termination. Franchisee must certify in writing to Panera, by an Authorized Representative of Franchisee, that it has completed 3.3(a)-(e) within ten (10) days of termination. The termination or expiration of this Agreement or any Order shall not relieve either Party of any obligations that may have accrued prior to the effective

date of such termination or expiration, including, without limitation, the obligation of Franchisee to pay Panera for Offerings ordered and Services performed prior to the effective date of termination or expiration.

3.4 **Policies.** Each Party will comply with all policies related to the Offerings. Panera or its Authorized Third Parties may modify their respective policies from time to time.

3.5 **Suspension.** Without limiting any other right Panera may have, Panera may suspend Franchisee's and any other Authorized User's access to any portion or all of the Offerings if any of the following occur (a "**Service Suspension**"):

3.5.1 Panera reasonably determines that: (I) there is a threat or attack on any of the Offerings; (II) Franchisee's or any other Authorized User's use of any of the Offerings disrupts or poses a security risk to Panera, one or more of the Offerings, or to any other franchisee, customer or vendor of Panera or user of any of the Offerings; (III) Franchisee or any other Authorized User uses any of the Offerings for fraudulent or illegal activities; (IV) subject to Applicable Law, Franchisee has ceased to continue its business in the ordinary course or as otherwise stated in the Franchise Documents; (V) Panera's provision of the Offerings to Franchisee or any other Authorized User is prohibited by Applicable Law; or (VI) Franchisee is in violation of the use restrictions set forth in this Agreement;

3.5.2 Any Authorized Third Party of Panera has suspended services or terminated Panera's access to or use of any Third-Party Products required to enable Franchisee to access the Offerings; or

3.5.3 If Franchisee fails to cure any monetary breach of this Agreement within ten (10) days after notice of the same, or upon written notice if Franchisee's account is past due on three (3) or more occasions during a twelve (12) month period.

Panera shall use commercially reasonable efforts to provide written notice of any Service Suspension to Franchisee and to provide updates regarding resumption of access to the Offerings following any Service Suspension. Panera shall use commercially reasonable efforts to resume providing access to the Offerings as soon as reasonably possible after the event giving rise to the Service Suspension is cured. Panera will have no liability for any damage, liabilities, losses (including any loss of profits or data), or any other consequences that Franchisee or any Authorized User may incur as a result of a Service Suspension.

4. **PANERA SOFTWARE.** Subject to Franchisee's payment of the applicable Fees and its compliance with the terms and conditions of this Agreement, Panera hereby grants Franchisee a revocable, fully paid-up, non-exclusive, non-sublicensable, non-transferable limited right to access and use the Panera Software during the Subscription Period, solely for the purpose of operating the Bakery-Cafes, and the accompanying online Documentation in conjunction with Franchisee's installation and use of the Panera Software as permitted hereunder. Franchisee has no right to sublicense its right to use the Panera Software. Notwithstanding anything to the contrary, Franchisee agrees that Panera retains all right, title and interest in and to all Panera Software incorporated in such modifications, updates, and patches. Except as expressly set forth herein, Panera will retain all intellectual property rights relating to the Panera Software and any suggestions, ideas, enhancement requests, feedback, or other recommendations provided by Franchisee, Authorized Users or any third party relating to the Panera Software (herein referred to as "**Feedback Materials**"), which are hereby assigned to Panera. This Agreement does not constitute a sale of the Panera Software and does not convey to Franchisee any rights of ownership in or related to the Panera Software or any other intellectual property rights.

5. **THIRD PARTY PRODUCTS.**

5.1 **License.** Subject to Franchisee's payment of the applicable Fees and compliance with the terms and conditions of this Agreement, Panera grants Franchisee a revocable, fully paid-up, non-exclusive, non-sublicensable, non-transferable limited right to access and use the Third Party Products during the Subscription Period, solely for the purpose of operating the Bakery-Cafes and the accompanying online Documentation in conjunction with Franchisee's installation and use of the Third Party Products as permitted hereunder.

5.2 **Limitation on Use.** Franchisee's use of Third-Party Products is subject to the relevant Third-Party Terms and Conditions as well as the terms of this Agreement and the Order. The Third-Party Terms and Conditions related to Third Party Products shall be presented to Franchisee for acceptance within the Panera's Online Catalog by website link or otherwise. Panera does not have control over and has no liability for the Third-Party Products. We do not, by

allowing you access to Third Party Products, assume any liability or responsibility for your use of the Third-Party Products. Access to Third Party Products is provided for your convenience and to assure compliance with our standards and shall not be construed as any express or implied representation or warranty that you comply with any applicable laws, codes or regulations. Franchisee represents and warrants that it is using the Third-Party Products in compliance with the applicable Third-Party Terms and Conditions. If Franchisee does not agree to abide by the applicable Third-Party Terms and Conditions for any such Third-Party Products, then Franchisee should not install, access, purchase or use such Third-Party Products. Use of Third-Party Products may require access to Franchisee Data (defined below) and other data by the Authorized Third-Party, which Panera will permit on Franchisee's behalf if Franchisee has ordered that Third-Party Product.

5.3 **Third-Party Products.** Franchisee may choose to use the Offerings with other third-party platforms, apps, add-ons, services or products that are not included as an Offering in Panera's Online Catalog. Use of such third-party products with the Offerings may require access to Franchisee Data (defined below) and other data by the Authorized Third-Party, which, subject to Panera's Policies, Panera will permit on Franchisee's behalf if Franchisee has enabled that third-party. The approval of other third party platforms, apps, add-ons, services or products that are not included as an Offering in Panera's Online Catalog and/or transfer of Franchisee Data described in this request to such third parties is made as a convenience for Franchisee, and neither Panera nor any of its affiliated companies shall have any liability in connection with such transfer, and accordingly IN NO EVENT WILL PANERA OR ANY OF ITS AFFILIATED COMPANIES, OR ANY OF THEIR RESPECTIVE OFFICERS, SUPPLIERS, AGENTS OR SUBCONTRACTORS BE LIABLE IN CONNECTION WITH THIS REQUEST OR UNDER ANY AGREEMENT(S) FOR (A) ANY DIRECT, INDIRECT, INCIDENTAL, SPECIAL, PUNITIVE OR CONSEQUENTIAL DAMAGES, LOST PROFITS, OR LOST OR DAMAGED DATA, WHETHER ARISING IN CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, OR (B) ANY COSTS OR EXPENSES FOR THE PROCUREMENT OF SUBSTITUTE DATA, IN EACH CASE, EVEN IF PANERA, ITS AFFILIATED COMPANIES, OR ANY OF THEIR RESPECTIVE OFFICERS, SUPPLIERS, AGENTS OR SUBCONTRACTORS HAVE BEEN INFORMED OF THE POSSIBILITY THEREOF. FRANCHISEE HEREBY WAIVES ANY CLAIM THAT THESE EXCLUSIONS DEPRIVE IT OF AN ADEQUATE REMEDY OR CAUSE ANY AGREEMENT(S) TO FAIL OF ITS ESSENTIAL PURPOSE.

5.4 **Franchisee's Obligations and Restrictions.**

5.4.1 **Acceptable Use.** Franchisee acknowledges and agrees that Panera is not obligated to monitor communications or any data transmitted through the Panera Software or Third Party Products and that Panera will not be responsible for the content of any such communications or transmissions. Franchisee and its Authorized Users will use the Offerings exclusively for authorized and legal purposes, in compliance with applicable law including any privacy laws or any laws governing employment and this Agreement. Franchisee acknowledges that the Offerings do not include, and Panera has no responsibility or liability with respect to: (a) verifying any information input by Authorized Users, including information about employment; or (b) advising Franchisee with respect to any Franchisee policies on employment, leave, termination or other policies or any application of such policies by Franchisee; or (c) any determination of the legality of any questions asked, or the type of information requested. Franchisee shall consult with legal counsel in connection with and bear all risk and responsibility with regard to the use of the Offerings for all purposes including compliance with all United States state and federal laws and regulations. In providing the Offerings, Panera shall be entitled to rely upon and act in accordance with any instructions, guidelines, data or information provided by Franchisee and its Authorized Users, and shall incur no liability in doing so.

5.4.2 **Account Use.** Franchisee is responsible and liable for all uses of the Panera Software or Third-Party Products and Documentation resulting from access provided by Franchisee, directly or indirectly, whether such access or use is permitted by or in violation of this Agreement. Without limiting the generality of the foregoing, Franchisee is responsible for all acts and omissions of Authorized Users, and any act or omission by an Authorized User that would constitute a breach of this Agreement if taken by Franchisee will be deemed a breach of this Agreement by Franchisee. Franchisee shall make all Authorized Users aware of this Agreement's provisions as applicable to such Authorized User's use of the Panera Software or Third-Party Products and shall cause Authorized Users to comply with such provisions.

6. **PASSWORDS AND ACCESS CREDENTIALS.** Franchisee is responsible for keeping passwords and access credentials associated with the Panera Software or Third-Party Products confidential and will not sell, disclose, or transfer them to any other person, entity, or third parties any user identifications, passwords and access credentials, account numbers or account profiles. Franchisee understands and agrees that: (a) Panera assumes no responsibility for the supervision, management or control of Franchisee's or Authorized User's passwords and access credentials; (b) Panera assumes no responsibility for any fraudulent or unauthorized use of any portion of the Panera Software or Third Party Products through Franchisee's account; (c) Panera disclaims all liability arising out of any use of or failure to protect passwords or access credentials or any fraudulent or unauthorized access to or use of any portion of the Panera Software or Third Party Products through Franchisee's account; and (d) Franchisee will promptly notify Panera within twenty-four (24) hours of its learning or discovery of any unauthorized access to Franchisee's passwords or access credentials, or any unauthorized access to or use of any of the Offerings or Documentation.

7. **FRANCHISEE'S RESPONSIBILITIES.** Franchisee will: (a) be responsible for meeting Panera's applicable minimum system requirements for access to or use of the Offerings, as set forth in the Documentation and updated by Panera from time to time; (b) be responsible for Authorized Users' compliance with this Agreement and for any other activity (whether or not authorized by Franchisee) occurring under Franchisee's account; (c) be solely responsible for the accuracy, quality, integrity and legality of Franchisee Data; (d) prevent unauthorized access to or use of the Offerings under its account, and notify Panera promptly of any such unauthorized access or use; and (e) provide and keep valid contact information for each Panera Software or Third Party Product that includes phone number(s) and email address(es) for both a primary contact and an operational/technical contact (e.g., network engineer or routing engineer) and providing Panera with technical configuration details upon request. If Franchisee fails to perform any of its obligations under this Agreement or Panera is prevented, delayed or otherwise unable to perform any of its obligations due to any other act or omission of Franchisee ("**Franchisee Default**") then, in addition to any other rights and remedies under other provisions of this Agreement or by applicable law, including the right to claim damages in the event of a Franchisee Default, Panera shall be entitled to rely on such Franchisee Default as relieving it from the performance of any of its obligations and/or invoice Franchisee for Fees for the Panera Software or Third Party Products provided notwithstanding the Franchisee Default. If, for any reason, a Franchisee is in default under its Franchise Agreement, it will operate as a default under this Agreement.

8. **USERS.** If specified, Franchisee shall limit the number of individual users of the Panera Software or Third Party Products as specified in the applicable Order. Authorized User licenses cannot be shared or used by more than one user. Panera has the right to verify electronically (or otherwise), and generate, or require Franchisee to generate and provide, reports related to Franchisee's installation of, access to, and use of the Panera Software and Third-Party Products to ensure compliance with the terms of this Agreement.

9. **LIMITATIONS ON USE.** Franchisee and its Users shall not, and shall not permit any third party to:

- a. copy or republish the Panera Software or the Third Party Products
- b. make any Panera Software or the Third Party Products available to any person other than its Authorized Users;
- c. rent, lend, sell, sublicense, or use Panera Software or the software provided through the Third Party Products to provide service bureau, time-sharing or other services to third parties;
- d. install the Panera Software or the Third Party Products in, or connect a Source to, the Panera Software or software provided through the Third Party Products from any country outside of the United States;
- e. send or store viruses, spyware, ransomware, timebombs, Trojan horses, or other harmful or malicious code, or files to or in connection with any Offering;
- f. send or store infringing, or otherwise unlawful material in connection with any Offering;
- g. modify or create derivative works based upon Panera Software or the Third Party Products;
- h. remove, modify, or obscure any copyright, trademark, or other proprietary notices contained in the Panera Software or the Third Party Products or related documentation;

- i. reverse engineer, decompile, disassemble, or otherwise attempt to derive the source code used or embodied in the Panera Software or the Third Party Products, which for the avoidance of doubt includes the related algorithms, methods, and techniques;
- j. access or use Panera Software or the Third Party Products in order to build a similar or competitive product;
- k. conduct any stress tests, competitive benchmarking or analysis on, or publish any performance data of, an Offering (provided, that this does not prevent Franchisee from comparing the products to other products for Franchisee's internal business use so long as they are approved by Panera);
- l. use the Software other than in compliance with all applicable laws and regulations;
- m. use the Panera Software or the Third Party Products in any manner that: (a) is harmful, fraudulent, deceptive, threatening, abusive, harassing, tortious, defamatory, vulgar, obscene, or libelous (including without limitation, accessing any computer, computer system, network, software, or data without authorization, breaching the security of another user or system, and/or attempting to circumvent any User authentication or security process); (b) impersonates any person or entity, including without limitation any employee or representative of GitLab; (c) includes content, with respect to the use of SaaS Software, which is illegal or (d) introduces any virus, trojan horse, worm, time bomb, unsolicited bulk, commercial, or "spam" message, or other harmful computer code, file, or program (including without limitation, password guessing programs, decoders, password gatherers, keystroke loggers, cracking tools, packet sniffers, and/or encryption circumvention programs); and
- n. use the Panera Software or the Third Party Products or any feature thereof for any purpose other than as specifically authorized in this Agreement; or
- o. cause, encourage or assist any third party to do any of the foregoing.

If for some reason these restrictions are prohibited by applicable law or by an agreement Panera has with one of its licensors, then the activities are permitted only to the extent required to comply with the law or agreement.

10. **AGGREGATED STATISTICS.** Notwithstanding anything to the contrary in this Agreement, Panera may monitor Franchisee's use of the Offerings and collect and compile data and information related to Franchisee's access and use of the Offerings to be used by Panera in an aggregated and anonymized manner, including to compile statistical and performance information related to the provision and operation of the Offerings ("Aggregated Statistics"). As between Panera and Franchisee, all right, title, and interest in Aggregated Statistics, and all Intellectual Property Rights therein, belong to and are retained solely by Panera. For the avoidance of doubt, Aggregated Statistics shall not include Franchisee Data.

11. **RESERVATION OF RIGHTS.** Panera reserves all rights not expressly granted to Franchisee in this Agreement.

12. **THIRD PARTY HARDWARE.**

12.1 **Use of Third-Party Hardware.** The Third Party Hardware may be used only in connection with the operation of Bakery-Cafes, and at the end of the life of the Third Party Hardware, or expiration or termination of this Agreement, Franchisee shall take all necessary steps to fully and permanently erase any computer memory or storage on such Third Party Hardware including all data related to the operation of the Bakery-Cafes. Franchisee must certify in writing to Panera, by an Authorized Representative, that it has completed the obligations listed in this section within ten (10) days of the end of the life of the Hardware, or expiration or termination of this Agreement.

12.2 **Pass Through Warranty.** The Third-Party Hardware is provided by Panera "AS-IS" and without warranty of any kind, express or implied. To the extent, if any, that Panera has the right to do so, Panera shall pass through or assign to Franchisee the remainder, if any, warranty Panera obtained from manufacturers and/or vendors of the Third-Party Hardware ordered under any applicable Order.

13. **SUPPORT SERVICES.** Any Order for Support Services will contain a description of the Support Services, any applicable terms and conditions applicable to such Professional Services, the Fees applicable to such Professional Services, and the period of time during which such Professional Services shall be provided.

14. **FRANCHISEE DATA.**

14.1 **Definition.** "Franchisee Data" means any data, information or material created by Franchisee provided or submitted by Franchisee and its employees to Panera or its third-party providers pursuant to the Franchise Documents and/or in the course of using the Panera Software or Third Party Products, including without limitation pricing, tax rates, non-standard menu information, Franchisee employee data, and all other applicable data, information or materials. All other data is owned solely by Panera and shall be deemed Panera's Confidential Information, which includes but is not limited to all Customer Data, the Policy Manual and all Intellectual Property Rights therein.

14.2 **Franchisee Data Obligations.** Franchisee will have sole responsibility for the accuracy, quality, integrity, legality, reliability, appropriateness, and intellectual property ownership or right to use of all Franchisee Data and hereby grants to Panera all necessary rights and licenses to use all Franchisee Data in connection with providing the Offerings, if and as applicable. Panera will not be responsible or liable for the deletion, correction, destruction, damage, loss or failure to store any Franchisee Data. Franchisee will indemnify and hold harmless Panera from and against any claims, damages or liabilities arising in connection with Panera's use of Franchisee Data. As between Panera and Franchisee, Franchisee hereby grants to Panera a limited, non-exclusive, royalty-free, worldwide license to use the Franchisee Data and perform all acts with respect to the Franchisee Data to Panera, subject to compliance by Panera with its confidentiality obligations. Notwithstanding the termination or expiration of this Agreement, Panera shall retain a non-exclusive, perpetual, irrevocable, royalty-free license to use, store, process, and disclose any Franchisee Data, in accordance with the terms set forth herein, for any lawful purpose.

14.3 **Data Retention.** Panera has no obligation to retain Franchisee Data, whether for tax, regulatory compliance or other purposes, and may delete Franchisee Data. Franchisee is responsible for ensuring it has made arrangements to be able to access Franchisee Data for tax, regulatory compliance and other purposes as it deems appropriate.

15. **INTELLECTUAL PROPERTY RIGHTS.**

15.1 **Rights to Panera Software or Third Party Products.** Franchisee acknowledges that, in addition to all rights granted under the Franchise Agreement, (i) as between Panera and Franchisee, Panera is the sole and exclusive owner or licensee of all right, title and interest in and to the Panera Software or Third Party Products, all derivative works thereof (including any and all patents, copyrights, trade secret rights, trademarks, trade names and other proprietary rights embodied therein or associated therewith), and this Agreement in no way conveys any right or interest in the Panera Software or Third Party Products other than a limited license to use the same in accordance with its terms; (ii) the Panera Software and Third Party Products consists of works protected by the copyright laws of the United States and international treaties, and (iii) Panera asserts that the Panera Software and Third Party Products embodies valuable confidential, proprietary and secret information of Panera or its licensors, the development of which required the expenditure of considerable time and money.

15.2 **Rights to Offerings.** Franchisee acknowledges that, in addition to all rights granted under the Franchise Agreement; (i) as between Panera and Franchisee, Panera is the sole and exclusive owner or licensee of all right, title and interest in and to the Offerings (including any and all patents, copyrights, trade secret rights, trademarks, trade names and other proprietary rights embodied therein or associated therewith); (ii) this Agreement in no way conveys any right or interest in the Offerings other than a limited right to use them in accordance with this Agreement, (iii) the Offerings are works protected by the intellectual property laws of the United States and international treaties, and (iv) Panera asserts that the Offerings embody valuable confidential, proprietary and secret information of Panera and its licensors and other vendors, as applicable, the development of which required the expenditure of considerable time and money. Except for the limited rights and licenses expressly granted under this Agreement, nothing in this Agreement grants, by implication, waiver, estoppel, or otherwise, to Franchisee or any third party any Intellectual Property Rights or other right, title, or interest in or to the Offerings or Documentation.

15.3 **Rights to Work Product and/or Deliverables.** Franchisee acknowledges that, in addition to all rights granted under the Franchise Agreement, (i) as between Panera and Franchisee, Panera is the sole and exclusive owner or licensee of all right, title and interest in and to any and all work product and deliverables created by Panera in the course of providing the Offerings (including any and all patents, copyrights, trade secret rights, trademarks, trade names and other proprietary rights embodied therein or associated therewith); (ii) this Agreement in no way conveys to Franchisee any right or interest in the Offerings other than a limited license to use the Offerings in accordance with the terms of this Agreement; and (iii) Franchisee hereby grants Panera a non-exclusive, perpetual, irrevocable, royalty-free, worldwide license to use, reproduce, modify, distribute, and sublicense any feedback, suggestions, or recommendations provided by Franchisee to Panera regarding the Franchise Agreement, this Agreement, any Offering and other products or services.

15.4 **Additional Documentation.** Franchisee agrees to execute such documents as Panera may reasonably request to effectuate Panera's intellectual property rights in the Offerings both during the Term and afterwards. All licenses provided under this section shall survive the termination or expiration of this Agreement.

16. **WARRANTIES; LIMITATION OF LIABILITY.**

16.1 **Franchisee Warranties.** Franchisee warrants that it will comply with all applicable laws and regulations in connection with this Agreement including applicable national, state, and local laws, rules, decrees, orders, judgments and regulations of all applicable jurisdictions and countries and any and all amendments to all applicable national, state, and local laws, rules, decrees, orders, judgments and regulations, including privacy laws and employment laws, applicable export and telecommunications laws, and the regulations, rules or guidance of any national, state or local agency.

16.2 **Disclaimer of Warranties.** Subject to the obligations of Panera as described in this Agreement, if any, the Offerings are provided "AS IS", without warranty of any kind, express or implied. EXCEPT FOR THE EXPRESS WARRANTIES STATED IN THIS AGREEMENT, THERE ARE NO WARRANTIES, EXPRESS OR IMPLIED, BY OPERATION OF LAW OR OTHERWISE, REGARDING OR RELATING TO THE PANERA SOFTWARE, THIRD PARTY PRODUCTS, AND SUPPORT SERVICES OR TO ANY OTHER MATERIALS, DATA, GOODS OR SERVICES FURNISHED TO FRANCHISEE HEREUNDER OR IN CONNECTION HERewith. PANERA SPECIFICALLY DISCLAIMS ALL IMPLIED WARRANTIES, INCLUDING THOSE OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NON-INFRINGEMENT. PANERA DOES NOT WARRANT THE RESULT OF ANY OFFERING OR THAT THE OFFERING WILL MEET FRANCHISEE'S REQUIREMENTS. NO REPRESENTATION OR OTHER AFFIRMATION OF FACT, INCLUDING BUT NOT LIMITED TO VERBAL OR WRITTEN STATEMENTS REGARDING CAPACITY, SUITABILITY FOR USE OR PERFORMANCE, WHETHER MADE BY PANERA EMPLOYEES OR OTHERWISE WILL BE DEEMED TO BE A WARRANTY BY PANERA FOR ANY PURPOSE OR GIVE RISE TO ANY LIABILITY OF PANERA WHATSOEVER.

16.3 **Limitation of Liability.** To the maximum extent permitted by applicable law, except to the extent specifically and unambiguously described in any Order, if at all, in no event will Panera or its affiliates, officers, suppliers, employees, consultants, agents or subcontractors be liable under this Agreement (including for the provision of any Offerings) and/or any Order, however arising and regardless of any theory of liability, for (a) any direct, indirect, incidental, special, punitive or consequential damages of any kind or nature whatsoever, suffered by Franchisee or any third party, including lost profits, business interruptions, or lost or damaged data, whether arising in contract, tort (including negligence) or otherwise, or (b) any costs or expenses for the procurement of substitute equipment or services, in each case, even if such party or its officers, suppliers, agents or subcontractors have been informed of the possibility thereof. FRANCHISEE HEREBY WAIVES ANY CLAIM THAT THESE EXCLUSIONS DEPRIVE IT OF AN ADEQUATE REMEDY OR CAUSE THIS AGREEMENT TO FAIL OF ITS ESSENTIAL PURPOSE.

17. **DEFENSE OF CLAIMS.**

17.1 **By Panera.** Subject to Franchisee's compliance with this Agreement and in consideration of payment of all Fees required hereby, Panera will defend Franchisee from any and all claims, actions, demands, and causes of action made or brought against Franchisee by a third-party alleging that the Panera Software used by Franchisee as permitted by this Agreement infringe upon or misappropriates the intellectual property rights of any third party. In connection therewith, Panera shall have the right to require that Franchisee cease all use of the affected Offerings and, if requested

by Panera, return the same to Panera. Notwithstanding any of the foregoing, Panera will have no obligation to defend any claim to the extent based on (a) use of a superseded and no longer supported release of the Panera Software if the infringement would have been avoided by the use of a supported release of the Panera Software; (b) compliance with Franchisee's specifications or requirements; (c) modification of the Panera Software not made by Panera or as specifically requested by Franchisee; (d) use of the Panera Software: (i) other than in accordance with the terms and conditions set forth in this Agreement and Orders and the document for the Panera Software, (ii) other than under normal use as set forth in the documentation for the Panera Software, or (iii) in combination with other software or equipment not provided by Panera if such infringement would not have occurred without such use or combination; or (e) continuing the allegedly infringing activity after notice. Panera's obligation under this Agreement to defend Franchisee against third-party claims of alleged intellectual property infringement as described above may be limited to the extent Panera is indemnified by and/or has other limited defense rights from a third-party provider. For the avoidance of doubt, Panera's obligations under this Section 10.1 will extend only to the defense of claims and expressly exclude any obligation to indemnify or hold harmless Franchisee. For the avoidance of doubt, Panera shall have no obligations under this Section 10.1 with respect to claims relating to Third Party Products, Hardware or any other Offerings other than Panera Software.

17.2 **By Franchisee.** Franchisee will defend, indemnify and hold Panera and its affiliates and their respective directors, officers, employees, agents, members, stockholders, insurers, successors and assigns harmless from any and all claims, actions, demands, losses, and causes of action arising from any breach or failure to comply with any of the provisions of this Agreement, including (i) any Security Incident as defined below; (ii) any third-party claim that any materials submitted to Panera or their use by Panera or other persons infringe upon or misappropriate the intellectual property rights of any third party; (iii) Franchisee's or Franchisee's employees' use of Panera Software or Third Party Products, Support Services, or other Offerings; or (iv) negligence, fraud, or willful misconduct of Franchisee and/or its affiliates and/or their respective employees, or subcontractors. "Security Incident" means any actual or reasonably suspected: (a) breach of security leading to the accidental, unauthorized, or unlawful destruction, loss, alteration, disclosure of, or access to Franchisee Data or Panera data; (b) compromise of, intrusion into, interference with, or unauthorized access to networks, systems, databases, servers, or electronic or other media on which Franchisee Data or Panera data is Processed or from which Franchisee Data or Panera data may be accessed, including Franchisee's employees or other agents or representatives; or (c) other compromise to the privacy, security, confidentiality, availability, or integrity of any Franchisee Data or Panera data or the proper functioning of the network resources of Franchisee. A "Security Incident" also includes any other circumstance pursuant to which any applicable data protection law or privacy law requires notification of such event to affected individuals and/or authorities or other activity in response to such circumstance.

17.3 **Procedure.** If any claim is asserted against a Party for which the Party is entitled to defense or, in the case of Panera, indemnification, as applicable, under this Section 10, the Party requesting defense or indemnification, as applicable (the "Requesting Party") will promptly notify the Party required to provide the defense or indemnification, as applicable (the "Providing Party") in writing of the assertion of the claim (but the failure to provide such notice will not relieve the Providing Party from any liability the Requesting Party may have, except to the extent such failure materially prejudices the Providing Party). Unless otherwise agreed to by the parties, the Providing Party will assume, direct and control the defense of such claim, including the employment of counsel, and all Fees and expenses incurred in connection with defending or settling the claim will be borne solely by the Providing Party. The Providing Party will not settle any claim, other than any settlement involving only the payment of monetary damages, without the prior written consent of the Requesting Party, which consent will not be unreasonably withheld or delayed. The Requesting Party will cooperate in all reasonable respects with the Providing Party and its attorneys in the investigation, trial and defense of the claim and any appeal arising therefrom. All reasonable and documented costs and expenses incurred in connection with an Indemnified Party's cooperation will be borne by the Providing Party. In any event, the Requesting Party will have the right at its own expense to participate in the defense of such claim. The remedies in this Section 10 are the sole and exclusive remedies available to the Parties for the claims that are subject to the obligations set forth in this Section 10.

18. **CONFIDENTIALITY AND INFORMATION SECURITY.**

18.1 **Definition.** “**Confidential Information**” means our proprietary and confidential information relating to the development and operation of Panera Bread Bakery-Cafes, including: (1) all information contained in our Operations Manual; (2) ingredients, recipes, and methods of preparation and presentation of authorized food products; (3) site selection criteria for Panera Bread Bakery-Cafes and plans and specifications for the development of Panera Bread Bakery-Cafes; (4) sales, marketing and advertising programs and techniques for Panera Bread Bakery-Cafes; (5) identity of Approved Suppliers and knowledge of specifications, processes, procedures and equipment, and pricing for authorized food products, materials, supplies and equipment; (6) knowledge of operating results and financial performance of Panera Bread Bakery-Cafes, other than Panera Bread Bakery-Cafes you own; (7) methods of inventory control, storage, product handling, training and management relating to Panera Bread Bakery-Cafes; (8) computer systems and software programs used or useful in Panera Bread Bakery-Cafes; (9) future business plans relating to Panera Bread Bakery-Cafes and the Panera franchise opportunity, including expansion and development plans; (10) all data and other information generated by, or used in, the operation of Panera Bread Bakery-Cafes, including Customer Data; (11) all Intellectual Property; and (12) any and all other information which is provided to you that is designated orally or in writing as proprietary or confidential or by its nature would reasonably be understood to be proprietary or confidential regardless of whether such information is specifically designated as proprietary or confidential.

18.2 **Disclosure of Confidential Information.** We will disclose parts of our Confidential Information to you solely for your use in the connection with the use of the Offerings in support of the operation of your Bakery-Cafe. The Confidential Information is proprietary and includes our trade secrets. During the Term and thereafter: (a) you may not use the Confidential Information in any other business or capacity (you acknowledge such use is an unfair method of competition); (b) you must maintain the confidentiality of the Confidential Information; (c) you may not make unauthorized copies of any portion of the Confidential Information disclosed in written, electronic or other form; and (d) you must implement all reasonable procedures we prescribe from time to time to prevent unauthorized use or disclosure of the Confidential Information, including the use of nondisclosure agreements with your Owners, officers, directors, Operating Partners, managers, assistant managers, lead bakers and the like, and you must deliver such agreements to us.

18.3 **Return of Confidential Information.** Upon termination of this Agreement, Franchisee will return to Panera all copies of the material containing Confidential Information, or any portion thereof.

18.4 **Information Security Obligations of Franchisee.** Franchisee has implemented and will maintain an information security program that uses appropriate physical, technical and organizational measures designed to protect all Offerings and data from unauthorized access, destruction, use, modification or disclosure in compliance with the Franchisor Information Security Standards.

19. **FORCE MAJEURE.** Panera shall not be liable for any failure or delay in the delivery of any Offerings as a result of a Force Majeure. Panera may establish policies and procedures from time to time for the allocation and distribution of Offerings among Panera Bread bakery cafes of Panera, and all of its and its’ affiliates’ bakery-cafes. An event of Force Majeure is defined in the Franchise Documents.

20. **NOTHING IN THIS AGREEMENT MODIFIES THE FRANCHISE DOCUMENTS.** Franchisee acknowledges and agrees that this Agreement is not, and is not intended to be, a modification of the Franchise Documents. Accordingly, all rights and obligations of the parties under this Agreement are in addition to, and not in place of, the rights and obligations described in the Franchise Documents. For the avoidance of doubt, all references in the Franchise Documents to agreements with Panera or its Affiliates (including, without limitation, Sections 9.03(b), 13.02(b) and 15.0 of the Franchise Agreements with Franchisees) shall include this Agreement and any Order.

21. **INSPECTIONS/AUDITS.** We have the right at any time, and on ten (10) days' prior notice to you, to inspect, copy and audit the systems, records and documents relating to the Offerings and your compliance with the terms of this Agreement. You must cooperate fully with our representatives conducting such audits.

22. **DISPUTE RESOLUTION.**

22.1 **Arbitration.** All controversies, disputes, or claims between the parties, including their respective Affiliates,

owners, officers, directors, agents, and employees, arising from or relating to this Agreement, including the scope and validity of any provision of this Agreement (such as this Section 21.1), shall on demand of either party be submitted for arbitration to the American Arbitration Association (the “AAA”). The arbitration shall be governed exclusively by the United States Arbitration Act (9 U.S.C. § 1, et seq.), without reference to any state arbitration statutes. The parties agree that, in connection with any such arbitration proceeding, each shall submit or file any claim that would constitute a compulsory counterclaim (as defined by Rule 13 of the Federal Rules of Civil Procedure) within the same proceeding as the claim to which it relates. Any such claim that is not submitted or filed in such proceeding shall be barred. The arbitration proceedings shall be conducted in the city where we then have our principal place of business in accordance with the then-current commercial arbitration rules of the AAA, except the parties shall be entitled to limited discovery at the discretion of the arbitrator(s) who may, but are not required to, allow depositions. The parties acknowledge that the arbitrators’ subpoena power is not subject to geographic limitations. The arbitration proceedings shall be conducted on an individual basis and not on a multi-plaintiff, consolidated, collective or class-wide basis. The foregoing sentence is an integral provision of the arbitration procedures set forth in this paragraph, and may not be severed therefrom, notwithstanding anything to the contrary herein. If such sentence is determined to be invalid or unenforceable in connection with a particular controversy, dispute, or claim, then this Section 22.1 shall be stricken from this Agreement and neither party shall be deemed to have consented to arbitration of such controversy, dispute, or claim.

The arbitrator(s) shall have the right to award the relief that he or she deems proper, consistent with the terms of this Agreement, including compensatory damages (with interest on unpaid amounts from date due), specific performance, injunctive relief, legal fees and costs. The award and decision of the arbitrator(s) shall be conclusive and binding on all parties, and judgment upon the award may be entered in any court of competent jurisdiction. Any right to contest the validity or enforceability of the award shall be governed exclusively by the United States Arbitration Act.

22.2 Jurisdiction. All disputes and claims not subject to arbitration under Section 22.1 must be brought in the state or federal court with jurisdiction in the city where our principal place of business is then-located (currently Boston, Massachusetts); provided that we have the option to bring a suit against you in any state or federal court within the jurisdiction where your Bakery-Cafe is or was located or where any of your Owners lives. The parties consent to the exercise of personal jurisdiction over them by these courts, and to the propriety of venue in these courts for the purpose of this Agreement, and the parties waive any objections that they would otherwise have in this regard. Each of the parties specifically waives any defense of inconvenient forum to the maintenance of any action or proceeding so brought and waives any bond, surety, or other security that might be required of any other party with respect thereto.

22.3 Limitations On Legal Actions. You agree that, for our franchise system to function properly, we should not be burdened with the costs of litigating systemwide disputes. Accordingly, any disagreement between you and us shall be considered unique as to its facts and shall not be brought as a class action, and you (and each of your Owners) waive any right to proceed against us or any of our shareholders, members, managers, Affiliates, officers, directors, employees, agents, successors and assigns by way of class action, or by way of a multi-plaintiff, consolidated or collective action. In any legal action between the parties, the court shall not be precluded from making its own independent determination of the issues in question, notwithstanding the similarity of issues in any other legal action involving us and any other franchisee, and each party waives the right to claim that a prior disposition of the same or similar issues precludes such independent determination. **Furthermore, the parties agree that any legal action in connection with this Agreement shall be tried to the court sitting without a jury, and all parties hereto waive any right to have any action tried by jury.**

23. GOVERNING LAW. This Agreement shall be construed under the laws of the State of Delaware, provided the foregoing shall not constitute a waiver of any of your rights under any applicable franchise law of another state. Otherwise, in the event of any conflict of law, Delaware law will prevail, without regard to its conflict of law principles. However, if any provision of this Agreement would not be enforceable under Delaware law, and if your Bakery-Cafe is located outside of Delaware and such provision would be enforceable under the laws of the state in which your Bakery-Cafe is located, then such provision shall be construed under the laws of that state. Nothing in this Section 16 is intended to subject this Agreement to any franchise or similar law, rule or regulation of the State of Delaware to which it otherwise would not be subject.

24. CREDIT CARDS. It is your responsibility to maintain and report your PCI compliance, which encompasses operational policies and practices as well as networks and POS systems hardware/software used to process credit card

transactions, as well as attesting that you are abiding by (i) the Payment Card Industry (“PCI”) Data Security Standards enacted by the applicable Card Associations (as they may be modified from time to time or as successor standards are adopted); and (ii) all other security standards and guidelines that may be published from time to time by payment card companies and/or enacted by law, and are applicable to customer credit card and debit card information. If you know or suspect a security breach, you must immediately notify both your credit card transaction acquirer and Panera. You assume all responsibility for providing notice of breach or compromise, along with duties and costs associated with fraudulent transactions, penalties, and ongoing Fees for monitoring customer credit card histories and/or transactions for affected customers of your Bakery-Cafe(s).

25. **MISCELLANEOUS.** (a) As used in this Agreement the word “including” means including without limitation; (b) Each party has full power and authority to enter into and perform this Agreement, and the person signing this Agreement on behalf of each party has been properly authorized to enter into this Agreement and to execute it and any Order or other attachments hereto on behalf of such party; (c) The relationship of the parties will always and only be that of independent contractors. No provision of this Agreement will be construed to create a joint venture or partnership between the parties; (d) This Agreement (including all Attachments, Exhibits, and/or Orders executed by the parties) constitutes the entire agreement, and supersedes all prior negotiations, understandings or agreements (oral or written), between the parties concerning its subject matter; (e) The failure of either party to enforce its rights under this Agreement at any time for any period will not be construed as a waiver of such rights. No change, modification or waiver to this Agreement will be effective unless in writing and signed by both parties; (f) Franchisee may not (and shall cause each Franchisee’s Affiliate to not) assign this Agreement or any Order without the prior written consent of Panera and any attempted assignment in violation of the foregoing will be null and void. This Agreement is fully transferable and assignable by Panera, whether by operation of law or otherwise (without notice to Franchisee, or approval by Franchisee), and shall inure to the benefit of any transferee or other legal successor to Panera’s interest herein; (g) Headings are for convenience of reference only and will in no way affect interpretation of the Agreement; (h) All notices will be in writing, addressed to the party at its address set forth in this Agreement (or other address provided by notice) and sent by certified or registered mail, return receipt requested, overnight courier with receipted delivery, or other means providing proof of delivery. All notices will be addressed to the party to be notified at its most current principal business address of which the notifying party has been notified in writing. All notices to us must include a copy to our General Counsel and our Chief Franchise Officer to be effective; (i) Except as otherwise noted in this Agreement, every part of this Agreement shall be considered severable. If for any reason any part of this Agreement is held to be invalid, that determination shall not impair the other parts of this Agreement. If any provision of this Agreement or any specification, standard or operating procedure prescribed by us is invalid or unenforceable under applicable law, we have the right, in our sole discretion, to modify such invalid or unenforceable provision, specification, standard or operating procedure to the extent required to make it valid and enforceable. Any term or provision of this Agreement or any application thereof which may be invalid or unenforceable shall be ineffective only to the extent of such prohibitions or unenforceability without affecting the remainder of this Agreement or any other application of such term or provision; (j) You shall use the Offerings in full compliance with all applicable laws, ordinances and regulations, including any law, ordinance or regulation relating to terrorist activities. You must notify us in writing immediately upon the commencement of any legal or administrative action, or the issuance of an order of any court, agency or other governmental instrumentality applicable to the Offerings; (k) Franchisee and Panera agree that the electronic signatures of any party to this Agreement shall have the same force and effect as manual signatures and such electronic signature shall not be denied legal effect or enforceability solely because it is in electronic form or an electronic record was used in its formation. The parties agree that the electronic signatures of either party are intended to: (i) authenticate the signature, (ii) represent the party’s intent to sign, and (iii) constitute a record established and maintained in the ordinary course of business and an original written record when printed from electronic files. Each party agrees not to contest the admissibility or enforceability of either party’s electronic signatures; (l) You acknowledge and agree that Panera has the right to profit from the payment of the Fees under this Agreement and/or any Order and that Panera and/or its affiliates may, in fact, profit from your payment of such Fees; (m) No hardware or software of any kind may be utilized in connection with any Offering which does not meet industry standards and any other criteria identified by Panera from time to time and agreed to in writing by Panera; (n) This Agreement has been negotiated by the respective parties hereto and their attorneys and the language hereof shall not be construed for or against any party.

THIS CONTRACT CONTAINS A BINDING ARBITRATION PROVISION WHICH MAY BE ENFORCED BY THE PARTIES.

EACH PARTY ACKNOWLEDGES THAT IT HAS READ THIS AGREEMENT, UNDERSTANDS IT AND AGREES TO BE BOUND BY ITS TERMS AND CONDITIONS.

PANERA, LLC	 Franchisee Entity Name
By: _____ Name (print): _____ Title: _____ Date: _____	By: _____ Name (print): _____ Title: _____ Date: _____
	Address:

EXHIBIT A – PANERA’S ONLINE CATALOG

[Link to be provided] contains all Order information including a list of Offerings, Third Party Terms and other relevant information regarding Offerings.

EXHIBIT F TO FDD

PANERA OPERATIONS MANUAL TABLE OF CONTENTS

PANERA POLICY MANUAL TABLE OF CONTENTS

Learning Programs

Team Member Onboarding

New Hire Leader's Guide	10 pages
Welcome Handout	4 pages

Team Member Training Plans

Position	12 pages
Tasks	8 pages

Team Lead

Team Lead role description	1 pages
Managers Guide	8 pages
Team Lead Workbook	13 pages
Team Lead Skill Builder Workbook	30 pages
Team Lead Skill Builder Leader's Guide	64 pages

Catering Lead

Catering Training Plan	2 pages

Certified Manager Program

CMP Overview	2 pages
TGM Guidebook	51 pages
Orientation (internal promote)	7 pages
Team Member Workbook	53 pages
Cafe Transition Workbook	64 pages
CMP Transition LG	26 pages
Certification LG	2 pages
Online Manager Essentials LG	60 pages
Online Manager Essentials PG	20 pages

Cafe Specialist Program

Production Specialist Routine	1 page
Production delegation sheet	2 pages
Production activity workbook	55 pages
Service Specialist Routine	1 page
Service delegation sheet	3 pages
Service activity workbook	51 pages
People Specialist Routine	1 page
People delegation sheet	2 pages
People activity workbook	25 pages

Online Ops Manual

(Updated throughout the year to reflect seasonal menu changes)

Welcome	Bakery Manual 2 TOC – Sweets
Latest Updates – (date)	Reference
Calendar of Updates	Posters and Charts

Using the Manual
Retail Operations
Biannual Facility Analysis
Annual Business Dynamics
Learning Tools List
Celebration
Great Service Standards
Bakery
Barista and Drinks
Breakfast
Cafe
Cashier
Dining Room and Back of House
Drive Thru
Day-End Dough-Nation
Prep
Rapid Pick Up (RPU)
Equipment
Reference and Videos
Management Topics
Baking
Baker Education and Training
Equipment Basics
Fresh Dough
Move the Bake
Bakery Manual 1 TOC – Fresh Dough

Artisan Breads
Specialty Breads
Sourdough Breads
Artisan Pastries
Bagels
Brownies
Cookies
Muffins and Muffies
Scones
Sweet Dough
Quality Control Guides
Posters and Charts
Quality Assurance
Food Safety
Allergens
Emergency Procedures
Production Information
Food Safety Audit Program
Cleaning and Sanitation
Pest Control
QA Hotline
Nutritionals
Safety and Security
Catering
Rollouts
Sustainability

EXHIBIT G TO FDD

LISTS OF STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS

LIST OF STATE ADMINISTRATORS/AGENTS FOR SERVICE OF PROCESS

Listed here is the contact information for each of the state agencies responsible for franchising disclosure/registration laws and for service of process. We may not yet be registered to sell franchises in any or all of these states.

CALIFORNIA

Department of Financial Protection and Innovation:
320 West 4th Street, Suite 750
Los Angeles, CA 90013
(213) 576-7500 Toll Free (866) 275-2677

(agent for service of process)

Commissioner of Department of Financial
Protection and Innovation
Department of Financial Protection and Innovation
320 West 4th Street, Suite 750
Los Angeles, CA 90013
(213) 576-7500 Toll Free (866) 275-2677

CONNECTICUT

The Banking Commissioner
The Department of Banking
Securities and Business Investment Division
260 Constitution Plaza
Hartford, CT 06103-1800
(860) 240-8299

HAWAII

Commissioner of Securities
State of Hawaii, Dept. of Commerce & Consumer
Affairs
Business Registration Division – Securities
Compliance Branch
335 Merchant Street, Room 203
Honolulu, HI 96813
(844) 808-3222

ILLINOIS

Franchise Bureau
Office of the Attorney General
500 South Second Street
Springfield, Illinois 62706
(217) 782-4465

INDIANA

(state administrator)

Indiana Secretary of State
Securities Division, E-111
302 Washington Street
Indianapolis, Indiana 46204
(317) 232-6681

(agent for service of process)

Indiana Secretary of State
200 West Washington Street, Room 201
Indianapolis, Indiana 46204
(317) 232-6531

MARYLAND

(state administrator)

Office of the Attorney General
Securities Division
200 St. Paul Place
Baltimore, Maryland 21202-2021
(410) 576-6360

(for service of process)
Maryland Securities Commissioner
200 St. Paul Place
Baltimore, Maryland 21202-2021
(410) 576-6360

MICHIGAN

(state administrator)

State of Michigan
Department of Attorney General
Consumer Protection Division
525 W. Ottawa Street
Lansing, Michigan 48933
(517) 335-7632

(for service of process)
Consumer Protection Division
State of Michigan Department of Attorney General
P.O. Box 30755
Lansing, Michigan 48909

MINNESOTA

(state administrator)

Minnesota Department of Commerce
85 7th Place East, Suite 280
St. Paul, Minnesota 55101-2198
(651) 539-1600

(for service of process)
Minnesota Commissioner of Commerce
85 7th Place East, Suite 280
St. Paul, Minnesota 55101-2198
(651) 539-1600

NEW YORK

(state administrator)
New York State Department of Law
Investor Protection Bureau
28 Liberty Street, 21st Floor
New York, New York 10005
(212) 416-8222

NORTH DAKOTA

(state administrator)

North Dakota Insurance & Securities Department
600 East Boulevard Avenue, Dept. 401
Bismarck, North Dakota 58505
(701) 328-2910

(for service of process)
North Dakota Insurance & Securities Department
Insurance Commissioner
600 East Boulevard Avenue, Dept. 401
Bismarck, North Dakota 58505
(701) 328-2910

OREGON

Department of Consumer and Business Services
Division of Finance and Corporate Securities
Labor and Industries Building
350 Winter St. NE, Room 410
Salem, Oregon 97309
(503) 378-4140

RHODE ISLAND

Securities Division
Department of Business Regulation,
Bldg 68-2
John O. Pastore Center
1511 Pontiac Avenue
Cranston, Rhode Island 02920
(401) 462-9527

SOUTH DAKOTA

Division of Insurance
Securities Regulation
124 S. Euclid, 2nd Floor
Pierre, South Dakota 57501
(605) 773-3563

VIRGINIA

State Corporation Commission
Division of Securities and Retail Franchising
1300 East Main Street, 9th Floor
Richmond, Virginia 23219
(804) 371-9051

(for service of process)
Clerk of the State Corporation Commission
1300 East Main Street, 1st Floor
Richmond, Virginia 23219
(804) 371-9733

WASHINGTON

(state administrator)

Department of Financial Institutions
Securities Division
P.O. Box 41200
Olympia, Washington 98504-1200
(360) 902-8760

(for service of process)
Director, Department of Financial Institutions
Securities Division
150 Israel Road S.W.
Tumwater, Washington 98501

WISCONSIN

(state administrator)

Division of Securities
Department of Financial Institutions
4822 Madison Yards Way, North Tower
Madison, Wisconsin 53705
(608) 266-8557

(for service of process)
Administrator, Division of Securities
Department of Financial Institutions
4822 Madison Yards Way, North Tower
Madison, Wisconsin 53705

EXHIBIT H-1 TO FDD
LIST OF CURRENT FRANCHISEES

EXHIBIT H-1
LIST OF CURRENT FRANCHISEES AND FRANCHISE LOCATIONS
total Bakery-Cafes as of December 30, 2025

State	Entity Name	Street Address	City	Phone
Alabama	Aramark Food And Support Services Group, Inc.	Auburn University, 231 Mell St	Auburn	(334) 844-9271
Alabama	Southern Bread LLC	750 Schillinger Road South	Mobile	(251) 634-9604
Alabama	Southern Bread LLC	9 Du Rhu Drive Suite 201	Mobile	(251) 303-8079
Arizona	TW Kind Ventures, LLC	Phoenix/Mesa Gateway Airport 6033 South Sossaman Rd, Suite 157	Mesa	(480) 774-6330
Arizona	PAFS Bread LLC	10604 N Oracle Road Suite 100	Oro Valley	(520) 297-1026
Arizona	PAFS Bread LLC	3800 Sky Harbor Boulevard Terminal 4 Suite 2F-F51	Phoenix	(602) 681-0909
Arizona	PAFS Bread LLC	3400 E Sky Harbor Blvd. Terminal 3	Phoenix	(623) 289-6213
Arizona	Sodexo Operations, LLC	Grand Canyon University 5313 North 29th Avenue	Phoenix	(602) 247-2150
Arizona	PAFS Bread LLC	845 North Park Avenue Suite 125	Tucson	(520) 882-5003
Arizona	Manna Development Group, LLC	1537 S 4th Avenue	Yuma	(928) 247-6551
Arkansas	Southern Bread LLC	2213 Stadium Blvd	Jonesboro	(870) 972-8708
California	Our Daily Bread, LLC	8152 East Santa Ana Canyon Road	Anaheim	(714) 279-9137
California	Pride Bakeries II, LLC	1480 Harbor Blvd	Anaheim	(714) 533-2900
California	Pride Bakeries II, LLC	1750 S. State College Blvd	Anaheim	(657) 223-2845
California	Pan NorCal LLC	2845 Bell Rd	Auburn	(530) 888-1845
California	Pride Bakeries, LLC	423 South Associated Road	Brea	(714) 706-5200
California	Manna Development Group, LLC	Building 20845 Suite 122	Camp Pendleton South	(760) 385-2510
California	Pangenera, LLC	501 East Hamilton Avenue	Campbell	(408) 370-7840
California	Manna Development Group, LLC	2521 Palomar Airport Road Suite 100	Carlsbad	(760) 268-0566
California	Manna Development Group, LLC	2501 El Camino Real Suite #220	Carlsbad	(760) 720-0302
California	Manna LA, LLC	20700 Avalon Boulevard Suite A-18	Carson	(310) 436-1545
California	Pan NorCal LLC	1910 E 20th Street	Chico	(530) 894-5009
California	Manna Development Group, LLC	555 Broadway #127	Chula Vista	(619) 585-8400
California	Manna Development Group, LLC	2015 Birch Rd Suite 2800	Chula Vista	(619) 421-2000
California	Pan NorCal LLC	7901 Greenback Ln	Citrus Heights	(916) 560-0968
California	Manna Development Group, LLC	980 Orange Avenue	Coronado	(619) 437-4288
California	Manna LA, LLC	10990 Jefferson Blvd	Culver City	(310) 390-3763
California	Pangenera, LLC	20807 Stevens Creek Boulevard #100	Cupertino	(408) 996-9131
California	Pangenera, LLC	307 Gellert Blvd	Daly City	(650) 757-1064
California	Pan NorCal LLC	609 3rd St	Davis	(530) 757-1235
California	Manna Development Group, LLC	733 Fletcher Parkway	El Cajon	(619) 387-7898
California	Manna Development Group, LLC	2321 South 4th Street	El Centro	(760) 332-6499
California	Manna Development Group, LLC	2130 East El Segundo Blvd	El Segundo	(424) 217-1474
California	Pan NorCal LLC	8519 Bond Rd Suite 106	Elk Grove	(916) 714-2556
California	Risen Bread, LLC	16624 Ventura Blvd Unit C	Encino	(818) 464-9906
California	Manna Development Group, LLC	1286 Auto Park Way	Escondido	(760) 743-9300
California	Pan NorCal LLC	1630 Gateway Blvd	Fairfield	(707) 427-1473
California	Pan NorCal LLC	380 Palladio Pkwy Suite 301	Folsom	(916) 984-4953
California	South Bay Bread Company, LLC	1297 Chess Dr #300	Foster City	(650) 350-1106
California	Pride Bakeries, LLC	2415 East Chapman Avenue	Fullerton	(714) 526-1777
California	Pride Bakeries II, LLC	1028 S Harbor Blvd	Fullerton	(714) 525-5028
California	Pangenera, LLC	6865 Camino Arroyo	Gilroy	(408) 846-7430
California	Risen Bread, LLC	300 N Brand Blvd.	Glendale	(818) 265-0700
California	Risen Bread, LLC	16836 W. Devonshire St.	Granada Hills	(818) 900-0646
California	Pride Bakeries, LLC	19461 Main Street	Huntington Beach	(714) 845-4313
California	Our Daily Bread, LLC	6372 Irvine Boulevard	Irvine	(949) 551-3600
California	Manna Development Group, LLC	5500 Grossmont Center Drive #145	La Mesa	(619) 464-4400
California	Our Daily Bread, LLC	23612 Rockfield Blvd	Lake Forest	(949) 380-9910
California	Risen Bread, LLC	43458 10th Street #101	Lancaster	(661) 974-8366
ACTIVE\721754878.v1 California	Pangenera, LLC	15200 Los Gatos Blvd. Suite 100	Los Gatos	(408) 356-2142

State	Entity Name	Street Address	City	Phone
California	Pangenera, LLC	320 Adrian Road	Millbrae	(650) 692-3100
California	Our Daily Bread, LLC	25523 Marguerite Parkway Suite A2	Mission Viejo	(949) 330-2483
California	Pangenera, LLC	1035 El Monte Avenue	Mountain View	(650) 968-2066
California	Pan NorCal LLC	1725 Trancas Street Suite B	Napa	(707) 252-3230
California	Our Daily Bread, LLC	1348 Bison Avenue	Newport Beach	(949) 721-8800
California	Risen Bread, LLC	19662 Nordhoff Street	Northridge	(818) 407-9400
California	Pan NorCal LLC	132 Vintage Way Suite F17	Novato	(415) 897-1056
California	Our Daily Bread, LLC	2214 North Tustin Street	Orange	(714) 685-0505
California	Risen Bread, LLC	39403 10th Street West	Palmdale	(661) 274-8500
California	Pan NorCal LLC	3289 Zinfandel Dr	Rancho Cordova	(916) 859-0286
California	Our Daily Bread, LLC	30642 Santa Margarita Parkway Suite E-102	Rancho Santa Margarita	(949) 459-9000
California	Pan NorCal LLC	1380 Churn Creek Road	Redding	(530) 588-7230
California	Manna LA, LLC	1511 Hawthorne Boulevard	Redondo Beach	(310) 793-4129
California	Pan NorCal LLC	5100 Commons Drive	Rocklin	(916) 652-7819
California	Pan NorCal LLC	6305 Commerce Blvd	Rohnert Park	(707) 585-7647
California	Pan NorCal LLC	916 Pleasant Grove Blvd	Roseville	(916) 771-3131
California	Pan NorCal LLC	1850 Douglas Blvd Suite 310	Roseville	(916) 780-0505
California	Pan NorCal LLC	901 Howe Ave	Sacramento	(916) 568-6400
California	Pan NorCal LLC	2731 Del Paso Rd	Sacramento	(916) 928-8295
California	Pan NorCal LLC	3571 N Freeway Blvd Suite 101	Sacramento	(916) 515-2012
California	Pan NorCal LLC	8120 Delta Shores Cir	Sacramento	(916) 665-9106
California	Pan NorCal LLC	500 Capitol Mall #120	Sacramento	(279) 279-7270
California	Our Daily Bread, LLC	101 West Avenida Vista Hermosa Suite 480	San Clemente	(949) 498-2387
California	Manna Development Group, LLC	10751 Westview Parkway Suite C1	San Diego	(858) 530-4000
California	Manna Development Group, LLC	12156 Carmel Mountain Road Suite 300	San Diego	(858) 385-9066
California	Manna Development Group, LLC	10430 Craftsman Way	San Diego	(858) 451-1500
California	Manna Development Group, LLC	225 Broadway Suite 160	San Diego	(619) 544-7400
California	Manna Development Group, LLC	5620 Balboa Avenue	San Diego	(858) 810-0370
California	Manna Development Group, LLC	13450 Highland Place Building D Suite R4	San Diego	(858) 755-7950
California	Manna Development Group, LLC	1640 Camino Del Rio N, Suite 1222	San Diego	(619) 317-1155
California	Manna Development Group, LLC	9025 Clairemont Mesa Blvd	San Diego	(858) 264-5250
California	Manna Development Group, LLC	3711 Sports Arena Boulevard	San Diego	(619) 430-4084
California	Manna Development Group, LLC	750 Dennery Road	San Diego	(619) 483-4480
California	Pangenera, LLC	503 Coleman Avenue	San Jose	(408) 299-0993
California	Pangenera, LLC	2199 Monterey Highway #80	San Jose	(408) 790-0155
California	Pangenera, LLC	4180 N 1st Street	San Jose	(408) 943-3193
California	Pangenera, LLC	5720 Cottle Road	San Jose	(408) 360-4577
California	South Bay Bread Company, LLC	5110 Cherry Ave Ste 10	San Jose	(408) 267-1290
California	Manna Development Group, LLC	800 W San Marcos Blvd	San Marcos	(760) 591-0900
California	Pride Bakeries, LLC	3941 S. Bristol Street	Santa Ana	(714) 338-1909
California	Pangenera, LLC	2002 El Camino Real	Santa Clara	(408) 459-7546
California	Risen Bread, LLC	24133 Baywood Lane	Santa Clarita	(661) 287-3900
California	Risen Bread, LLC	19185 Golden Valley Road	Santa Clarita	(661) 298-3333
California	Pan NorCal LLC	885 Hopper Ave	Santa Rosa	(707) 271-3610
California	Manna Development Group, LLC	9955 Mission Gorge Rd	Santee	(619) 663-3299
California	Manna Development Group, LLC	667 San Rodolfo Drive Suite 130	Solana Beach	(858) 481-0050
California	Pride Bakeries, LLC	12241 Seal Beach Blvd.	Seal Beach	(562) 240-2987
California	Risen Bread, LLC	12131 Ventura Boulevard	Studio City	(818) 762-2226
California	Pangenera, LLC	1195 E Arques Ave	Sunnyvale	(408) 736-7984
California	Manna LA, LLC	2733 Pacific Coast Highway Suite A	Torrance	(310) 517-0324
California	Manna LA, LLC	1841 W 190th Street	Torrance	(310) 878-9372
California	Pan NorCal LLC	1637 E Monte Vista Ave	Vacaville	(707) 450-0350
California	Pan NorCal LLC	169 Plaza Drive	Vallejo	(707) 554-4865
California	Manna Development Group, LLC	455 Hacienda Drive	Vista	(760) 726-5100
California	Manna LA, LLC	8647 South Sepulveda Blvd.	Westchester	(310) 641-9200
California	Risen Bread, LLC	5784 Lindero Canyon Rd	Westlake Village	(818) 991-3100
California	Pan NorCal LLC	1275 Colusa Ave	Yuba City	(530) 822-9203

State	Entity Name	Street Address	City	Phone
Colorado	Manna Colorado, LLC	7739 Wadsworth Boulevard	Arvada	(303) 420-7500
Colorado	Manna Colorado, LLC	6408 Yank Way Suite B	Arvada	(720) 274-7800
Colorado	Manna Colorado, LLC	12293 East Iliff Avenue	Aurora	(303) 755-6800
Colorado	Manna Colorado, LLC	6770 S. Cornerstar Way Suite E	Aurora	(303) 586-9999
Colorado	Manna Colorado, LLC	13100 E Colfax Avenue	Aurora	(303) 731-8300
Colorado	Manna Colorado, LLC	23950 E Smoky Hill Rd	Aurora	(720) 616-5900
Colorado	Manna Colorado, LLC	1855 29th Street	Boulder	(303) 544-1800
Colorado	Manna Colorado, LLC	32 E. Allen Street	Castle Rock	(720) 305-5700
Colorado	Manna Colorado, LLC	7344 North Academy Blvd	Colorado Springs	(719) 522-1100
Colorado	Manna Colorado, LLC	1845 Briargate Parkway	Colorado Springs	(719) 266-9200
Colorado	Manna Colorado, LLC	1832 Southgate Road	Colorado Springs	(719) 389-0808
Colorado	Manna Colorado, LLC	3120 New Center Point	Colorado Springs	(719) 637-3500
Colorado	Manna Colorado, LLC	5230 North Nevada Avenue	Colorado Springs	(719) 219-1200
Colorado	Manna Colorado, LLC	5985 Dublin Boulevard Suite 100	Colorado Springs	(719) 900-5299
Colorado	Manna Colorado, LLC	4955 S Ulster Street	Denver	(303) 741-3770
Colorado	Manna Colorado, LLC	3700 Quebec Street	Denver	(303) 398-5200
Colorado	Manna Colorado, LLC	2466 S. Colorado Boulevard Unit 100	Denver	(720) 274-1010
Colorado	Manna Colorado, LLC	3545 W 38th Avenue	Denver	(303) 802-8600
Colorado	Manna Colorado, LLC	4831 N Tower Road	Denver	(303) 242-8156
Colorado	Manna Colorado, LLC	257 Dillon Ridge Road	Dillon	(970) 368-4830
Colorado	Manna Colorado, LLC	3702 RiverPoint Parkway Unit A	Englewood	(303) 761-5500
Colorado	Manna Colorado, LLC	3700 South College Avenue	Fort Collins	(970) 204-4500
Colorado	Manna Colorado, LLC	2721 Council Tree Avenue Suite 143	Fort Collins	(970) 530-1020
Colorado	Manna Colorado, LLC	4533 Centerplace Dr	Greeley	(970) 475-7100
Colorado	Manna Colorado, LLC	9579 S University Boulevard Ste 500 A	Highlands Ranch	(720) 348-1112
Colorado	Manna Colorado, LLC	650 S. Wadsworth Blvd.	Lakewood	(720) 214-4600
Colorado	Manna Colorado, LLC	14740 W Colfax Avenue Suite 110	Lakewood	(303) 974-6500
Colorado	Manna Colorado, LLC	7301 South Santa Fe Drive #730	Littleton	(303) 795-2121
Colorado	Manna Colorado, LLC	8501 West Bowles Avenue Unit 1-D476	Littleton	(303) 978-0200
Colorado	Manna Colorado, LLC	9233 Park Meadows Drive	Lone Tree	(720) 875-0500
Colorado	Manna Colorado, LLC	425 Ken Pratt Boulevard	Longmont	(303) 702-1000
Colorado	Manna Colorado, LLC	1550 Fall River Drive	Loveland	(970) 622-9000
Colorado	Manna Colorado, LLC	100 E 120th Ave	Northglenn	(720) 214-3222
Colorado	Manna Colorado, LLC	11290 S. Twenty Mile Road Ste 123	Parker	(720) 842-1200
Colorado	Manna Colorado, LLC	302 Center Drive Suite A	Superior	(720) 304-7000
Colorado	Manna Colorado, LLC	14415 Delaware St	Westminster	(720) 772-2000
Colorado	Manna Colorado, LLC	10435 North Reed Street Suite 200	Westminster	(303) 438-9700
Connecticut	Howley Bread Group, Ltd.	1214 Farmington Avenue	Bristol	(860) 585-2501
Connecticut	Howley Bread Group, Ltd.	110 Albany Turnpike Suite 400	Canton	(860) 693-9513
Connecticut	Applegreen NY Travel Plazas LLC	Darien NB Service Plaza I-95 NB Service Plaza	Darien	(475) 264-9194
Connecticut	Howley Bread Group, Ltd.	130 Elm Street	Enfield	(860) 745-5800
Connecticut	Howley Bread Group, Ltd.	1600 Southeast Rd	Farmington	(860) 676-0758
Connecticut	Howley Bread Group, Ltd.	2450 Main Street	Glastonbury	(860) 659-0005
Connecticut	Howley Bread Group, Ltd.	220 Route 12	Groton	(860) 446-9980
Connecticut	Howley Bread Group, Ltd.	160 River Road Unit 102	Lisbon	(860) 376-9100
Connecticut	Howley Bread Group, Ltd.	179 Deming Street Unit E	Manchester	(860) 644-5390
Connecticut	Howley Bread Group, Ltd.	3120 Berlin Turnpike	Newington	(860) 667-8008
Connecticut	Howley Bread Group, Ltd.	100 Hemlock Avenue, Suite 100	South Windsor	(860) 644-2259
Connecticut	Howley Bread Group, Ltd.	365 Queen St	Southington	(860) 621-3536
Connecticut	Howley Bread Group, Ltd.	903 Hartford Turnpike	Waterford	(860) 437-8300
Connecticut	Howley Bread Group, Ltd.	2534 Albany Avenue	West Hartford	(860) 231-9511
Connecticut	Howley Bread Group, Ltd.	1129 Silas Deane Highway	Wethersfield	(860) 221-0011
Delaware	Lemek Slower Lower, LLC	545 N Dupont Highway	Dover	(302) 672-7079
Delaware	Lemek Slower Lower, LLC	584 Middletown Warwick Road	Middletown	(302) 449-7641

State	Entity Name	Street Address	City	Phone
Delaware	Lemek Slower Lower, LLC	18423 Bryan Drive	Rehoboth Beach	(302) 644-4414
Delaware	American Bread Company LLC	5619 Concord Pike	Wilmington	(302) 477-9880
Delaware	American Bread Company LLC	3650 Kirkwood Highway	Wilmington	(302) 998-6080
Delaware	American Bread Company LLC	2311 Concord Pike	Wilmington	(302) 428-1796
District of Columbia	Compass Group USA, Inc.	American University, 4400 Massachusetts Avenue Northwest	Washington	(202) 885-3184
Florida	The Covelli Family Limited Partnership	200 S State Road 434	Altamonte Springs	(407) 831-3741
Florida	The Covelli Family Limited Partnership III	730 East Altamonte Drive	Altamonte Springs	(407) 332-7600
Florida	The Covelli Family Limited Partnership II	1538 W. Orange Blossom Trail	Apopka	(407) 814-3942
Florida	The Covelli Family Limited Partnership	2928 W Bay Drive	Belleair Bluffs	(727) 518-8900
Florida	Flapan LLC	20437 State Road 7	Boca Raton	(561) 487-9882
Florida	Flapan LLC	222 Yamato Boulevard	Boca Raton	(561) 997-2515
Florida	Flapan LLC	701 N Congress Avenue	Boynton Beach	(561) 735-8585
Florida	Flapan LLC	8784 Boynton Beach Blvd	Boynton Beach	(561) 244-7180
Florida	Flapan LLC	548 East Woolbright Road	Boynton Beach	(561) 424-3071
Florida	The Covelli Family Limited Partnership III	11135 Causeway Blvd.	Brandon	(813) 653-3837
Florida	The Covelli Family Limited Partnership II	51 Celebration Place	Celebration	(321) 939-1226
Florida	The Covelli Family Limited Partnership	2285 Ulmerton Road	Clearwater	(727) 592-9690
Florida	The Covelli Family Limited Partnership II	2679 Gulf To Bay Boulevard, Suite 530	Clearwater	(727) 723-9495
Florida	The Covelli Family Limited Partnership II	2532 State Road 580	Clearwater	(727) 210-0620
Florida	The Covelli Family Limited Partnership	2260 East Highway 50	Clermont	(352) 243-4290
Florida	Flapan LLC	2015 North University Drive	Coral Springs	(954) 757-9870
Florida	Flapan LLC	4328 N. State Road 7	Coral Springs	(954) 840-1704
Florida	Flapan LLC	2699 South University Drive	Davie	(954) 615-1453
Florida	Panaderias, LLC	2400 International Speedway Blvd	Daytona Beach	(386) 898-0340
Florida	Flapan LLC	779 South Federal Highway	Deerfield	(954) 246-5788
Florida	Flapan LLC	3720 West Hillsboro Boulevard	Deerfield Beach	(954) 246-5260
Florida	Flapan LLC	7655 Atlantic Ave, Suite 101	Delray Beach	(561) 270-6186
Florida	Flapan LLC	1461 SE 17th Street	Ft. Lauderdale	(954) 640-9265
Florida	Flapan LLC	5975 N. Federal Highway	Ft. Lauderdale	(954) 640-9140
Florida	The Covelli Family Limited Partnership	3443 SW Archer Road	Gainesville	(352) 380-0380
Florida	The Covelli Family Limited Partnership III	6017 W Newberry Rd.	Gainesville	(352) 226-8789
Florida	Flapan LLC	4931 Sheridan St	Hollywood	(954) 367-2301
Florida	Panaderias, LLC	275 Eau Gallie Boulevard East	Indian Harbour Beach	(321) 872-0000
Florida	Flapan LLC	6671 W. Indiantown Road Suite 56-59	Jupiter	(561) 427-6655
Florida	The Covelli Family Limited Partnership II	1483 E. Osceola Parkway	Kissimmee	(407) 279-5436
Florida	The Covelli Family Limited Partnership II	8120 W Irlo Bronson Memorial Highway	Kissimmee	(407) 778-4820
Florida	The Covelli Family Limited Partnership III	2705 W Osceola Pkwy	Kissimmee	(407) 483-1096
Florida	The Covelli Family Limited Partnership	1181 Main Street	Lady Lake	(352) 750-3909
Florida	Flapan LLC	6300 Lantana Road	Lake Worth	(561) 337-3370
Florida	The Covelli Family Limited Partnership II	864 South Sun Drive	Lake Mary	(407) 936-3270
Florida	The Covelli Family Limited Partnership	10801 Starkey Road Suite 16	Largo	(727) 320-8830
Florida	Panaderias, LLC	4100 N Wickham Road	Melbourne	(321) 259-2055
Florida	Panaderias, LLC	6531 Lake Andrew Drive	Melbourne	(321) 504-7250
Florida	Compass Group USA, Inc.	Florida International University, 11200 SW 8th St	Miami	(305) 348-3399
Florida	Flapan LLC	2955 SW 160th Avenue	Miramar	(954) 441-9950
Florida	The Covelli Family Limited Partnership III	17325 US Highway 441	Mt. Dora	(352) 483-0229
Florida	Panaderias, LLC	2709 State Road 44	New Smyrna Beach	(386) 957-5251
Florida	The Covelli Family Limited Partnership	2370 SW College Road	Ocala	(352) 732-0099
Florida	The Covelli Family Limited Partnership II	4414 SW College Rd #1540	Ocala	(352) 509-9123
Florida	The Covelli Family Limited Partnership II	3181 Tampa Road	Oldsmar	(813) 849-6153
Florida	The Covelli Family Limited Partnership	11472 University Boulevard	Orlando	(407) 273-4411
Florida	The Covelli Family Limited Partnership	473 North Alafaya Trail	Orlando	(407) 737-3011
Florida	The Covelli Family Limited Partnership	7826 W Sandlake Road #103	Orlando	(407) 226-6992
Florida	The Covelli Family Limited Partnership	3463 East Colonial Drive	Orlando	(407) 228-2874
Florida	The Covelli Family Limited Partnership II	4700 S Apopka Vineland Rd	Orlando	(407) 217-6916

State	Entity Name	Street Address	City	Phone
Florida	The Covelli Family Limited Partnership II	10739 International Drive	Orlando	(407) 985-3390
Florida	The Covelli Family Limited Partnership II	9607 Lake Nona Village Place	Orlando	(407) 674-6973
Florida	The Covelli Family Limited Partnership II	6424 Semoran Boulevard	Orlando	(407) 203-2984
Florida	The Covelli Family Limited Partnership II	2415 N Orange Ave	Orlando	(407) 745-4644
Florida	The Covelli Family Limited Partnership III	12644 South Orange Blossom Trail	Orlando	(407) 480-4650
Florida	The Covelli Family Limited Partnership III	4060 Conroy Road	Orlando	(407) 248-0811
Florida	The Covelli Family Limited Partnership III	3138 S. Orange Avenue	Orlando	(407) 481-9880
Florida	Panaderias, LLC	1310 W Granada Blvd	Ormond Beach	(386) 671-1773
Florida	The Covelli Family Limited Partnership II	205 E Mitchell Hammock Rd	Oviedo	(407) 706-6480
Florida	Flapan LLC	4540 PGA Boulevard	Palm Beach Gardens	(561) 775-3705
Florida	Flapan LLC	3186 Northlake Boulevard	Palm Beach Gardens	(561) 845-7747
Florida	Flapan LLC	5310 Donald Ross Road	Palm Beach Gardens	(561) 508-6983
Florida	Panaderias, LLC	2894 SW Town Center Way	Palm City	(772) 403-2080
Florida	Panaderias, LLC	5880 State Route 100	Palm Coast	(386) 313-5919
Florida	Flapan LLC	11025 Pines Boulevard	Pembroke Pines	(954) 432-8622
Florida	The Covelli Family Limited Partnership II	7380 US Highway 19 North	Pinellas Park	(727) 209-2627
Florida	The Covelli Family Limited Partnership II	2909 James L. Redman Parkway Ste 113	Plant City	(813) 659-0864
Florida	Flapan LLC	10001 Cleary Blvd	Plantation	(954) 641-5229
Florida	Panaderias, LLC	1707 NW St Lucie West Blvd Ste 174	Port St Lucie	(772) 237-8088
Florida	Panaderias, LLC	10950 SW Village Parkway	Port St Lucie	(772) 345-8090
Florida	The Covelli Family Limited Partnership II	10631 Big Bend Road	Riverview	(813) 514-1160
Florida	Flapan LLC	11131 Southern Blvd	Royal Palm Beach	(561) 204-3012
Florida	The Covelli Family Limited Partnership II	1457 WP Ball Blvd	Sanford	(407) 936-1198
Florida	The Covelli Family Limited Partnership II	1403 Commercial Way	Spring Hill	(352) 688-0777
Florida	The Covelli Family Limited Partnership	1908 4th Street North	St. Petersburg	(727) 895-5441
Florida	The Covelli Family Limited Partnership II	2420 66th Street North	St. Petersburg	(727) 344-7875
Florida	Panaderias, LLC	2750 NW Federal Highway	Stuart	(772) 692-9235
Florida	Panaderias, LLC	3500 SE Federal Hwy	Stuart	(772) 678-7480
Florida	Flapan LLC	13815 West Sunrise Boulevard	Sunrise	(954) 851-9755
Florida	The Covelli Family Limited Partnership	11860 Bruce B. Downs Boulevard	Tampa	(813) 866-9333
Florida	The Covelli Family Limited Partnership	112 Westshore Blvd	Tampa	(813) 286-7119
Florida	The Covelli Family Limited Partnership	18011 Highwoods Preserve Parkway	Tampa	(813) 979-6981
Florida	The Covelli Family Limited Partnership	13256 North Dale Mabry Highway	Tampa	(813) 908-8070
Florida	The Covelli Family Limited Partnership	709 South Howard Avenue	Tampa	(813) 253-5888
Florida	Compass Group USA, Inc.	University of South Florida 4103 Cedar Circle	Tampa	(813) 974-5222
Florida	The Covelli Family Limited Partnership II	3420 W. Dr. MLK Jr. Blvd	Tampa	(813) 443-4909
Florida	The Covelli Family Limited Partnership III	6001 W. Waters Ave	Tampa	(813) 609-6919
Florida	The Covelli Family Limited Partnership II	40968 US Highway 19 North	Tarpon Springs	(727) 722-9014
Florida	The Covelli Family Limited Partnership II	1010 Lake Sumter Landing	The Villages	(352) 750-1545
Florida	The Covelli Family Limited Partnership II	3492 Lithia Pinecrest Road	Valrico	(813) 661-4449
Florida	Panaderias, LLC	2001 Indian River Boulevard	Vero Beach	(772) 794-0188
Florida	Panaderias, LLC	5810 20th St	Vero Beach	(772) 925-1234
Florida	Flapan LLC	10540 Forest Hill Boulevard	Wellington	(561) 333-1330
Florida	Panaderias, LLC	245 Palm Bay Rd NE	West Melbourne	(321) 215-2500
Florida	Flapan LLC	771 Village Boulevard	West Palm Beach	(561) 689-9200
Florida	The Covelli Family Limited Partnership II	28332 Willet Way	Wesley Chapel	(813) 406-4853
Florida	Flapan LLC	4547 Weston Road	Weston	(954) 385-1560
Florida	The Covelli Family Limited Partnership III	6537 Old Brick Road	Windermere	(407) 217-2915
Florida	The Covelli Family Limited Partnership II	3131 Daniels Road	Winter Garden	(407) 287-7890
Florida	The Covelli Family Limited Partnership	329 N Park Avenue	Winter Park	(407) 645-3939
Florida	The Covelli Family Limited Partnership II	2516 Aloma Avenue	Winter Park	(321) 304-3940
Georgia	BRHPAN II - Georgia, LLC	3384 Cobb Parkway Suite 160	Acworth	(770) 974-1869
Georgia	BRHPAN II - Georgia, LLC	6480 North Point Parkway #1130	Alpharetta	(678) 393-2647
Georgia	BRHPAN II - Georgia, LLC	3151 Atlanta Highway	Athens	(706) 546-6812
Georgia	BRHPAN II - Georgia, LLC	101 North Lumpkin Street	Athens	(706) 247-8042
Georgia	BRHPAN II - Georgia, LLC	2100 Henderson Mill Road	Atlanta	(770) 414-4664

State	Entity Name	Street Address	City	Phone
Georgia	BRHPAN II - Georgia, LLC	2311 North Druid Hills Rd NE	Atlanta	(404) 982-7270
Georgia	BRHPAN II - Georgia, LLC	1545 N Decatur Road	Atlanta	(404) 373-4240
Georgia	BRHPAN II - Georgia, LLC	3714 Roswell Road NE	Atlanta	(404) 869-0581
Georgia	BRHPAN II - Georgia, LLC	1080 Peachtree Street NE Suite 14	Atlanta	(404) 817-0415
Georgia	BRHPAN II - Georgia, LLC	Piedmont Hospital 1968 Peachtree Rd NW	Atlanta	(678) 666-2461
Georgia	Cadle Limited Liability Company	254 Robert Daniel Parkway	Augusta	(706) 738-8922
Georgia	BRHPAN II - Georgia, LLC	1605 East West Connector	Austell	(770) 702-6888
Georgia	BRHPAN II - Georgia, LLC	3235 Woodward Crossing Suite 400	Buford	(678) 288-0173
Georgia	BRHPAN II - Georgia, LLC	205 W Main St	Canton	(770) 720-1565
Georgia	BRHPAN II - Georgia, LLC	104 Main Street Market Place SE	Cartersville	(678) 535-5012
Georgia	BRHPAN II - Georgia, LLC	1655 GA-138	Conyers	(678) 210-2800
Georgia	BRHPAN II - Georgia, LLC	500 Lakeland Plaza	Cumming	(678) 845-7390
Georgia	Southern Bread LLC	1303 West Walnut Avenue Suite 1	Dalton	(706) 260-2624
Georgia	BRHPAN II - Georgia, LLC	321 Power Center Drive	Dawsonville	(706) 216-3996
Georgia	BRHPAN II - Georgia, LLC	2868 Chapel Hill Road	Douglasville	(678) 981-3989
Georgia	BRHPAN II - Georgia, LLC	11715 Medlock Bridge Road	Duluth	(770) 418-9329
Georgia	BRHPAN II - Georgia, LLC	5958 State Bridge Road	Duluth	(770) 476-5607
Georgia	BRHPAN II - Georgia, LLC	Â 6575 Sugarloaf Parkway	Duluth	(770) 622-8914
Georgia	BRHPAN II - Georgia, LLC	1625 Mt. Vernon Road	Dunwoody	(770) 668-0076
Georgia	Cadle Limited Liability Company	4237 Washington Road	Evans	(706) 860-1580
Georgia	BRHPAN II - Georgia, LLC	104 Ellis Road	Fayetteville	(770) 716-5788
Georgia	Army and Air Force Exchange Service	Fort Benning, 9220 Marne Road	Fort Benning	(706) 685-3242
Georgia	Southern Bread LLC	2620 Battlefield Parkway	Fort Oglethorpe	(706) 866-2293
Georgia	BRHPAN II - Georgia, LLC	625 Dawsonville Highway	Gainesville	(770) 535-6601
Georgia	Cadle Limited Liability Company	5144 Bluegrass Trail	Grovetown	(706) 604-6023
Georgia	BRHPAN II - Georgia, LLC	11244 Tara Blvd Suite 100	Hampton	(678) 263-3294
Georgia	Cadle Limited Liability Company	1190 E. Oglethorpe Hwy	Hinesville	(912) 448-0061
Georgia	BRHPAN II - Georgia, LLC	600 Chastain Road NW	Kennesaw	(678) 581-0227
Georgia	BRHPAN II - Georgia, LLC	954 Ernest W Barrett Parkway NW	Kennesaw	(770) 799-2750
Georgia	BRHPAN II - Georgia, LLC	911 Lawrenceville Suwanee Road	Lawrenceville	(770) 277-8187
Georgia	BRHPAN II - Georgia, LLC	4875 Sugarloaf Parkway	Lawrenceville	(770) 510-7720
Georgia	BRHPAN II - Georgia, LLC	8200 Mall Parkway	Lithonia	(770) 484-6210
Georgia	BRHPAN II - Georgia, LLC	185 Athens Hwy	Loganville	(770) 510-5173
Georgia	BRHPAN II - Georgia, LLC	181 Tom Hill Sr. Blvd Suite C	Macon	(478) 474-5451
Georgia	BRHPAN II - Georgia, LLC	1430 Terrell Mill Road	Marietta	(770) 799-0974
Georgia	BRHPAN II - Georgia, LLC	4475 Roswell Road	Marietta	(770) 565-5338
Georgia	BRHPAN II - Georgia, LLC	3625 Dallas Highway	Marietta	(678) 290-8784
Georgia	BRHPAN II - Georgia, LLC	732 Cherokee St	Marietta	(770) 919-1220
Georgia	BRHPAN II - Georgia, LLC	1446 Highway 20 West	McDonough	(770) 914-7404
Georgia	BRHPAN II - Georgia, LLC	5304 Windward Parkway Suite A-109	Milton	(678) 319-4731
Georgia	BRHPAN II - Georgia, LLC	1223 W Spring Street	Monroe	(770) 266-6163
Georgia	BRHPAN II - Georgia, LLC	379 Bullsboro Drive	Newnan	(770) 254-2555
Georgia	BRHPAN II - Georgia, LLC	3280 Holcomb Bridge Northwest Suite B	Norcross	(770) 248-1066
Georgia	BRHPAN II - Georgia, LLC	1205 Highway 74 S Suite 200	Peachtree City	(678) 369-5525
Georgia	Cadle Limited Liability Company	234 Pooler Parkway	Pooler	(912) 748-8580
Georgia	BRHPAN II - Georgia, LLC	14 Riverbend Drive	Rome	(706) 378-4185
Georgia	BRHPAN II - Georgia, LLC	1195 Woodstock Road	Roswell	(770) 643-9570
Georgia	Cadle Limited Liability Company	8108 Abercorn Street	Savannah	(912) 961-0905
Georgia	BRHPAN II - Georgia, LLC	3625 Spring Hill Parkway SE	Smyrna	(770) 319-9010
Georgia	BRHPAN II - Georgia, LLC	1905 Scenic Highway Suite 100	Snellville	(770) 982-3055
Georgia	Cadle Limited Liability Company	810 Buckhead Drive	Statesboro	(912) 764-8989
Georgia	BRHPAN II - Georgia, LLC	2971 Watson Blvd Suite 200	Warner Robins	(478) 953-2972
Georgia	BRHPAN II - Georgia, LLC	2625 Towne Lake Parkway	Woodstock	(678) 813-4809
Illinois	Chicago Bread, L.L.C.	451 South Randall Road	Algonquin	(847) 458-5901
Illinois	Chicago Bread, L.L.C.	5 West Rand Road	Arlington Heights	(847) 255-8533
Illinois	Chicago Bread, L.L.C.	1330 N Orchard Road	Aurora	(630) 907-9535

State	Entity Name	Street Address	City	Phone
Illinois	Chicago Bread, L.L.C.	2987 Kirk Rd	Aurora	(630) 947-1096
Illinois	Chicago Bread, L.L.C.	855 E Boughton Rd	Bolingbrook	(630) 739-1500
Illinois	Chicago Bread, L.L.C.	1549 Deerfield Parkway	Buffalo Grove	(847) 229-8062
Illinois	Chicago Bread, L.L.C.	101 S Western Ave	Carpentersville	(847) 649-5180
Illinois	Chicago Bread, L.L.C.	6000 Northwest Highway #56A	Crystal Lake	(815) 444-8875
Illinois	Chicago Bread, L.L.C.	385 Lake Cook Road	Deerfield	(847) 236-1123
Illinois	Chicago Bread, L.L.C.	2476 Sycamore Road	Dekalb	(815) 748-2135
Illinois	Chicago Bread, L.L.C.	2484 North Randall Road	Elgin	(847) 426-7000
Illinois	Chicago Bread, L.L.C.	11069 West Lincoln Highway	Frankfort	(815) 806-9500
Illinois	Chicago Bread, L.L.C.	1690 South Randall Rd	Geneva	(630) 262-9800
Illinois	Chicago Bread, L.L.C.	2512 Waukegan Road	Glenview	(847) 724-9999
Illinois	Chicago Bread, L.L.C.	6440 Grand Ave	Gurnee	(847) 856-1549
Illinois	Chicago Bread, L.L.C.	12032 Route 47	Huntley	(847) 961-4104
Illinois	Chicago Bread, L.L.C.	2400 West Jefferson Street	Joliet	(779) 230-4013
Illinois	Chicago Bread, L.L.C.	305 South Waukegan Road	Lake Bluff	(847) 604-8451
Illinois	Chicago Bread, L.L.C.	430 S Rand Road Unit 160	Lake Zurich	(224) 662-2100
Illinois	Chicago Bread, L.L.C.	832 South Milwaukee Avenue	Libertyville	(847) 362-9840
Illinois	Chicago Bread, L.L.C.	16477 W 159th St	Lockport	(815) 714-6260
Illinois	Chicago Bread, L.L.C.	1864 North Richmond Road	McHenry	(815) 385-2991
Illinois	SLB of Iowa, L.C.	4044 38th Avenue	Moline	(309) 736-9260
Illinois	Chicago Bread, L.L.C.	1575 South Lake Street	Mundelein	(224) 778-7800
Illinois	Chicago Bread, L.L.C.	2775 Showplace Drive Suite 123	Naperville	(630) 428-2121
Illinois	Chicago Bread, L.L.C.	1450 Douglas Road	Oswego	(630) 554-7996
Illinois	Chicago Bread, L.L.C.	1603 N Rand Road	Palatine	(847) 398-8023
Illinois	Chicago Bread, L.L.C.	2360 South Route 59	Plainfield	(815) 609-3807
Illinois	Chicago Bread, L.L.C.	12632 IL Route 59 Suite #102	Plainfield	(815) 254-0022
Illinois	Chicago Bread, L.L.C.	254 East Rollins Road	Round Lake Beach	(847) 270-9683
Illinois	Chicago Bread, L.L.C.	100 West Higgins Road at Route 59 and 72	South Barrington	(847) 783-0209
Illinois	Chicago Bread, L.L.C.	369 Randall Road	South Elgin	(847) 841-1925
Illinois	Chicago Bread, L.L.C.	300 E. 162nd Street	South Holland	(708) 713-3764
Illinois	Chicago Bread, L.L.C.	2871 East Main Street	St. Charles	(630) 513-1044
Illinois	Chicago Bread, L.L.C.	7212 West 191st Street	Tinley Park	(815) 806-6470
Illinois	Chicago Bread, L.L.C.	925 Country Club Road	Woodstock	(815) 337-7440
Illinois	Chicago Bread, L.L.C.	1206 North Bridge Street	Yorkville	(630) 553-2355
Indiana	Bread of Life, LLC	5673 S Franklin Street	Michigan City	(219) 879-5765
Indiana	Aramark Food And Support Services Group, Inc.	Purdue University 201 N. Martin Jischke Drive	West Lafayette	(765) 237-8948
Iowa	SLB of Iowa, L.C.	309 S Duff Avenue	Ames	(515) 956-4580
Iowa	SLB of Iowa, L.C.	2310 SE Delaware Avenue	Ankeny	(515) 963-3373
Iowa	SLB of Iowa, L.C.	1800 N Ankeny Blvd	Ankeny	(515) 963-5090
Iowa	SLB of Iowa, L.C.	1300 N Roosevelt Ave Suite 110	Burlington	(319) 753-3989
Iowa	SLB of Iowa, L.C.	6403 University Avenue	Cedar Falls	(319) 553-0250
Iowa	SLB of Iowa, L.C.	5010 Council Street NE	Cedar Rapids	(319) 393-2100
Iowa	SLB of Iowa, L.C.	2665 Edgewood Road SW	Cedar Rapids	(319) 654-9452
Iowa	SLB of Iowa, L.C.	1451 Coral Ridge Avenue	Coralville	(319) 341-9252
Iowa	SLB of Iowa, L.C.	213 1st Avenue	Coralville	(319) 248-8000
Iowa	SLB of Iowa, L.C.	3410 Elmore Avenue	Davenport	(563) 344-4909
Iowa	SLB of Iowa, L.C.	414 W. Kimberly Road	Davenport	(563) 823-3700
Iowa	SLB of Iowa, L.C.	4519 Fleur Drive	Des Moines	(515) 309-1890
Iowa	SLB of Iowa, L.C.	3243 Kennedy Circle	Dubuque	(563) 690-1719
Iowa	SLB of Iowa, L.C.	1646 Sycamore Street	Iowa City	(319) 248-0007
Iowa	SLB of Iowa, L.C.	5525 Merle Hay Road Ste 195	Johnston	(515) 251-7733
Iowa	SLB of Iowa, L.C.	2839 NW 86th Street	Urbandale	(515) 253-9223
Iowa	SLB of Iowa, L.C.	1818 LaPorte Road	Waterloo	(319) 433-3003
Iowa	SLB of Iowa, L.C.	6740 University Avenue	West Des Moines	(515) 440-1523
Iowa	SLB of Iowa, L.C.	101 Jordan Creek Parkway	West Des Moines	(515) 221-0060

State	Entity Name	Street Address	City	Phone
Kansas	Pan Kansas LLC	1500 North Rock Road	Derby	(316) 788-1945
Kansas	Pan Kansas LLC	1717 Village West Parkway Suite B	Kansas City	(913) 956-0723
Kansas	Pan Kansas LLC	520 W 23rd Street	Lawrence	(785) 331-2700
Kansas	Pan Kansas LLC	4661 Bauer Farm Drive	Lawrence	(785) 748-6864
Kansas	Pan Kansas LLC	11751 Nall Avenue	Leawood	(913) 327-1800
Kansas	Pan Kansas LLC	16301 West 87th Street	Lenexa	(913) 227-0700
Kansas	Pan Kansas LLC	315 Southwind Place	Manhattan	(785) 539-7500
Kansas	Pan Kansas LLC	7070 Martway Street	Mission	(913) 722-0900
Kansas	Pan Kansas LLC	15108 West 119th Street	Olathe	(913) 782-4300
Kansas	Pan Kansas LLC	20120 West 153rd Street	Olathe	(913) 397-8383
Kansas	Pan Kansas LLC	11022 Metcalf Avenue	Overland Park	(913) 345-8400
Kansas	Pan Kansas LLC	8803 West 75th Street	Overland Park	(913) 381-8111
Kansas	Pan Kansas LLC	6800 West 135th Street	Overland Park	(913) 239-8300
Kansas	Pan Kansas LLC	11401 College Blvd	Overland Park	(913) 327-5418
Kansas	Pan Kansas LLC	7871 West 159th Street	Overland Park	(913) 336-1755
Kansas	Pan Kansas LLC	9691 Metcalf Ave	Overland Park	(913) 427-5720
Kansas	Pan Kansas LLC	8300 Mission Road	Prairie Village	(913) 381-8885
Kansas	Pan Kansas LLC	2375 South 9th Street Suite A	Salina	(785) 493-8190
Kansas	Pan Kansas LLC	10606 Shawnee Mission Parkway	Shawnee Mission	(913) 962-8080
Kansas	Pan Kansas LLC	1421 SW Wanamaker Road	Topeka	(785) 272-2100
Kansas	Pan Kansas LLC	1605 N Rock Road	Wichita	(316) 636-1136
Kansas	Pan Kansas LLC	3337 E Central Avenue Suite 101	Wichita	(316) 683-2100
Kansas	Pan Kansas LLC	420 South Ridge Road	Wichita	(316) 247-7833
Kansas	Pan Kansas LLC	2684 North Greenwich Court	Wichita	(316) 320-2170
Kansas	Pan Kansas LLC	2901 North Maize Road	Wichita	(316) 369-4190
Kentucky	Pan Pennsylvania LLC	500 Winchester Ave	Ashland	(606) 329-0439
Kentucky	Cadle Limited Liability Company	4318 Alexandria Pike	Cold Spring	(859) 441-0528
Kentucky	Cadle Limited Liability Company	622 Buttermilk Pike Suite A	Crescent Springs	(859) 916-6049
Kentucky	Cadle Limited Liability Company	2911 Dixie Highway	Crestview Hills	(859) 331-7558
Kentucky	Cadle Limited Liability Company	7150 Houston Road	Florence	(859) 371-9010
Kentucky	Army and Air Force Exchange Service	Fort Campbell Army Base 2840 Bastogne Avenue	Fort Campbell	(270) 640-7073
Kentucky	Cadle Limited Liability Company	169 Pavilion Pkwy	Newport	(859) 392-7878
Kentucky	Cadle Limited Liability Company	9085 US 42, Suite A	Union	(859) 384-0792
Louisiana	Southern Bread LLC	7877 Jefferson Highway	Baton Rouge	(225) 325-3180
Louisiana	Southern Bread LLC	3304 South Quad Patrick F Taylor Hall Suite 1375	Baton Rouge	(225) 578-8844
Louisiana	Southern Bread LLC	Our Lady of the Lake Hospital (OLOL) 5000 Hennessey Drive	Baton Rouge	(225) 256-4775
Louisiana	Southern Bread LLC	70411 Highway 21	Covington	(985) 801-0729
Louisiana	Southern Bread LLC	2444 Manhattan Blvd	Harvey	(504) 362-5033
Louisiana	Southern Bread LLC	2622 Johnston St	Lafayette	(337) 806-9617
Louisiana	Southern Bread LLC	3404 Nelson Road	Lake Charles	(337) 502-4592
Louisiana	Southern Bread LLC	4848 Veterans Boulevard	Metairie	(504) 293-4760
Louisiana	Southern Bread LLC	309 N. Carrollton Avenue Ste 3	New Orleans	(504) 648-2736
Louisiana	Southern Bread LLC	70 Town Center Parkway Fremaux Town Center	Slidell	(985) 685-3271
Maine	PR Restaurants L.L.C.	759 Turner Street	Auburn	(207) 795-0173
Maine	PR Restaurants L.L.C.	37 Xavier Loop Suite 3	Augusta	(207) 621-9899
Maine	PR Restaurants L.L.C.	130 Shops Way	Biddeford	(207) 284-0400
Maine	PR Restaurants L.L.C.	343 Gorham Road	South Portland	(207) 780-1212
Maine	PR Restaurants L.L.C.	75 Topsham Fair Mall Road	Topsham	(207) 373-1635
Maine	PR Restaurants L.L.C.	11 Main Street Suite 5	Westbrook	(207) 591-6767
Maryland	Lemek, L.L.C.	1022 Beards Hill Road	Aberdeen	(410) 272-3937
Maryland	Lemek, L.L.C.	3412 Merchant Boulevard	Abingdon	(410) 569-3573
Maryland	Lemek, L.L.C.	2341 Forest Drive	Annapolis	(410) 573-2804

State	Entity Name	Street Address	City	Phone
Maryland	Lemek, L.L.C.	13521 Connecticut Avenue	Aspen Hill	(301) 598-7190
Maryland	Lemek, L.L.C.	6307 York Road	Baltimore	(410) 433-9174
Maryland	Lemek, L.L.C.	3600 Boston Street	Baltimore	(410) 522-2940
Maryland	Lemek, L.L.C.	5 Bel Air South Parkway	Bel Air	(410) 569-6980
Maryland	Lemek, L.L.C.	10914 Baltimore Avenue	Beltsville	(301) 931-6707
Maryland	Lemek, L.L.C.	7201 Wisconsin Avenue	Bethesda	(301) 656-5235
Maryland	Lemek, L.L.C.	Walter Reed National Military Medical Center, 8901 Rockville Pike, Building P114	Bethesda	(240) 483-4227
Maryland	Lemek, L.L.C.	3931 Bowie Town Center	Bowie	(240) 865-4002
Maryland	Lemek, L.L.C.	10531 Martin Luther King Jr Hwy	Bowie	(301) 352-3673
Maryland	Lemek, L.L.C.	45250 Worth Avenue	California	(301) 863-8305
Maryland	Lemek, L.L.C.	6600 Baltimore National Pike	Catonsville	(410) 747-0071
Maryland	Lemek, L.L.C.	8823 Woodyard Road	Clinton	(301) 868-2851
Maryland	University of Maryland, College Park	University of Maryland, 3972 Campus Drive, Room 1240	College Park	(301) 314-2033
Maryland	Lemek, L.L.C.	6435 Dobbin Road	Columbia	(410) 772-8632
Maryland	Lemek, L.L.C.	8933 Ocean Gateway	Easton	(410) 763-8230
Maryland	Lemek, L.L.C.	6300 Georgetown Boulevard	Eldersburg	(410) 552-4137
Maryland	Lemek, L.L.C.	9412 Livingston Road	Fort Washington	(240) 766-8651
Maryland	Lemek, L.L.C.	5600 A Urbana Pike	Frederick	(301) 662-9700
Maryland	Lemek, L.L.C.	1700 Kingfisher Drive Suite 1	Frederick	(301) 663-9406
Maryland	Lemek, L.L.C.	8190 Westside Blvd	Fulton	(240) 547-1479
Maryland	Lemek, L.L.C.	598 North Frederick Avenue	Gaithersburg	(240) 632-2546
Maryland	Lemek, L.L.C.	285 Kentlands Boulevard	Gaithersburg	(301) 926-0510
Maryland	Lemek, L.L.C.	1402 South Main Chapel Way Suite 102	Gambrills	(410) 721-9041
Maryland	Lemek, L.L.C.	19965 Century Boulevard	Germantown	(301) 515-5777
Maryland	Lemek, L.L.C.	20680 Seneca Meadows Parkway Suite A-13	Germantown	(301) 540-3136
Maryland	Lemek, L.L.C.	6633 Ritchie Highway	Glen Burnie	(410) 766-6356
Maryland	Lemek, L.L.C.	17772 Garland Groh Boulevard	Hagerstown	(301) 714-1662
Maryland	Lemek, L.L.C.	110 Shawan Road Suite 108	Hunt Valley	(410) 329-1134
Maryland	Lemek, L.L.C.	2849 Jessup Road	Jessup	(443) 755-1675
Maryland	Lemek, L.L.C.	3 Shining Willow Way	La Plata	(301) 934-8204
Maryland	Lemek, L.L.C.	3301 Corridor Marketplace	Laurel	(301) 497-3052
Maryland	Lemek, L.L.C.	14806 Baltimore Avenue	Laurel	(301) 490-1331
Maryland	Lemek, L.L.C.	1451 West Nursery Road	Linthicum Heights	(410) 789-3512
Maryland	Lemek, L.L.C.	5110 Campbell Boulevard	Nottingham	(410) 933-2003
Maryland	Lemek, L.L.C.	12641-300 Ocean Gateway	Ocean City	(410) 213-2130
Maryland	Lemek, L.L.C.	18141 Town Center Drive	Olney	(301) 774-4304
Maryland	Lemek, L.L.C.	10160 Reisterstown Rd Space 10	Owings Mills	(410) 356-5718
Maryland	Lemek, L.L.C.	8125 Ritchie Highway	Pasadena	(410) 544-6400
Maryland	Lemek, L.L.C.	874 Costley Way	Prince Frederick	(443) 486-4612
Maryland	Lemek, L.L.C.	1780 E Jefferson Street	Rockville	(301) 881-5515
Maryland	Lemek, L.L.C.	14921 Shady Grove Road	Rockville	(301) 545-1874
Maryland	Lemek, L.L.C.	219 East Middle Lane	Rockville	(301) 762-3785
Maryland	Lemek, L.L.C.	8640 Pulaski Highway	Rosedale	(410) 238-0887
Maryland	Lemek, L.L.C.	2815 North Salisbury Boulevard	Salisbury	(410) 202-0668
Maryland	Lemek, L.L.C.	8541 Georgia Avenue	Silver Spring	(301) 495-0860
Maryland	Lemek, L.L.C.	12285 Tech Road	Silver Spring	(301) 680-7940
Maryland	Lemek, L.L.C.	2131 York Road	Timonium	(410) 453-9840
Maryland	Lemek, L.L.C.	1238 Putty Hill Avenue	Towson	(410) 821-9111
Maryland	Lemek, L.L.C.	3266 Bennett Creek Avenue	Urbana	(240) 436-2130
Maryland	Lemek, L.L.C.	3070 Technology Place	Waldorf	(301) 374-2760
Maryland	Lemek, L.L.C.	200 Clifton Boulevard	Westminster	(410) 857-0642
Massachusetts	PR Restaurants L.L.C.	213 Burlington Road	Bedford	(339) 970-3407
Massachusetts	PR Restaurants L.L.C.	57 Dodge Street	Beverly	(978) 998-6860
Massachusetts	PR Restaurants L.L.C.	188 Boston Road	Billerica	(978) 330-7386
Massachusetts	Boston Bread, LLC	200 High Street	Boston	(617) 951-1330
Massachusetts	Boston Bread, LLC	Brigham and Women's Hospital, 75 Francis Street	Boston	(617) 379-1200

State	Entity Name	Street Address	City	Phone
Massachusetts	Boston Bread, LLC	Children's Hospital, Berthiaume Family Building, Main Lobby, 300 Longwood Avenue	Boston	(617) 934-7107
Massachusetts	PR Restaurants L.L.C.	289 Huntington Avenue	Boston	(617) 425-8565
Massachusetts	PR Restaurants L.L.C.	115 Stuart Street	Boston	(617) 722-8234
Massachusetts	PR Restaurants L.L.C.	Beth Israel Deaconess Hospital, 364 Brookline Avenue	Boston	(617) 505-1390
Massachusetts	PR Restaurants L.L.C.	121 Brookline Ave	Boston	(617) 275-2158
Massachusetts	PR Restaurants L.L.C.	400 Franklin Street	Braintree	(781) 356-0602
Massachusetts	PR Restaurants L.L.C.	1301 Belmont Street	Brockton	(508) 587-1520
Massachusetts	Boston Bread, LLC	34 Cambridge Street	Burlington	(781) 272-1365
Massachusetts	PR Restaurants L.L.C.	5 White Street	Cambridge	(617) 547-0816
Massachusetts	PR Restaurants L.L.C.	66 Parkhurst Road	Chelmsford	(978) 654-7990
Massachusetts	PR Restaurants L.L.C.	601 Memorial Drive Suite G	Chicopee	(413) 593-1800
Massachusetts	Boston Bread, LLC	100 Independence Way	Danvers	(978) 646-9942
Massachusetts	Boston Bread, LLC	687 Providence Hwy	Dedham	(781) 493-6543
Massachusetts	PR Restaurants L.L.C.	8 B Allstate Road Suite 3	Dorchester	(617) 602-4961
Massachusetts	PR Restaurants L.L.C.	450 North Main Street	East Longmeadow	(413) 525-8006
Massachusetts	PR Restaurants L.L.C.	130 Providence Highway	East Walpole	(508) 668-0280
Massachusetts	Boston Bread, LLC	25 Mystic View Rd	Everett	(617) 387-8135
Massachusetts	PR Restaurants L.L.C.	400 Cochituate Road	Framingham	(508) 626-3636
Massachusetts	Boston Bread, LLC	270 Franklin Village Drive	Franklin	(508) 553-3534
Massachusetts	PR Restaurants L.L.C.	351 Russell Street Suite 351B	Hadley	(413) 387-6336
Massachusetts	Boston Bread, LLC	1401 Washington Street	Hanover	(781) 829-9900
Massachusetts	PR Restaurants L.L.C.	2 Highland Common E Suite 100	Hudson	(978) 763-8160
Massachusetts	Boston Bread, LLC	790 Iyannough Road	Hyannis	(508) 862-8015
Massachusetts	PR Restaurants L.L.C.	100 Commercial Road	Leominster	(978) 534-8855
Massachusetts	PR Restaurants L.L.C.	430 Market Street	Lynnfield	(781) 334-4061
Massachusetts	PR Restaurants L.L.C.	197L Boston Post Rd W	Marlborough	(508) 281-6161
Massachusetts	PR Restaurants L.L.C.	8 Steeple St	Mashpee	(508) 477-4073
Massachusetts	Boston Bread, LLC	499 Riverside Ave	Medford	(617) 420-0180
Massachusetts	PR Restaurants L.L.C.	70 Worcester-Providence Turnpike Suite 605	Milbury	(508) 865-6756
Massachusetts	PR Restaurants L.L.C.	91 Medway Road Unit #10	Milford	(508) 244-6005
Massachusetts	PR Restaurants L.L.C.	841 Worcester Street	Natick	(508) 907-6226
Massachusetts	Boston Bread, LLC	120 Highland Avenue	Needham	(781) 453-4005
Massachusetts	PR Restaurants L.L.C.	55 Storey Avenue	Newburyport	(978) 465-0646
Massachusetts	PR Restaurants L.L.C.	58 Peters Street	North Andover	(978) 682-8636
Massachusetts	Howley Bread Group, Ltd.	1250 South Washington Street	North Attleborough	(508) 695-5568
Massachusetts	Howley Bread Group, Ltd.	84 N Dartmouth Mall Dr	North Dartmouth	(508) 994-9640
Massachusetts	PR Restaurants L.L.C.	152 Church Street	Pembroke	(781) 499-1107
Massachusetts	PR Restaurants L.L.C.	635 Merrill Road	Pittsfield	(413) 443-3200
Massachusetts	Howley Bread Group, Ltd.	103 Taunton Street	Plainville	(508) 643-4515
Massachusetts	PR Restaurants L.L.C.	138 Colony Place	Plymouth	(508) 830-3844
Massachusetts	Boston Bread, LLC	46 Shops at 5 Way	Plymouth	(508) 732-7282
Massachusetts	Boston Bread, LLC	200 Hancock Street	Quincy	(617) 328-5473
Massachusetts	PR Restaurants L.L.C.	300 Route 44	Raynham	(508) 824-0182
Massachusetts	Boston Bread, LLC	647 Broadway US Route 1	Saugus	(781) 941-2220
Massachusetts	Howley Bread Group, Ltd.	221 Highland Avenue	Seekonk	(508) 336-1401
Massachusetts	PR Restaurants L.L.C.	50 Boston Turnpike	Shrewsbury	(508) 798-9949
Massachusetts	PR Restaurants L.L.C.	1179 East Columbus Ave	Springfield	(413) 233-4881
Massachusetts	Boston Bread, LLC	1334 Park Street	Stoughton	(781) 297-0975
Massachusetts	PR Restaurants L.L.C.	21 New Boston Road	Sturbridge	(774) 922-1860
Massachusetts	PR Restaurants L.L.C.	433 Paradise Rd	Swampscott	(781) 598-1188
Massachusetts	PR Restaurants L.L.C.	1030 Main Street Unit 15	Waltham	(781) 899-2116
Massachusetts	Boston Bread, LLC	1100 Lexington Street	Waltham	(781) 547-5655
Massachusetts	Boston Bread, LLC	11 Mount Auburn Street	Watertown	(617) 923-2918
Massachusetts	PR Restaurants L.L.C.	2 Worcester Rd	Webster	(508) 671-0110
Massachusetts	PR Restaurants L.L.C.	935 Riverdale Street	West Springfield	(413) 214-6333
Massachusetts	PR Restaurants L.L.C.	600 Union Street	Westborough	(508) 898-3400
Massachusetts	PR Restaurants L.L.C.	2 Cornerstone Square	Westford	(978) 692-2863

State	Entity Name	Street Address	City	Phone
Massachusetts	PR Restaurants L.L.C.	201 University Ave Tenant S401	Westwood	(781) 471-2069
Massachusetts	PR Restaurants L.L.C.	300 Mishawum Road	Woburn	(339) 212-7746
Massachusetts	PR Restaurants L.L.C.	120 Gold Star Boulevard	Worcester	(508) 856-7007
Michigan	Bread of Life, LLC	2810 Capital Avenue SW	Battle Creek	(269) 719-8887
Michigan	Bread of Life, LLC	1014 S State Street	Big Rapids	(231) 796-2555
Michigan	Bread of Life, LLC	1669 SE Marketplace Dr	Gaines Township	(616) 656-9300
Michigan	Bread of Life, LLC	1386 W. Main St.	Gaylord	(989) 705-1003
Michigan	Bread of Life, LLC	1001 S. Beacon Blvd	Grand Haven	(616) 850-9700
Michigan	Bread of Life, LLC	2044 Celebration Drive NE #4	Grand Rapids	(616) 363-9100
Michigan	Bread of Life, LLC	3150 Alpine Avenue NW	Grand Rapids	(616) 647-3500
Michigan	Bread of Life, LLC	99 Monroe Ave NW	Grand Rapids	(616) 451-4007
Michigan	Bread of Life, LLC	5630 28th Street SE	Grand Rapids	(616) 949-1200
Michigan	Bread of Life, LLC	32 44th Street SW	Grandville	(616) 667-4800
Michigan	Bread of Life, LLC	3067 West Shore Drive	Holland	(616) 738-2400
Michigan	Bread of Life, LLC	1285 Boardman Road	Jackson	(517) 783-0800
Michigan	Bread of Life, LLC	5119 West Main Street	Kalamazoo	(269) 342-1222
Michigan	Bread of Life, LLC	5627 Gull Road	Kalamazoo	(269) 345-8888
Michigan	Bread of Life, LLC	3770 28th Street SE	Kentwood	(616) 957-1100
Michigan	Bread of Life, LLC	2111 South Mission St	Mt. Pleasant	(989) 772-0003
Michigan	Bread of Life, LLC	1710 East Sherman Boulevard	Muskegon	(231) 733-5111
Michigan	Bread of Life, LLC	630 W Mitchell Street	Petoskey	(231) 254-5464
Michigan	Bread of Life, LLC	6278 Westnedge Ave	Portage	(269) 373-3800
Michigan	Bread of Life, LLC	3260 Niles Road Suite A	St. Joseph	(269) 428-0700
Michigan	Bread of Life, LLC	3675 N US 31 S	Traverse City	(231) 932-0442
Michigan	Bread of Life, LLC	4400 Lake Michigan Dr. NW	Walker	(616) 735-4222
Michigan	Bread of Life, LLC	5510 Clyde Park Ave SW	Wyoming	(616) 249-3180
Mississippi	Southern Bread LLC	249 Ridge Way	Flowood	(601) 919-0068
Mississippi	Southern Bread LLC	4600 Hardy Street	Hattiesburg	(601) 261-2539
Mississippi	Southern Bread LLC	7501 Goodman Road	Olive Branch	(662) 890-1985
Mississippi	Southern Bread LLC	1902 W Jackson Avenue	Oxford	(662) 234-3793
Mississippi	Southern Bread LLC	1000 Highland Colony Parkway Suite 5001	Ridgeland	(601) 790-6261
Missouri	Pan Kansas LLC	1211 E North Ave	Belton	(816) 318-9632
Missouri	Pan Kansas LLC	605 NE Coronado Drive	Blue Springs	(816) 220-3034
Missouri	Manna OKMO, LLC	1700 West 76 Country Boulevard	Branson	(417) 336-4550
Missouri	Pan Kansas LLC	18800 East US Highway 40	Independence	(816) 795-9800
Missouri	Manna OKMO, LLC	2101 South Rangeline Road	Joplin	(417) 626-2300
Missouri	Pan Kansas LLC	8580 Church Road	Kansas City	(816) 792-1991
Missouri	Pan Kansas LLC	4700 Pennsylvania Avenue	Kansas City	(816) 931-8181
Missouri	Pan Kansas LLC	2405 Grand Boulevard	Kansas City	(816) 221-3800
Missouri	Pan Kansas LLC	311 NE Englewood Road	Kansas City	(816) 453-2770
Missouri	Pan Kansas LLC	10229 Stateline Road	Kansas City	(816) 942-3648
Missouri	Pan Kansas LLC	6286 NW Barry Road	Kansas City	(816) 708-1195
Missouri	Pan Kansas LLC	1410 NE Douglas Street	Lee Summit	(816) 524-4500
Missouri	Pan Kansas LLC	1686 Northwest Chipman Road	Lee's Summit	(816) 246-0021
Missouri	Pan Kansas LLC	3171 West Broadway	Sedalia	(660) 827-7254
Missouri	Manna OKMO, LLC	1570 East Battlefield Road	Springfield	(417) 889-0070
Missouri	Manna OKMO, LLC	2535 North Kansas Expressway	Springfield	(417) 520-1313
Missouri	Manna OKMO, LLC	4100 S Campbell Rd	Springfield	(417) 886-8833
Missouri	Manna OKMO, LLC	2641 East Sunshine St.	Springfield	(417) 889-0440
Missouri	Pan Kansas LLC	1209 N. Belt Highway	St. Joseph	(816) 364-3030
Montana	Mountain Bread, Inc.	110 South 24th Street West	Billings	(406) 702-1160
Montana	Mountain Bread, Inc.	1660 Vandelay Avenue	Helena	(406) 204-0053
Montana	Mountain Bread, Inc.	2240 Highway 93 North	Kalispell	(406) 314-4120

State	Entity Name	Street Address	City	Phone
Montana	Mountain Bread, Inc.	2410 N Reserve Street	Missoula	(406) 203-5636
Nevada	Manna NW, LLC	4881 Cochise Street	Carson City	(775) 600-4981
Nevada	Desert Flour, L.L.C.	605 Mall Ring Circle Suite #140	Henderson	(702) 434-4002
Nevada	Desert Flour, L.L.C.	9911 South Eastern Avenue Suite 110	Henderson	(702) 263-1136
Nevada	Aramark Food And Support Services Group, Inc.	University of Nevada Las Vegas, 4505 S. Maryland Pkwy	Las Vegas	(702) 895-1983
Nevada	Desert Flour, L.L.C.	5130 South Fort Apache Road Suite 250	Las Vegas	(702) 871-5999
Nevada	Desert Flour, L.L.C.	7175 West Lake Mead Boulevard Suite 190	Las Vegas	(702) 240-4480
Nevada	Desert Flour, L.L.C.	740 S. Rampart Boulevard Suite 3	Las Vegas	(702) 888-0100
Nevada	Desert Flour, L.L.C.	365 Hughes Center Drive Suite 100	Las Vegas	(702) 545-9200
Nevada	Desert Flour, L.L.C.	7240 S Rainbow Blvd Suite C	Las Vegas	(702) 665-4544
Nevada	Desert Flour, L.L.C.	8283 Dean Martin Drive	Las Vegas	(702) 476-0600
Nevada	Desert Flour, L.L.C.	2400 S Rancho Dr Suite 180	Las Vegas	(702) 909-8980
Nevada	Desert Flour, L.L.C.	7890 W Tropical Pkwy	Las Vegas	(725) 229-7712
Nevada	Desert Flour, L.L.C.	1520 East Craig Road North	Las Vegas	(702) 430-7884
Nevada	Desert Flour, L.L.C.	6081 South Eastern Avenue	Las Vegas	(702) 831-4880
Nevada	Compass Group USA, Inc.	University of Nevada, 1664 North Virginia Street	Reno	(775) 327-2044
Nevada	Manna NW, LLC	6485 South Virginia Street	Reno	(775) 360-4251
Nevada	Manna NW, LLC	885 West 5th Street	Reno	(775) 360-4400
Nevada	Manna NW, LLC	275 Sparks Blvd	Sparks	(775) 200-9921
Nevada	Manna NW, LLC	7901 Tierra Del Sol Pkwy	Sparks	(775) 473-2924
New Hampshire	PR Restaurants L.L.C.	7 Colby Court	Bedford	(603) 641-0500
New Hampshire	PR Restaurants L.L.C.	75 Fort Eddy Road	Concord	(603) 226-8966
New Hampshire	PR Restaurants L.L.C.	19B Manchester Road	Derry	(603) 432-3056
New Hampshire	PR Restaurants L.L.C.	841 Central Avenue	Dover	(603) 743-5100
New Hampshire	PR Restaurants L.L.C.	2B Ash Brook Road	Keene	(603) 357-9100
New Hampshire	PR Restaurants L.L.C.	52 March Avenue	Manchester	(603) 627-2443
New Hampshire	PR Restaurants L.L.C.	8 Spit Brook Road	Nashua	(603) 891-2133
New Hampshire	PR Restaurants L.L.C.	590 Amherst Street	Nashua	(603) 821-6021
New Hampshire	PR Restaurants L.L.C.	4 Plaistow Road	Plaistow	(603) 378-0374
New Hampshire	PR Restaurants L.L.C.	1465 Woodbury Avenue	Portsmouth	(603) 559-9000
New Hampshire	PR Restaurants L.L.C.	92 Cluff Crossing Road	Salem	(603) 952-2360
New Hampshire	PR Restaurants L.L.C.	700 Lafayette Rd Unit 101	Seabrook	(603) 474-2020
New Hampshire	PR Restaurants L.L.C.	267 Plainfield Road	West Lebanon	(603) 298-9838
New Jersey	Lemek Slower Lower, LLC	545 Route 70	Brick Township	(732) 451-6218
New Jersey	American Bread Company LLC	2501 Mt. Holly Road	Burlington	(609) 479-8000
New Jersey	American Bread Company LLC	2010 Marlton Pike W Building F - Ste A	Cherry Hill	(856) 317-9200
New Jersey	Lemek Slower Lower, LLC	2000 Clements Bridge Road	Deptford	(856) 251-9000
New Jersey	American Bread Company LLC	531 Soloman Way	Freehold	(732) 298-6068
New Jersey	American Bread Company LLC	4715 State Route 9	Howell	(732) 730-0025
New Jersey	Lemek Slower Lower, LLC	434 Route 72	Manahawkin	(609) 997-0228
New Jersey	American Bread Company LLC	500 Route 73 S	Marlton	(856) 988-1870
New Jersey	American Bread Company LLC	776 Route 35	Middletown	(732) 706-0202
New Jersey	Compass Group USA, Inc.	Montclair State University 1 Normal Ave	Montclair	(973) 655-6013
New Jersey	American Bread Company LLC	1500 Nixon Drive	Moorestown	(856) 802-0777
New Jersey	American Bread Company LLC	48 Centerton Road	Mount Laurel	(856) 234-1009
New Jersey	Sodexo Operations, LLC	201 Lyons Avenue	Newark	(973) 926-7613
New Jersey	American Bread Company LLC	1050 Broad Street	Shrewsbury	(732) 935-1600
New Jersey	Lemek Slower Lower, LLC	500 Cross Keys Road	Sicklerville	(856) 629-5624
New Jersey	Lemek Slower Lower, LLC	2 Route 37 West	Toms River	(732) 504-3766
New Jersey	American Bread Company LLC	1200 White Horse Road Suite 3	Voorhees	(856) 435-6092
New Jersey	American Bread Company LLC	2007 Route 35	Wall Township	(732) 449-2507
New York	Doherty Breads, LLC	1701 Sunrise Highway Space A16	Bay Shore	(631) 968-4303
New York	Doherty Breads NYC, LLC	2358 Bell Boulevard	Bayside	(718) 423-7600

State	Entity Name	Street Address	City	Phone
New York	Doherty Breads Long Island, LLC	2375 Merrick Road	Bellmore	(516) 221-1095
New York	Doherty Breads, LLC	5191 Sunrise Highway	Bohemia	(631) 589-1988
New York	Doherty Breads, LLC	2044 Montauk Highway #62	Bridgehampton	(631) 537-2855
New York	Doherty Breads NY Statewide, LLC	340 Baychester Avenue	Bronx	(718) 862-2585
New York	Doherty Breads NYC, LLC	345 Adams Street	Brooklyn	(718) 643-0345
New York	Doherty City Breads, LLC	528 Gateway Dr Mailbox 2, Unit 12	Brooklyn	(718) 647-1876
New York	Doherty Breads, LLC	165 Old Country Road	Carle Place	(516) 739-2090
New York	Applegreen NY Travel Plazas LLC	NYSTA Pembroke SB, 8319 Indian Falls Road	Corfu	(585) 597-3016
New York	Doherty Breads, LLC	403 Commack Road	Deer Park	(631) 865-5036
New York	Doherty Breads, LLC	2501 Hempstead Turnpike	East Meadow	(516) 644-2650
New York	Doherty Breads, LLC	4097 Jericho Turnpike	East Northport	(631) 858-0789
New York	Doherty Breads, LLC	919 Route 110 N	Farmingdale	(631) 420-5940
New York	Doherty Breads NY Statewide, LLC	11 Merritt Boulevard	Fishkill	(845) 897-2066
New York	Doherty Breads Long Island, LLC	1140 Franklin Ave	Garden City	(516) 873-2534
New York	Doherty Breads Long Island, LLC	1 Village Square	Glen Cove	(516) 671-3612
New York	Doherty Breads NYC, LLC	7325 Woodhaven Boulevard	Glendale	(718) 897-4680
New York	Doherty Breads, LLC	180 West Montauk Highway	Hampton Bays	(631) 728-3101
New York	Applegreen NY Travel Plazas LLC	New Baltimore Service AreaNew York State ThruwayMile Post 127 North & South	Hannacroix	(838) 217-6562
New York	Doherty Breads, LLC	399 Nesconset Highway	Hauppauge	(631) 979-2028
New York	Doherty Breads, LLC	201 Broadway Mall	Hicksville	(516) 935-6300
New York	Doherty Breads Long Island, LLC	345 Main Street	Huntington	(631) 271-3824
New York	Doherty Breads, LLC	160 Walt Whitman Road	Huntington Station	(631) 424-0060
New York	Doherty Breads Long Island, LLC	1900 Veterans Memorial Highway	Islandia	(631) 778-8018
New York	Doherty Breads, LLC	143 Alexander Avenue	Lake Grove	(631) 366-2079
New York	Doherty Breads, LLC	345 Rockaway Turnpike	Lawrence	(516) 239-0183
New York	Doherty Breads NYC, LLC	3801 35th Avenue	Long Island City	(718) 937-4740
New York	Doherty Breads, LLC	5274 Sunrise Highway	Massapequa	(516) 264-7060
New York	Doherty Breads of Middletown, LLC	444 Route 211 E	Middletown	(845) 344-5900
New York	Doherty Breads, LLC	520 Jericho Turnpike	Mineola	(516) 535-3910
New York	Doherty Breads of Cortland, LLC	3083 East Main Street	Mohegan Lake	(914) 528-0014
New York	Doherty Breads of Harriman, LLC	340 Larkin Drive	Monroe	(845) 782-0031
New York	Doherty Breads of Nanuet, LLC	24A Rockland Plaza North Middletown Road	Nanuet	(845) 624-3000
New York	Doherty Breads, LLC	669 Hillside Avenue	New Hyde Park	(516) 358-3250
New York	Doherty Breads of Newburgh, LLC	1278 Route 300	Newburgh	(845) 567-0999
New York	Doherty Breads of Cross Bay, LLC	137-20 Crossbay Blvd	Ozone Park	(718) 487-9420
New York	Doherty Breads Long Island, LLC	367 Sunrise Hwy Suite B	Patchogue	(631) 687-1866
New York	Applegreen NY Travel Plazas LLC	NYSTA Thruway Access Road Mile Post 168 West	Pattersonville	(518) 901-2069
New York	Doherty Breads Long Island, LLC	1082 Old Country Road	Plainview	(516) 681-0260
New York	Doherty Breads, LLC	4959 Nesconset Hwy	Port Jefferson Station	(631) 331-0350
New York	Doherty Breads NY Statewide, LLC	712 Dutchess Turnpike	Poughkeepsie	(845) 452-2425
New York	Doherty Breads of Poughkeepsie, LLC	2020 South Road	Poughkeepsie	(845) 297-3549
New York	Doherty Breads NYC, LLC	6135 Junction Boulevard Suite D102	Rego Park	(718) 271-1010
New York	Doherty Breads of Ridgewood, LLC	50-5 Metropolitan Ave	Ridgewood	(718) 395-9885
New York	Doherty Breads, LLC	11 Commerce Drive	Riverhead	(631) 727-0277
New York	Doherty Breads, LLC	313 Merrick Road	Rockville Centre	(516) 678-6710
New York	Doherty Breads of Scarsdale, LLC	915 Central Park Avenue	Scarsdale	(914) 713-0010
New York	Doherty Breads Long Island, LLC	1 College Plaza	Selden	(631) 698-1780
New York	Applegreen NY Travel Plazas LLC	NYSTA Ramapo SB Service Plaza, 99 Waldron Terrace	Sloatsburg	(551) 321-1172
New York	Doherty Breads NYC, LLC	280 Marsh Avenue	Staten Island	(718) 494-2450
New York	Doherty Breads NYC, LLC	2636 Hylan Blvd, Suite 125	Staten Island	(718) 619-4434
New York	Doherty Breads, LLC	407 Jericho Turnpike	Syosset	(516) 677-5380
New York	Sodexo Operations, LLC	Rensselaer Polytechnic Institute 110 8th Street	Troy	(518) 276-2680
New York	Applegreen NY Travel Plazas LLC	NYSTA Plattekill NB Service Plaza, 65 Plattekill Ardonia Rd	Wallkill	(845) 762-4532
New York	Doherty Breads, LLC	1025 West Montauk Highway	West Babylon	(631) 661-0990
New York	Applegreen NY Travel Plazas LLC	Oneida SB Service Plaza, 5365 NY State Thruway #233	Westmoreland	(315) 853-3605
New York	Army and Air Force Exchange Service	Fort Drum Army Base, 10730A Enduring Freedom Drive	Watertown	(315) 773-0065
New York	Doherty Breads Long Island, LLC	2034 Green Acres Rd	Valley Stream	(516) 568-6006

State	Entity Name	Street Address	City	Phone
New York	Doherty Breads NY Statewide, LLC	1015 Mall Walk	Yonkers	(914) 375-3691
North Carolina	Raising Dough NC, LLC	1843 Hendersonville Road	Asheville	(828) 277-4042
North Carolina	Raising Dough NC, LLC	40 Peaks Center Lane	Asheville	(828) 575-2341
North Carolina	Raising Dough NC, LLC	1180 Blowing Rock Road	Boone	(828) 268-2226
North Carolina	Raising Dough NC, LLC	563 Huffman Mill Road	Burlington	(336) 586-0222
North Carolina	Host Kind CLT FB, LLC	Charlotte Airport 5501 R C Josh Birmingham Pkwy	Charlotte	(704) 359-0246
North Carolina	Host Kind CLT FB, LLC	Charlotte Douglas International Airport Terminal 5501 Josh Birmingham Pkwy	Charlotte	(704) 208-4842
North Carolina	Raising Dough NC, LLC	3107 Gammon Lane	Clemmons	(336) 766-3898
North Carolina	Sodexo Operations, LLC	Cape Fear Valley Hospital, 3314 Melrose Road	Fayetteville	(910) 615-0180
North Carolina	Army and Air Force Exchange Service	Fort Liberty Army & Air Force Base, 2240 Rock Merrit Ave	Fort Liberty	(910) 339-0366
North Carolina	Raising Dough NC, LLC	2645 Lawndale Drive	Greensboro	(336) 545-8912
North Carolina	Raising Dough NC, LLC	4203 West Wendover Avenue	Greensboro	(336) 834-0085
North Carolina	Raising Dough NC, LLC	1604 Highwoods Boulevard	Greensboro	(336) 854-0118
North Carolina	Raising Dough NC, LLC	Moses Cone Hospital 1121 N. Church Street	Greensboro	(336) 894-2436
North Carolina	Raising Dough NC, LLC	160 Coolridge Street	Hendersonville	(828) 233-5460
North Carolina	Raising Dough NC, LLC	2260 Highway 70 SE	Hickory	(828) 624-0272
North Carolina	Raising Dough NC, LLC	1911 North Main St	High Point	(336) 899-8916
North Carolina	Raising Dough NC, LLC	2400 Penny Road	High Point	(336) 812-4593
North Carolina	Raising Dough NC, LLC	970 South Main Street	Kernersville	(336) 993-4863
North Carolina	Raising Dough NC, LLC	574 River Highway	Mooreville	(704) 662-6433
North Carolina	Raising Dough NC, LLC	675 West Fleming Drive	Morganton	(828) 544-5332
North Carolina	Raising Dough NC, LLC	825 East Innes Street	Salisbury	(704) 738-0165
North Carolina	Raising Dough NC, LLC	964 Glenway Drive, Suite B	Statesville	(704) 253-4819
North Carolina	Raising Dough NC, LLC	2901 Reynolda Road	Winston-Salem	(336) 793-5576
North Carolina	Raising Dough NC, LLC	2209 Cloverdale Avenue	Winston-Salem	(336) 722-0900
North Carolina	Raising Dough NC, LLC	100 Hanes Square Shop Cir	Winston-Salem	(336) 794-2033
Ohio	Dalcan Limited Liability Company	790 Arlington Ridge Ste 201	Akron	(330) 475-7913
Ohio	Dalcan Limited Liability Company	55 Springside Drive, Suite 100	Akron	(330) 670-9347
Ohio	Dalcan Limited Liability Company	Cleveland Clinic Akron General, 400 Akron General Ave #2224	Akron	(234) 888-7032
Ohio	Dalcan Limited Liability Company	1670 West State St.	Alliance	(330) 823-8404
Ohio	Dalcan Limited Liability Company	46402 Middle Ridge Road	Amherst	(440) 985-1805
Ohio	Dalcan Limited Liability Company	7998 Leavitt Road	Amherst	(440) 986-5993
Ohio	Dalcan Limited Liability Company	8000 Oak Point Drive	Amherst	(440) 985-2000
Ohio	Dalcan Limited Liability Company	35680 Chester Road	Avon	(440) 937-4646
Ohio	Dalcan Limited Liability Company	8480 East Washington Street	Bainbridge Township	(440) 543-3000
Ohio	CAD Capital, LLC	2751 Fairfield Commons Boulevard	Beavercreek	(937) 426-3900
Ohio	CAD Capital, LLC	49 Chestnut Street	Beavercreek	(937) 426-7300
Ohio	Cadle Limited Liability Company	11033 Reed Hartman Highway	Blue Ash	(513) 793-1323
Ohio	Dalcan Limited Liability Company	7685 Market St.	Boardman	(330) 726-1082
Ohio	Dalcan Limited Liability Company	7121 South Avenue	Boardman	(330) 965-9997
Ohio	Dalcan Limited Liability Company	8447 Chippewa Road	Brecksville	(440) 717-1437
Ohio	Dalcan Limited Liability Company	5090 Tiedeman Road	Brooklyn	(216) 362-8130
Ohio	Dalcan Limited Liability Company	1405 Parschen Blvd	Brunswick	(330) 220-4408
Ohio	CAD Capital, LLC	685 W Waterloo Street	Canal Winchester	(614) 834-8501
Ohio	Dalcan Limited Liability Company	4205 Boardman Canfield Road	Canfield	(330) 533-7401
Ohio	Dalcan Limited Liability Company	4668 Belpar Street NW	Canton	(330) 493-1895
Ohio	CAD Capital, LLC	1391 N Bridge Street Ste B	Chillicothe	(740) 771-4127
Ohio	CAD Capital, LLC	8501 Beechmont Avenue	Cincinnati	(513) 232-8300
Ohio	Cadle Limited Liability Company	8115 Montgomery Road	Cincinnati	(513) 891-5401
Ohio	Cadle Limited Liability Company	9530 Colerain Ave	Cincinnati	(513) 741-4315
Ohio	Cadle Limited Liability Company	8420 Winton Road	Cincinnati	(513) 931-9800
Ohio	Cadle Limited Liability Company	120 Calhoun Street	Cincinnati	(513) 961-6300
Ohio	Cadle Limited Liability Company	876 Eastgate North Drive	Cincinnati	(513) 421-1980
Ohio	Cadle Limited Liability Company	7510 Wooster Pike	Cincinnati	(513) 873-8708
Ohio	Dalcan Limited Liability Company	11490 Euclid Avenue	Cleveland	(216) 231-2900

State	Entity Name	Street Address	City	Phone
Ohio	Dalcan Limited Liability Company	9500 Euclid Avenue Cleveland Clinic	Cleveland	(216) 445-4011
Ohio	CAD Capital, LLC	6887 East Broad Street	Columbus	(614) 864-3500
Ohio	CAD Capital, LLC	3278 Tremont Road	Columbus	(614) 583-2600
Ohio	CAD Capital, LLC	2924 East Broad Street	Columbus	(614) 559-9500
Ohio	CAD Capital, LLC	300 W. Lane Avenue	Columbus	(614) 299-4400
Ohio	CAD Capital, LLC	880 West 3rd Ave	Columbus	(614) 486-9500
Ohio	CAD Capital, LLC	451 W 10th Avenue	Columbus	(614) 441-8696
Ohio	CAD Capital, LLC	611 E Livingston Ave Ste A	Columbus	(614) 444-5105
Ohio	CAD Capital, LLC	3874 Morse Rd	Columbus	(614) 416-2600
Ohio	CAD Capital, LLC	8811 Orion Place	Columbus	(614) 515-4434
Ohio	Dalcan Limited Liability Company	689 Howe Avenue	Cuyahoga Falls	(330) 928-0112
Ohio	CAD Capital, LLC	1203 Brown Street	Dayton	(937) 223-6700
Ohio	CAD Capital, LLC	6130 Wilmington Pike	Dayton	(937) 848-4900
Ohio	CAD Capital, LLC	3281 Dayton-Xenia Road	Dayton	(937) 412-0147
Ohio	CAD Capital, LLC	750 West Central Ave	Delaware	(740) 362-1001
Ohio	CAD Capital, LLC	6589 Artesian Run, Suite C	Delaware	(740) 990-4513
Ohio	Cadle Limited Liability Company	6104 Harrison Ave	Dent	(513) 574-1341
Ohio	CAD Capital, LLC	6665 Perimeter Loop Road	Dublin	(614) 760-9650
Ohio	CAD Capital, LLC	6108 Parkcenter Circle	Dublin	(614) 442-4458
Ohio	CAD Capital, LLC	6120 Sawmill Road	Dublin	(380) 206-5918
Ohio	Dalcan Limited Liability Company	38295 Chestnut Ridge Road	Elyria	(440) 219-4029
Ohio	CAD Capital, LLC	9194 N Main St	Englewood	(937) 832-7919
Ohio	CAD Capital, LLC	91 N. Hamilton Road	Gahanna	(614) 342-7130
Ohio	CAD Capital, LLC	1786 Stringtown Road	Grove City	(614) 539-3100
Ohio	Cadle Limited Liability Company	5875 Dixie Highway	Fairfield	(513) 870-3030
Ohio	Dalcan Limited Liability Company	2855 West Market Street	Fairlawn	(330) 869-2093
Ohio	Cadle Limited Liability Company	3417 Princeton Road	Hamilton	(513) 893-8500
Ohio	CAD Capital, LLC	729 Hebron Rd	Heath	(740) 322-6238
Ohio	CAD Capital, LLC	3625 Fishinger Boulevard	Hilliard	(614) 876-9900
Ohio	CAD Capital, LLC	1531 Hilliard Rome Road	Hilliard	(614) 335-6100
Ohio	CAD Capital, LLC	8104 Old Troy Pike	Huber Heights	(937) 237-0045
Ohio	Dalcan Limited Liability Company	118 W Streetsboro Street #23	Hudson	(330) 463-5665
Ohio	Dalcan Limited Liability Company	6700 Rockside Road	Independence	(216) 447-3090
Ohio	CAD Capital, LLC	4110 FarHills Road	Kettering	(937) 296-0500
Ohio	Dalcan Limited Liability Company	4031 Cascades Blvd	Kent	(330) 968-4131
Ohio	CAD Capital, LLC	1374 Ety Rd NW Space #113	Lancaster	(740) 654-8902
Ohio	Dalcan Limited Liability Company	14701 Detroit Road Suite 100	Lakewood	(216) 920-1030
Ohio	CAD Capital, LLC	2330 Elida Road Suite A	Lima	(419) 222-3700
Ohio	CAD Capital, LLC	1830 Harding Highway	Lima	(419) 229-9797
Ohio	CAD Capital, LLC	2070 Walker Lake Road	Mansfield	(419) 774-9700
Ohio	CAD Capital, LLC	1402 Lexington Avenue	Mansfield	(419) 755-5566
Ohio	CAD Capital, LLC	1623 Marion-Mt Gilead Road	Marion	(740) 386-5100
Ohio	Pan Pennsylvania LLC	506 ½ Pike Street, Suite A	Marietta	(740) 760-8530
Ohio	CAD Capital, LLC	1091 Lydia Drive	Marysville	(937) 303-9710
Ohio	Cadle Limited Liability Company	5095 Deerfield Blvd	Mason	(513) 770-0160
Ohio	Cadle Limited Liability Company	5270 Kings Mill Rd	Mason	(513) 336-0374
Ohio	Dalcan Limited Liability Company	2010 Lincoln Way East	Massillon	(330) 837-1384
Ohio	Dalcan Limited Liability Company	6036 Mayfield Road	Mayfield Heights	(440) 646-2233
Ohio	Dalcan Limited Liability Company	Hillcrest Hospital 6780 Mayfield Road	Mayfield Heights	(440) 484-2180
Ohio	Dalcan Limited Liability Company	4065 Pearl Road	Medina	(330) 721-4728
Ohio	Dalcan Limited Liability Company	9587 Mentor Avenue	Mentor	(440) 639-1176
Ohio	Dalcan Limited Liability Company	7373 Mentor Avenue	Mentor	(440) 975-9022
Ohio	CAD Capital, LLC	10551 Innovation Drive	Miamisburg	(937) 247-0700
Ohio	Dalcan Limited Liability Company	18020 Bagley Road	Middleburg Heights	(440) 234-6900
Ohio	Cadle Limited Liability Company	1066 State Route 28	Milford	(513) 831-8700
Ohio	CAD Capital, LLC	1555 Coshocton Ave	Mt. Vernon	(740) 399-5100
Ohio	CAD Capital, LLC	5477 New Albany Rd	New Albany	(614) 855-8701

State	Entity Name	Street Address	City	Phone
Ohio	Dalcan Limited Liability Company	12500 Beard Street	New Springfield	(330) 542-9830
Ohio	Dalcan Limited Liability Company	3500 E South Range Road	New Springfield	(330) 542-9747
Ohio	Dalcan Limited Liability Company	5675 Youngstown-Warren Road	Niles	(330) 505-3395
Ohio	Dalcan Limited Liability Company	6543 Strip Avenue NW	North Canton	(330) 433-1922
Ohio	Dalcan Limited Liability Company	26086 Brookpark Road	North Olmsted	(440) 801-9023
Ohio	Dalcan Limited Liability Company	32305 Lorain Road	North Ridgeville	(440) 327-2500
Ohio	Dalcan Limited Liability Company	8233 Golden Link Boulevard	Northfield	(330) 467-6060
Ohio	Compass Group USA, Inc.	Miami University, 550 E Spring Street, Room 1006	Oxford	(513) 593-8157
Ohio	Dalcan Limited Liability Company	8109 W Ridgewood Dr	Parma	(440) 885-7033
Ohio	CAD Capital, LLC	9755 Liberty Market Way	Powell	(614) 761-3100
Ohio	CAD Capital, LLC	2374 Taylor Road	Reynoldsburg	(614) 860-0500
Ohio	Dalcan Limited Liability Company	19705 Center Ridge Road	Rocky River	(440) 331-0555
Ohio	Dalcan Limited Liability Company	7337 Broadview Road	Seven Hills	(216) 328-1274
Ohio	Dalcan Limited Liability Company	5382 Abbe Rd	Sheffield Village	(440) 934-8008
Ohio	Dalcan Limited Liability Company	6130 Kruse Drive	Solon	(440) 914-0523
Ohio	Dalcan Limited Liability Company	13901 Cedar Road	South Euclid	(216) 932-3578
Ohio	CAD Capital, LLC	1950 North Bechtle Avenue	Springfield	(937) 390-1600
Ohio	Pan Pennsylvania LLC	67800 Mall Ring Road	St. Clairsville	(740) 695-7445
Ohio	Dalcan Limited Liability Company	4338 Kent Road	Stow	(330) 475-0503
Ohio	Dalcan Limited Liability Company	1059 Graham Road	Stow	(330) 922-8006
Ohio	Dalcan Limited Liability Company	17800 Royalton Road	Strongsville	(440) 846-0377
Ohio	CAD Capital, LLC	7170 Fourwinds Court	Sunbury	(740) 362-0110
Ohio	Sodexo Operations, LLC	Promedica Hospital 2142 North Cove Blvd.	Toledo	(567) 861-0130
Ohio	CAD Capital, LLC	1920 West Main Street	Troy	(937) 335-4200
Ohio	Dalcan Limited Liability Company	8928 Darrow Rd	Twinsburg	(330) 486-0600
Ohio	Dalcan Limited Liability Company	135 Great Oaks Trail	Wadsworth	(330) 336-4600
Ohio	Dalcan Limited Liability Company	3641 Elm Road Northeast	Warren	(330) 372-3390
Ohio	Dalcan Limited Liability Company	4301 Richmond Road	Warrensville Heights	(216) 910-1090
Ohio	CAD Capital, LLC	821 Lyons Road	Washington Township	(937) 432-9010
Ohio	Cadle Limited Liability Company	7725 Voice of America Centre Dr	West Chester	(513) 779-5511
Ohio	Cadle Limited Liability Company	9444 Civic Centre Blvd	West Chester	(513) 755-7040
Ohio	Cadle Limited Liability Company	8210 Market Place Dr	West Chester	(513) 860-0047
Ohio	CAD Capital, LLC	555 South State Street	Westerville	(614) 865-1212
Ohio	Dalcan Limited Liability Company	26137 Detroit Road	Westlake	(440) 899-4944
Ohio	CAD Capital, LLC	3934 Burbank Road	Wooster	(330) 345-8080
Ohio	CAD Capital, LLC	85 Worthington Mall Suite 120	Worthington	(614) 785-9600
Ohio	Dalcan Limited Liability Company	5503 Mahoning Avenue	Youngstown	(330) 259-0078
Ohio	CAD Capital, LLC	3780 Frazeyburg Rd	Zanesville	(740) 487-1492
Oklahoma	Manna OKMO, LLC	2201 W Detroit Street	Broken Arrow	(918) 258-7700
Oklahoma	Manna OKMO, LLC	1472 South Bryant Avenue	Edmond	(405) 844-5525
Oklahoma	Manna OKMO, LLC	7199 SE 29th Street	Midwest City	(405) 869-0550
Oklahoma	Manna OKMO, LLC	2101 South Telephone Road	Moore	(405) 300-7114
Oklahoma	Manna OKMO, LLC	2200 West Main Street	Norman	(405) 447-0000
Oklahoma	Manna OKMO, LLC	3321 Northwest Expressway	Oklahoma City	(405) 840-8222
Oklahoma	Manna OKMO, LLC	10600 S Pennsylvania Avenue	Oklahoma City	(405) 378-8353
Oklahoma	Manna OKMO, LLC	7101 Northwest Expressway Street	Oklahoma City	(405) 722-0084
Oklahoma	Manna OKMO, LLC	6410 SW 3rd Street	Oklahoma City	(405) 789-3972
Oklahoma	Manna OKMO, LLC	4225 W Memorial Rd Suite 500	Oklahoma City	(405) 302-0500
Oklahoma	Manna OKMO, LLC	12417 E 96th Street N	Owasso	(918) 272-6331
Oklahoma	Manna OKMO, LLC	113 West Hall of Fame Avenue	Stillwater	(405) 385-0276
Oklahoma	Manna OKMO, LLC	1624 East 15th Street	Tulsa	(918) 583-5454
Oklahoma	Manna OKMO, LLC	5601 East 41st Street	Tulsa	(918) 663-1600
Oklahoma	Manna OKMO, LLC	7547A S. Olympia Avenue West	Tulsa	(918) 447-0023
Oklahoma	Manna OKMO, LLC	10752 South Memorial Drive E.	Tulsa	(918) 970-4039
Oklahoma	Manna OKMO, LLC	7110 S 101st E Ave	Tulsa	(918) 250-0196
Oklahoma	Sodexo Operations, LLC	Oral Roberts University, 7777 S Lewis Ave.	Tulsa	(918) 495-6429

State	Entity Name	Street Address	City	Phone
Oregon	Manna NW, LLC	320 Airport Road SE	Albany	(541) 666-5799
Oregon	Manna NW, LLC	3435 SW Cedar Hills Blvd Ste. A	Beaverton	(503) 643-5920
Oregon	Manna NW, LLC	335 NW 4th St	Corvallis	(541) 738-8277
Oregon	Manna NW, LLC	1017 NW Civic Drive	Gresham	(503) 665-6951
Oregon	Manna NW, LLC	12190 SE 82nd Ave Ste H-129	Happy Valley	(503) 654-7900
Oregon	Manna NW, LLC	7202 NE Cornell Rd	Hillsboro	(503) 547-8284
Oregon	Manna NW, LLC	6110 Keizer Station Blvd	Keizer	(503) 393-2827
Oregon	Manna NW, LLC	3 Garfield St	Medford	(541) 930-3131
Oregon	Manna NW, LLC	1400 N. Tomahawk Island Drive	Portland	(503) 285-0200
Oregon	Manna NW, LLC	11563 NE Glenn Widing Dr	Portland	(503) 251-9796
Oregon	Manna NW, LLC	2825 Commercial Street SE Suite#150	Salem	(503) 362-3404
Oregon	Manna NW, LLC	799 Lancaster Drive, Suite 110 Northeast	Salem	(971) 239-4650
Oregon	Manna NW, LLC	21174 SW Langer Farms Parkway	Sherwood	(503) 822-4430
Oregon	Manna NW, LLC	2810 Gateway Street	Springfield	(541) 225-6532
Oregon	Manna NW, LLC	10230 SW Washington Square Rd	Tigard	(503) 495-5915
Oregon	Manna NW, LLC	7149 SW Nyberg St Building L	Tualatin	(503) 691-2162
Oregon	Manna NW, LLC	3000 Sprague Lane	Woodburn	(503) 981-0404
Pennsylvania	Pan Pennsylvania LLC	4960 William Flynn Hwy	Allison Park	(724) 443-8888
Pennsylvania	Pan Pennsylvania LLC	156 Falon Lane	Altoona	(814) 204-0073
Pennsylvania	American Bread Company LLC	601 S Trooper Road	Audubon	(610) 631-7733
Pennsylvania	American Bread Company LLC	2605 Street Road	Bensalem	(215) 639-2046
Pennsylvania	Pan Pennsylvania LLC	5243 Library Road	Bethel Park	(412) 854-2007
Pennsylvania	Pan Pennsylvania LLC	1025 Washington Pike	Bridgeville	(412) 220-7512
Pennsylvania	American Bread Company LLC	1991 Sproul Road	Broomall	(610) 325-5340
Pennsylvania	Pan Pennsylvania LLC	330 New Castle Road	Butler	(724) 282-0349
Pennsylvania	Pan Pennsylvania LLC	4127 Washington Road	Canonsburg	(724) 942-5728
Pennsylvania	Pan Pennsylvania LLC	47 Holiday Inn Road	Clarion	(814) 374-5836
Pennsylvania	American Bread Company LLC	51 Town Center Drive Suite 2	Collegeville	(610) 489-4765
Pennsylvania	American Bread Company LLC	42 Ridge Pike	Conshohocken	(484) 530-5070
Pennsylvania	Pan Pennsylvania LLC	20111 Route 19	Cranberry Township	(724) 779-5060
Pennsylvania	American Bread Company LLC	73 Old Dublin Pike	Doylestown	(215) 345-1380
Pennsylvania	Cadle Limited Liability Company	1935 Keystone Drive	Erie	(814) 866-7588
Pennsylvania	Cadle Limited Liability Company	2501 West 12th Street	Erie	(814) 833-9101
Pennsylvania	Cadle Limited Liability Company	4014 Peach St.	Erie	(814) 864-2640
Pennsylvania	Cadle Limited Liability Company	4299 Buffalo Road	Erie	(814) 899-8290
Pennsylvania	American Bread Company LLC	151 East Swedesford Road	Exton	(610) 524-1631
Pennsylvania	American Bread Company LLC	152 E Street Road	Feasterville	(215) 355-7158
Pennsylvania	Pan Pennsylvania LLC	300 Greengate Center Circle	Greensburg	(724) 552-0399
Pennsylvania	Pan Pennsylvania LLC	5256 Route 30	Greensburg	(724) 219-8898
Pennsylvania	American Bread Company LLC	116 Township Line Road Suite 210	Havertown	(610) 446-1041
Pennsylvania	Cadle Limited Liability Company	2390 East State Street	Hermitage	(724) 346-6242
Pennsylvania	American Bread Company LLC	1641 The Fairway	Jenkintown	(215) 886-2380
Pennsylvania	Pan Pennsylvania LLC	400 Town Centre Dr	Johnstown	(814) 619-0166
Pennsylvania	American Bread Company LLC	150 Allendale Road	King of Prussia	(610) 265-1498
Pennsylvania	American Bread Company LLC	1345 Lincoln Highway	Levittown	(215) 269-0522
Pennsylvania	American Bread Company LLC	1075 W Baltimore Pike Suite A	Media	(610) 892-3753
Pennsylvania	Pan Pennsylvania LLC	100 Wagner Road	Monaca	(724) 775-7950
Pennsylvania	Pan Pennsylvania LLC	4172 William Penn Highway	Monroeville	(412) 856-6899
Pennsylvania	Pan Pennsylvania LLC	9898 University Blvd.	Moon Township	(412) 262-1939
Pennsylvania	Pan Pennsylvania LLC	1500 Washington Road Space 2404	Mount Lebanon	(412) 388-1303
Pennsylvania	Pan Pennsylvania LLC	4899 William Penn Hwy	Murrysville	(724) 733-0890
Pennsylvania	Pan Pennsylvania LLC	8901 Route 30	North Huntingdon	(724) 978-0436
Pennsylvania	American Bread Company LLC	101 West Germantown Pike Suite 5	Norristown	(610) 277-6550
Pennsylvania	American Bread Company LLC	21 Airport Square	North Wales	(215) 412-9000
Pennsylvania	Pan Pennsylvania LLC	3800 Forbes Avenue	Oakland	(412) 683-3727

State	Entity Name	Street Address	City	Phone
Pennsylvania	Pan Pennsylvania LLC	666 Allegheny River Blvd	Oakmont	(412) 794-8013
Pennsylvania	American Bread Company LLC	3900 City Avenue	Philadelphia	(215) 877-1474
Pennsylvania	American Bread Company LLC	48 North 12th St	Philadelphia	(215) 574-7678
Pennsylvania	American Bread Company LLC	9898 E. Roosevelt Blvd Suite 101	Philadelphia	(215) 677-1571
Pennsylvania	American Bread Company LLC	University of Pennsylvania 200 S. 40th Street	Philadelphia	(215) 222-1821
Pennsylvania	American Bread Company LLC	Children's Hospital of Philadelphia, 3500 Civic Center Blvd	Philadelphia	(215) 240-1644
Pennsylvania	Aramark Food And Support Services Group, Inc.	Temple University 1800 North Broad St	Philadelphia	(215) 204-6162
Pennsylvania	Pan Pennsylvania LLC	942 Freeport Road	Pittsburgh	(412) 799-0210
Pennsylvania	Pan Pennsylvania LLC	400 Penn Center Boulevard	Pittsburgh	(412) 816-5820
Pennsylvania	Pan Pennsylvania LLC	250 McHolme Drive	Pittsburgh	(412) 747-0460
Pennsylvania	Pan Pennsylvania LLC	1900 Greentree Road	Pittsburgh	(412) 572-3480
Pennsylvania	Pan Pennsylvania LLC	3401 Boulevard of the Allies	Pittsburgh	(412) 683-9616
Pennsylvania	Pan Pennsylvania LLC	5430 Centre Avenue	Pittsburgh	(412) 687-2177
Pennsylvania	Pan Pennsylvania LLC	295 Settlers Ridge Drive	Pittsburgh	(412) 446-0300
Pennsylvania	Pan Pennsylvania LLC	136 Bakery Square Blvd	Pittsburgh	(412) 363-5434
Pennsylvania	Pan Pennsylvania LLC	8800 Covenant Ave	Pittsburgh	(412) 364-3602
Pennsylvania	Pan Pennsylvania LLC	5301 Grove Road	Pittsburgh	(412) 892-8011
Pennsylvania	Pan Pennsylvania LLC	University of Pittsburgh Medical Center, Scaife Hall, 3550 Terrace St	Pittsburgh	(412) 743-0085
Pennsylvania	Pan Pennsylvania LLC	623 Clairton Boulevard	Pleasant Hills	(412) 655-8380
Pennsylvania	American Bread Company LLC	202 Shoemaker Road	Pottstown	(610) 427-8244
Pennsylvania	American Bread Company LLC	139 N West End Blvd	Quakertown	(215) 536-8506
Pennsylvania	Pan Pennsylvania LLC	7217 McKnight Road	Ross Township	(412) 635-9481
Pennsylvania	American Bread Company LLC	1022 Baltimore Pike	Springfield	(610) 690-2450
Pennsylvania	Pan Pennsylvania LLC	2005 Pittsburgh Mills Blvd	Tarentum	(724) 407-1274
Pennsylvania	Pan Pennsylvania LLC	105 Matthew Drive	Uniontown	(724) 439-8670
Pennsylvania	American Bread Company LLC	1521 Main Street	Warrington	(215) 491-7841
Pennsylvania	Pan Pennsylvania LLC	108 Trinity Pointe Drive	Washington	(724) 225-9778
Pennsylvania	American Bread Company LLC	267 E Swedesford Road	Wayne	(610) 688-4978
Pennsylvania	American Bread Company LLC	1115 West Chester Pike	West Chester	(610) 431-1130
Pennsylvania	Pan Pennsylvania LLC	210 West Bridge Street	West Homestead	(412) 464-1244
Pennsylvania	Pan Pennsylvania LLC	12071 Perry Highway	Wexford	(724) 934-1044
Pennsylvania	American Bread Company LLC	30 Park Avenue	Willow Grove	(215) 657-7600
Pennsylvania	American Bread Company LLC	278 East Lancaster Avenue	Wynnewood	(610) 896-0564
Rhode Island	Howley Bread Group, Ltd.	4000 Chapel View Blvd	Cranston	(401) 946-4766
Rhode Island	Howley Bread Group, Ltd.	1000 Division Street	East Greenwich	(401) 541-9088
Rhode Island	Howley Bread Group, Ltd.	613 George Washington Highway	Lincoln	(401) 333-3718
Rhode Island	Howley Bread Group, Ltd.	43 Providence Place	Providence	(401) 248-0020
Rhode Island	Howley Bread Group, Ltd.	473 Putnam Pike Suite B1	Smithfield	(401) 233-7633
Rhode Island	Howley Bread Group, Ltd.	160 Old Tower Hill Road	Wakefield	(401) 788-0102
Rhode Island	Howley Bread Group, Ltd.	1000 Bald Hill Road	Warwick	(401) 320-1511
South Carolina	Cadle Limited Liability Company	1953 Whiskey Rd	Aiken	(803) 648-0448
South Carolina	Cadle Limited Liability Company	1264 Fording Island Drive	Bluffton	(843) 757-5611
South Carolina	Cadle Limited Liability Company	2000 Sam Rittenberg Boulevard	Charleston	(843) 556-0991
South Carolina	Cadle Limited Liability Company	5070 International Boulevard	Charleston	(843) 529-2626
South Carolina	Aramark Food And Support Services Group, Inc.	University of South Carolina 1400 Greene Street	Columbia	(803) 576-7256
South Carolina	Army and Air Force Exchange Service	Fort Jackson Army Base, 4172 Liberty Division Rd	Columbia	(803) 790-1645
South Carolina	Cadle Limited Liability Company	6080 Garners Ferry Road	Columbia	(803) 647-9722
South Carolina	Cadle Limited Liability Company	933 Gervais Street	Columbia	(803) 799-3060
South Carolina	Cadle Limited Liability Company	1321 Robert's Branch Parkway	Columbia	(803) 708-9198
South Carolina	Cadle Limited Liability Company	277 Harbison Blvd	Columbia	(803) 407-5773
South Carolina	Cadle Limited Liability Company	100 Woody Jones Blvd	Florence	(843) 629-8511
South Carolina	Cadle Limited Liability Company	5416 Sunset Blvd	Lexington	(803) 359-3652
South Carolina	Cadle Limited Liability Company	1135 Muhlenbergia Drive Suite 103	Mt. Pleasant	(843) 375-6488
South Carolina	Cadle Limited Liability Company	1370 S Commons Drive Unit 101	Myrtle Beach	(843) 492-5074
South Carolina	Cadle Limited Liability Company	101 Debo Drive	Myrtle Beach	(843) 492-7370

State	Entity Name	Street Address	City	Phone
South Carolina	Cadle Limited Liability Company	2135 Ashley Phosphate Road	North Charleston	(843) 572-7388
South Carolina	Cadle Limited Liability Company	1296 Hwy 17 N	North Myrtle Beach	(843) 663-0221
South Carolina	Cadle Limited Liability Company	1311 North Main Street	Summerville	(843) 695-0500
South Carolina	Cadle Limited Liability Company	9480 Dorchester Road	Summerville	(843) 870-8936
Tennessee	Southern Bread LLC	733 Louisville Road	Alcoa	(865) 379-2306
Tennessee	Southern Bread LLC	8340 Highway #64 Suite 101	Bartlett	(901) 379-0373
Tennessee	Southern Bread LLC	417 Market Street	Chattanooga	(423) 266-2253
Tennessee	Southern Bread LLC	1810 Gunbarrel Road	Chattanooga	(423) 899-2253
Tennessee	Southern Bread LLC	562 Northgate Mall Drive Suite 102	Chattanooga	(423) 877-0223
Tennessee	Southern Bread LLC	375 Paul Huff Parkway	Cleveland	(423) 472-5444
Tennessee	Southern Bread LLC	714 Germantown Parkway Suite 39	Cordova	(901) 754-5813
Tennessee	Southern Bread LLC	7850 Poplar Avenue	Germantown	(901) 759-1439
Tennessee	Southern Bread LLC	1145 Vann Drive Suite 107	Jackson	(731) 215-6084
Tennessee	Raising Dough NC, LLC	3140 Peoples Street	Johnson City	(423) 952-2253
Tennessee	Raising Dough NC, LLC	1880 N. Eastman Road, Suite 330	Kingsport	(423) 245-9018
Tennessee	Southern Bread LLC	4851 and 4853 Kingston Pike	Knoxville	(865) 450-1002
Tennessee	Southern Bread LLC	205 North Peters Road	Knoxville	(865) 769-4292
Tennessee	Southern Bread LLC	4893 N Broadway Street NE	Knoxville	(865) 688-2393
Tennessee	Southern Bread LLC	4530 Poplar Avenue Suite 101	Memphis	(901) 767-3116
Tennessee	Southern Bread LLC	1961 Union Avenue	Memphis	(901) 725-8952
Tennessee	Southern Bread LLC	471 South Illinois Avenue	Oak Ridge	(865) 220-5699
Texas	Compass Group USA, Inc.	University of Texas at Arlington 593 S. Pecan Street	Arlington	(682) 777-5750
Texas	Rolling Dough, Ltd.	7041 FM 1960 East	Atascocita	(281) 812-4448
Texas	Rolling Dough, Ltd.	6439 Garth Road	Baytown	(281) 421-4042
Texas	Rolling Dough, Ltd.	1407 University Drive East	College Station	(979) 268-1013
Texas	Houston Bread, LLC	1302 West Davis St Ste F	Conroe	(936) 878-6900
Texas	Aramark Food And Support Services Group, Inc.	Southern Methodist University 3140 Dyer Street	Dallas	(214) 768-4300
Texas	PAFS Bread LLC	Dallas Fort-Worth Terminal A- Gate 34 2400 Aviation Drive	Dallas	(972) 973-7370
Texas	Army and Air Force Exchange Service	Fort Bliss, 1613 Marshall Road, Freedom Crossing Food Court	El Paso	(915) 581-3233
Texas	Sodexo Operations, LLC	University of Texas- El Paso, 500 W University Avenue, Union Building, Suite 207	El Paso	(915) 747-0126
Texas	Houston Bread, LLC	12220 FM 1960 West	Houston	(832) 604-2288
Texas	Houston Bread, LLC	13704 Northwest Freeway	Houston	(713) 965-7400
Texas	Houston Bread, LLC	22521 Tomball Pkwy Ste 125	Houston	(281) 493-3800
Texas	Houston Bread, LLC	19506 Katy Freeway	Houston	(281) 751-6500
Texas	Rolling Dough, Ltd.	7049 Highway 6	Houston	(281) 858-5390
Texas	Rolling Dough, Ltd.	3151 W Holcombe Blvd Suite A	Houston	(713) 821-1065
Texas	Rolling Dough, Ltd.	15450 Wallisville Road	Houston	(713) 453-1321
Texas	Rolling Dough, Ltd.	1705 W Gray Suite 100	Houston	(713) 523-1180
Texas	Rolling Dough, Ltd.	851 Dairy Ashford	Houston	(281) 531-0731
Texas	Rolling Dough, Ltd.	10550 Westheimer Road, Suite 100	Houston	(713) 977-0726
Texas	Houston Bread, LLC	25546 Kingsland Blvd	Katy	(281) 716-3700
Texas	Army and Air Force Exchange Service	Fort Cavazos Army Base, 1548 Legends Way	Killeen	(254) 213-2602
Texas	Rolling Dough, Ltd.	25665 US Highway 59 North	Kingwood	(281) 354-2668
Texas	Army and Air Force Exchange Service	Lackland Air Force Base, 2210 Kenly Ave	Lackland Air Force Base	(210) 670-2766
Texas	Rolling Dough, Ltd.	205 Highway 332 West Suite B	Lake Jackson	(979) 292-0500
Texas	Rolling Dough, Ltd.	2630 Gulf Freeway Suite A	League City	(281) 337-3425
Texas	Rolling Dough, Ltd.	5855 Fairmont Parkway	Pasadena	(281) 991-8111
Texas	Rolling Dough, Ltd.	10621 Broadway Street Suite 113	Pearland	(713) 436-6300
Texas	Rolling Dough, Ltd.	2670 Pearland Pkwy	Pearland	(832) 736-9160
Texas	Houston Bread, LLC	1448 Louetta Road	Spring	N/A
Texas	Houston Bread, LLC	3548 Rayford Road	Spring	(281) 716-3500
Texas	Rolling Dough, Ltd.	1928 Highway 6	Sugar Land	(281) 242-7323
Texas	RDXXV, LLC	155 El Dorado Blvd	Webster	(281) 286-3273

State	Entity Name	Street Address	City	Phone
Utah	American Bread Company LLC	5965 S State St	Murray	(385) 378-1135
Utah	American Bread Company LLC	887 S North County Blvd., Suites A-B	Pleasant Grove	(801) 406-8785
Utah	American Bread Company LLC	4122 Riverdale Road	Riverdale	(385) 238-3121
Utah	American Bread Company LLC	4431 West Tree Sparrow Dr	Riverton	(801) 996-4399
Utah	PAFS Bread LLC	SLC Airport 776 North Terminal Drive	Salt Lake City	(801) 657-5070
Utah	Desert Flour, L.L.C.	876 W Buena Vista Blvd	Washington	(435) 215-1214
Virginia	Army and Air Force Exchange Service	Fort Belvoir Army Base, 6095 Gorgas Road #2304	Alexandria	(703) 806-5672
Virginia	Pan Mid-Atlantic LLC	715 University City Boulevard	Blacksburg	(540) 951-8650
Virginia	Pan Mid-Atlantic LLC	121 Community St	Charlottesville	(434) 255-3123
Virginia	Pan Mid-Atlantic LLC	1121 Emmet Street N	Charlottesville	(434) 245-6192
Virginia	Pan Mid-Atlantic LLC	405 Merchant Walk Square, Bldg. 1800	Charlottesville	(434) 979-0864
Virginia	Pan Mid-Atlantic LLC	2610 N Franklin Street	Christiansburg	(540) 382-0970
Virginia	Pan Mid-Atlantic LLC	15241 Creativity Drive	Culpeper	(540) 727-0077
Virginia	Sodexo Operations, LLC	University of Mary Washington, 1301 College Ave	Fredericksburg	(540) 654-5641
Virginia	Aramark Food And Support Services Group, Inc.	James Madison University 261 East Grace Street	Harrisonburg	(540) 568-8025
Virginia	Pan Mid-Atlantic LLC	295 Burgess Road	Harrisonburg	(540) 433-6333
Virginia	Pan Mid-Atlantic LLC	3901 Old Forest Rd	Lynchburg	(434) 385-1979
Virginia	Aramark Food And Support Services Group, Inc.	Old Dominion University 4108 Monarch Way	Norfolk	(757) 683-5895
Virginia	Pan Mid-Atlantic LLC	4202 Electric Road	Roanoke	(540) 776-1001
Virginia	Pan Mid-Atlantic LLC	251 West Lee Highway Suite 227	Warrenton	(540) 341-4362
Virginia	Pan Mid-Atlantic LLC	1101 Red Top Orchard Road	Waynesboro	(540) 949-5804
Virginia	Pan Mid-Atlantic LLC	2605 S Pleasant Valley Road Ste. 101	Winchester	(540) 722-4235
Washington	Pan Washington LLC	1022 Outlet Collection Way SW	Auburn	(253) 735-6771
Washington	Pan Washington LLC	1100 Bellevue Way NE Suite 900	Bellevue	(425) 453-2600
Washington	Pan Washington LLC	4004 Factoria Blvd SE Suite A6	Bellevue	(425) 747-2265
Washington	Pan Washington LLC	1295 East Sunset Drive	Bellingham	(360) 526-6920
Washington	Pan Washington LLC	20502 98th St East, Suite A	Bonney Lake	(253) 300-4124
Washington	Pan Washington LLC	21221 Bothell Everett Hwy	Bothell	(425) 424-3933
Washington	Pan Washington LLC	1749 S Burlington Blvd	Burlington	(360) 707-0894
Washington	Pan Washington LLC	7929 Lake Ballinger Way	Edmonds	(425) 640-2025
Washington	Pan Washington LLC	304 SE Everett Mall Way	Everett	(425) 265-9531
Washington	Pan Washington LLC	2107 South 320th Street	Federal Way	(253) 839-2499
Washington	Pan Washington LLC	4751 Point Fosdick Dr NW	Gig Harbor	(253) 853-4004
Washington	Pan Washington LLC	775 NW Gilman Blvd	Issaquah	(425) 369-6180
Washington	Manna NW, LLC	207 Three Rivers Rd	Kelso	(360) 846-2660
Washington	Pan Washington LLC	521 2nd Place North Suite 101	Kent	(253) 854-1711
Washington	Pan Washington LLC	1320 Marvin Road NE Suite E	Lacey	(360) 456-4069
Washington	Pan Washington LLC	5606 Lakewood Towne Center Blvd SW	Lakewood	(253) 588-4669
Washington	Pan Washington LLC	26535 Maple Valley Black Diamond Rd SE	Maple Valley	(425) 310-0012
Washington	Army and Air Force Exchange Service	Joint Base Lewis-McChord, 5280 Pendleton Ave, Building MS-46	McChord	(253) 964-4430
Washington	Pan Washington LLC	2525 Capital Mall Drive	Olympia	(360) 252-4677
Washington	Pan Washington LLC	3610 South Meridian	Puyallup	(253) 445-6590
Washington	Pan Washington LLC	17262 Redmond Way	Redmond	(425) 497-0727
Washington	Pan Washington LLC	921 North 10th Street Suite E	Renton	(425) 917-5383
Washington	Pan Washington LLC	9995 Silverdale Way Northwest	Silverdale	(360) 698-6801
Washington	Pan Washington LLC	4502 S Steele St Suite 125	Tacoma	(253) 475-6741
Washington	Pan Washington LLC	17250 Southcenter Pkwy Suite 152	Tukwila	(425) 251-8700
Washington	Pan Washington LLC	9324 34th Avenue NE	Tulalip	(360) 716-3366
Washington	Manna NW, LLC	915 SE 164th Avenue Suite 104	Vancouver	(360) 892-5322
Washington	Manna NW, LLC	7200 NE Hwy 99	Vancouver	(360) 258-2149
Washington	Pan Washington LLC	13780 NE 175th St Suite 102	Woodinville	(425) 482-7966
West Virginia	Pan Pennsylvania LLC	905 Ring Road	Barboursville	(304) 302-5700
West Virginia	Pan Pennsylvania LLC	1410 N Eisenhower Dr Suite A	Beckley	(304) 250-0070
West Virginia	Pan Pennsylvania LLC	2830 Mountaineer Blvd	Charleston	(304) 746-4090

State	Entity Name	Street Address	City	Phone
West Virginia	Pan Pennsylvania LLC	103 Emily Drive	Clarksburg	(304) 624-0892
West Virginia	Pan Pennsylvania LLC	65 Liberty Square	Hurricane	(681) 235-3100
West Virginia	Pan Mid-Atlantic LLC	888 Foxcroft Avenue	Martinsburg	(304) 260-0860
West Virginia	Pan Pennsylvania LLC	357 Patteson Drive	Morgantown	(304) 598-3901
West Virginia	Pan Mid-Atlantic LLC	72 Oak Lee Drive	Ranson	(304) 728-3000
West Virginia	Pan Pennsylvania LLC	506 Cabela Drive	Triadelphia	(304) 547-0315
West Virginia	Pan Pennsylvania LLC	810 Grand Central Ave	Vienna	(304) 485-8392
West Virginia	Pan Pennsylvania LLC	215 Middletown Loop	White Hall	(681) 322-3055
Wyoming	Manna Colorado, LLC	2440 Dell Range Blvd.	Cheyenne	(307) 274-3544

EXHIBIT H-2 TO FDD

LIST OF FORMER FRANCHISEES

EXHIBIT H-2 TO FDD**LIST OF FORMER FRANCHISEES**

If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

In 2025, Chicago Bread, L.L.C. closed one (1) Bakery-Cafe in Illinois and continues to operate in the system.	In 2025, Kind Bread LLC closed one (1) Bakery-Cafe in Arizona and continues to operate in the system.
Risen Bread, LLC 2211 Encinitas Blvd., Suite 100 Encinitas, CA 92024 (760) 944-1070	In 2025, Risen Bread, LLC closed one (1) Bakery-Cafe in California and continues to operate in the system.
Manna Colorado, LLC 2211 Encinitas Blvd., Suite 100 Encinitas, CA 92024 (760) 944-1070	In 2025, Manna Colorado, LLC closed two (2) Bakery-Cafes in Colorado and continues to operate in the system.
Panaderias, LLC 7695 SW 104th Street, Suite 100 Pinecrest, FL 33516 (386) 852-5330	In 2025, Panaderias, LLC closed one (1) Bakery-Cafe in Florida and continues to operate in the system.
BRHPAN II - Georgia, LLC 3309 Collins Lane Louisville, KY 40245 (502) 805-1351	In 2025, BRHPAN II - Georgia, LLC closed two (2) Bakery-Cafe in Georgia and continues to operate in the system.
Chicago Bread, L.L.C. 1855 South Ingram Road Springfield, MO 65804 (417) 887-7677	In 2025, Chicago Bread, L.L.C. closed one (1) Bakery-Cafe in Illinois and continues to operate in the system.
Cadle Limited Liability Company 3900 East Market Street Warren, OH 44484 (330) 856-3176	In 2025, Cadle Limited Liability Company closed one (1) Bakery-Cafe in Ohio and continues to operate in the system.
Doherty Breads Long Island, LLC 7 Pearl Court Allendale, NJ 07401 (201) 818-4669	In 2025, Doherty Breads Long Island, LLC closed two (2) Bakery-Cafes in Ohio and continues to operate in the system.
Doherty Breads NYC, LLC 7 Pearl Court Allendale, NJ 07401 (201) 818-4669	In 2025, Doherty Breads NYC, LLC closed one (1) Bakery-Cafe in Ohio and continues to operate in the system.
American Bread Company LLC 8905 Lake Avenue Cleveland, OH 44102 (216) 961-6767	In 2025, American Bread Company LLC closed one (1) Bakery-Cafe in Pennsylvania and continues to operate in the system.
Pan Pennsylvania LLC 225 Bush Street, Suite 1800 San Francisco, CA 94104 (216) 525-2775	In 2025, Pan Pennsylvania LLC closed two (2) Bakery-Cafe in Pennsylvania and continues to operate in the system.
Raising Dough NC, LLC 3900 East Market Street Warren, OH 44484 (330) 856-3176	In 2025, Raising Dough NC, LLC closed one (1) Bakery-Cafe in South Carolina and continues to operate in the system.
Rolling Dough, Ltd. 13809 Research Blvd., Suite 810 Austin, TX 78750 (512) 401-6550	In 2025, Rolling Dough, Ltd. closed one (1) Bakery-Cafe in Texas and continues to operate in the system.
EYM Café of Texas, LLC 4925 N. O'Conner Road, #200 Irving, TX 75038 (214) 819-9800	In 2025, EYM Café of Texas, LLC closed fifteen (15) Bakery-Cafes in Texas and left the system.

EXHIBIT I TO FDD

FINANCIAL STATEMENTS/PANERA BRANDS, INC. GUARANTY

Panera Brands, Inc.
Consolidated Financial Statements

As of December 31, 2025 and December 31, 2024; and for the Fiscal Years Ended
December 31, 2025, December 31, 2024, and December 31, 2023

Panera Brands, Inc.

Index to Consolidated Financial Statements

<u>Reports of Independent Registered Public Accounting Firms</u>	<u>3</u>
<u>Consolidated Balance Sheets</u>	<u>9</u>
<u>Consolidated Statements of Operations</u>	<u>10</u>
<u>Consolidated Statements of Comprehensive Income (Loss)</u>	<u>11</u>
<u>Consolidated Statements of Cash Flows</u>	<u>12</u>
<u>Consolidated Statements of Changes in Equity and Mezzanine Equity</u>	<u>13</u>
<u>Notes to the Consolidated Financial Statements</u>	<u>14</u>



KPMG LLP
Suite 900
10 South Broadway
St. Louis, MO 63102-1761

Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors
Panera Brands, Inc.:

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheets of Panera Brands, Inc. and subsidiaries (the Company) as of December 31, 2025 and 2024, the related consolidated statements of operations, comprehensive income (loss), changes in equity and mezzanine equity, and cash flows for each of the years in the three-year period ended December 31, 2025, and the related notes (collectively, the consolidated financial statements). In our opinion, based on our audits and the report of Grant Thornton LLP, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2025, in conformity with U.S. generally accepted accounting principles.

We did not audit the consolidated financial statements of Caribou Coffee Company, Inc., a wholly-owned subsidiary, which statements reflect total assets constituting 13 percent and 12 percent as of December 31, 2025 and 2024, respectively, and total revenues constituting 23 percent, 23 percent, and 21 percent in 2025, 2024, and 2023, respectively, of the related consolidated totals. Those statements were audited by Grant Thornton LLP, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Caribou Coffee Company, Inc., is based solely on the report of Grant Thornton LLP.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB and in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits and the report of Grant Thornton LLP provide a reasonable basis for our opinion.



Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the consolidated financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Indicators of impairment of long-lived assets

As discussed in Note 2 to the consolidated financial statements, the Company evaluates whether events or changes in circumstances have occurred that indicate the remaining estimated useful lives of long-lived assets, including definite-lived intangible assets, may warrant revision or that the remaining balance of an asset may not be recoverable. Property and equipment, net, operating lease assets, and other intangible assets, net as of December 31, 2025, were \$1,026.3 million, \$1,281.4 million, and \$230.2 million, respectively.

We identified the Company's evaluation of events or changes in circumstances that may indicate impairment of long-lived assets at the Panera Bread reportable segment as a critical audit matter. Subjective auditor judgment was required to evaluate the impairment indicators used to assess the Panera Bread reportable segment, including the cash flow thresholds and period of cash flows, as well as the Company's consideration of other qualitative factors.

The following are the primary procedures we performed to address this critical audit matter. We evaluated the Company's identification and evaluation of impairment indicators for each asset group. Specifically, we evaluated the Company's assessment of the cash flows at the asset group level and qualitative factors relevant to the asset groups by:

- Inspecting operating and cash flow results by asset groups
- Comparing actual operating and cash flow results to historical results and industry trends
- Reviewing board and committee meeting minutes and presentation materials to assess whether other events or changes in circumstances have occurred that indicated potential impairment

Impairment assessment of goodwill in the Retail reporting unit and trademark within the Panera Bread segment

As discussed in Notes 8 and 9 to the consolidated financial statements, the goodwill balance related to the Panera Bread segment was \$3,862.5 million and the trademark balance was \$4,157.5 million, both as of December 31, 2025. As discussed in Note 2, the Company assesses goodwill and indefinite-lived intangible assets, including the trademark, for impairment annually on December 1st, or upon the occurrence of events or changes in circumstances that indicate impairment may exist. Goodwill and the trademark are tested for impairment by estimating the fair value of the reporting unit or trademark and, if the carrying amount of the reporting unit or the trademark exceeds its estimated fair value, an impairment charge is recorded to reduce the carrying value of the reporting unit or the trademark to its estimated fair value. The Company estimates the fair value of a reporting unit using an income approach and market approach. The Company estimates the fair value of the trademark using an income approach.

We identified the evaluation of impairment of goodwill for the Retail reporting unit and the trademark, both within the Panera Bread segment, as a critical audit matter. Subjective auditor judgment was required to evaluate forecasted revenue assumptions used in the income approach, and the selection of comparable public companies used in the income and market approaches. Specifically, forecasted revenue is based on expected sales trends and development for which the outcomes are uncertain, and changes to these



assumptions and the selected comparable public companies could have had a significant impact on the Company's estimate of the fair value of the Retail reporting unit and the trademark. Additionally, the audit effort associated with the evaluation of the assumptions required specialized skills and knowledge.

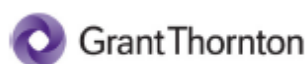
The following are the primary procedures we performed to address this critical audit matter. We evaluated the reasonableness of the Company's forecasted revenue, including expected sales trends and future development, by comparing them to the business initiatives put in place by the Company, historical performance, and external market and industry data. In addition, we involved valuation professionals with specialized skills and knowledge, who assisted in:

- evaluating the Company's forecasted revenue assumptions by comparison to publicly available market data for comparable companies
- evaluating the appropriateness of the selected comparable public companies by evaluating similarities of operating and financial characteristics

KPMG LLP

We have served as the Company's auditor since 2017.

St. Louis, Missouri
March 31, 2026



GRANT THORNTON LLP
1801 California Street, Suite 3700
Denver, CO 80202

D +1 303 813 4000
F +1 303 839 5711

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors and Shareholders
Caribou Coffee Company Inc.

Opinion on the financial statements

We have audited the accompanying consolidated balance sheets of Caribou Coffee Company Inc. (a Delaware corporation) and subsidiaries (the "Company") as of December 30, 2025 and December 31, 2024, the related consolidated statements of operations and comprehensive income, changes in shareholders' equity, and cash flows for each of the three years in the period ended December 30, 2025, December 31, 2024, and December 26, 2023, and the related notes (collectively referred to as the "consolidated financial statements").

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 30, 2025 and December 31, 2024, and the results of its operations and its cash flows for each of the three years in the period ended December 30, 2025, December 31, 2024, and December 26, 2023, in conformity with accounting principles generally accepted in the United States of America.

Basis for opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the auditing standards of the PCAOB and in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the

financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical audit matter

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing a separate opinion on the critical audit matters or on the accounts or disclosures to which it relates.

Goodwill impairment assessment

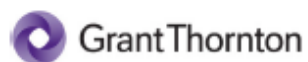
As described further in Notes 1 and 4 to the consolidated financial statements, goodwill is evaluated for impairment annually as of December 1st or more frequently when impairment indicators are present. Management estimates the fair value of each reporting unit using a discounted cash flow method, a form of the income approach, as well as a market approach. The determination of the fair value of a reporting unit requires management to make significant assumptions regarding future growth rates, terminal values and discount rates. If the carrying value of the reporting unit exceeds its fair value, the Company recognizes an impairment charge for the difference up to the carrying value of the allocated goodwill. If the fair value of the reporting unit exceeds its carrying value, additional impairment analysis is not required. The Company recorded goodwill impairment in the Coffee Retail reporting unit of \$19.3 million.

The Company has \$322.6 million of goodwill as of December 30, 2025, of which \$80.2 million relates to the Coffee Retail reporting unit. We identified the annual goodwill impairment assessment of the Coffee Retail reporting unit as of the annual impairment assessment date of December 1, 2025 as a critical audit matter.

The principal consideration for our determination that the annual goodwill impairment assessment of the Coffee Retail reporting unit in the year ended December 30, 2025 is a critical audit matter is the high degree of auditor judgment necessary in evaluating key assumptions made by management in the valuation models used to determine the fair value of the reporting units. Specifically, changes to the key assumptions, including projected revenues and expenses and the discount rates, could have significant effect on the Company's assessment of the fair value of the reporting units and the amount of any goodwill impairment charge. Auditing these assumptions required subjective auditor judgment due to the estimation uncertainty.

Our audit procedures related to the annual goodwill impairment assessment Coffee Retail reporting unit in the year ended December 30, 2025 included the following, among others.

- We evaluated the reasonableness of projected revenue and expenses by comparing them to the historical results of the reporting units and assessing the impacts of internal and/or external economic factors.



- We assessed the impact of internal initiatives by evaluating management's intent and ability to carry out planned courses of action.
- We evaluated the consistency of the assumptions used with evidence obtained in other areas of the audit.
- We evaluated the reasonableness of the discount rate utilized in the discounted cash flow model with the assistance of our internal valuation specialists.

Grant Thornton LLP

We have served as the Company's auditor since 2015.

Denver, Colorado
March 30, 2026

PANERA BRANDS, INC.
CONSOLIDATED BALANCE SHEETS
(in thousands, except share and per share information)

	December 31, 2025	December 31, 2024
Assets		
Current assets:		
Cash and cash equivalents	\$ 89,140	\$ 126,968
Trade accounts receivable, net	64,300	62,359
Other accounts receivable	106,051	92,608
Inventories	58,064	53,697
Prepaid expenses and other	48,115	47,727
Total current assets	365,670	383,359
Property and equipment, net	1,026,302	1,001,824
Operating lease assets	1,281,363	1,256,359
Other assets:		
Goodwill	4,200,276	4,694,183
Trademarks, net	4,157,500	4,232,500
Other intangible assets, net	230,212	245,389
Deposits and other	28,668	25,976
Total other assets	8,616,656	9,198,048
Total assets	<u>\$ 11,289,991</u>	<u>\$ 11,839,590</u>
Liabilities, Mezzanine Equity and Stockholders' Equity		
Current liabilities:		
Accounts payable	\$ 106,192	\$ 144,926
Structured payables	13,188	49,742
Accrued expenses	531,656	638,451
Operating lease liabilities - current	212,762	195,132
Current portion of long-term debt	96,021	98,075
Warrant liability - current	578,098	—
Total current liabilities	1,537,917	1,126,326
Operating lease liabilities - non-current	1,185,468	1,155,919
Long-term debt	2,384,661	2,300,174
Deferred income taxes	1,051,421	1,062,459
Warrant liability - non-current	—	567,885
Other long-term liabilities	196,128	187,828
Total liabilities	6,355,595	6,400,591
Commitments and contingencies (Note 14)		
Mezzanine equity:		
Redeemable noncontrolling interest and puttable common shares	170,956	216,308
Stockholders' equity:		
Common stock, \$0.01 par value per share; 70,000,000 shares authorized; 51,865,597 shares issued and 51,478,550 shares outstanding at December 31, 2025 and 51,819,113 shares issued and 51,776,251 shares outstanding at December 31, 2024	518	518
Treasury stock, carried at cost; 387,047 shares at December 31, 2025 and 42,862 shares at December 31, 2024	(53,703)	(8,015)
Additional paid-in capital	5,194,265	5,148,649
Accumulated other comprehensive income (loss)	(2,401)	19,123
Retained earnings (accumulated deficit)	(378,103)	59,494
Stockholders' equity	4,760,576	5,219,769
Noncontrolling interest	2,864	2,922
Total stockholders' equity	4,763,440	5,222,691
Total liabilities, mezzanine equity and stockholders' equity	<u>\$ 11,289,991</u>	<u>\$ 11,839,590</u>

The accompanying notes are an integral part of the consolidated financial statements.

PANERA BRANDS, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except per share information)

	For the fiscal year ended		
	December 31, 2025	December 31, 2024	December 31, 2023
Revenues:			
Bakery-cafe sales, net	\$ 3,936,664	\$ 3,958,218	\$ 4,101,308
Franchise royalties, IT and other fees	221,047	225,583	232,665
Franchise advertising	108,670	98,312	117,905
Manufacturing and other product sales	347,300	412,041	500,312
Total revenues	\$ 4,613,681	\$ 4,694,154	\$ 4,952,190
Costs and expenses:			
Bakery-cafe expenses:			
Cost of food and paper products	\$ 1,028,996	\$ 1,044,819	\$ 1,138,000
Labor	1,175,304	1,218,477	1,209,714
Occupancy	341,449	327,319	312,977
Other operating expenses	699,073	683,233	701,774
Total bakery-cafe expenses	3,244,822	3,273,848	3,362,465
Manufacturing and other product cost of sales	261,904	321,863	389,977
Franchise IT and other expenses	36,942	38,524	39,755
Franchise advertising expenses	108,670	98,312	117,966
Depreciation and amortization	253,834	251,646	226,202
General and administrative expenses	393,912	433,368	424,641
Goodwill and trademark impairment	568,893	158,515	—
Pre-opening expenses	13,858	12,986	9,120
Total costs and expenses	4,882,835	4,589,062	4,570,126
Operating profit (loss)	(269,154)	105,092	382,064
Interest expense, net	136,411	124,925	155,399
Other (income) expense, net	21,677	(186,869)	3,430
Income (loss) before income taxes	(427,242)	167,036	223,235
Income taxes (benefit)	8,461	33,400	50,121
Net income (loss)	\$ (435,703)	\$ 133,636	\$ 173,114
Less: Net income attributable to noncontrolling interest	1,894	2,986	5,003
Net income (loss) attributable to Panera Brands, Inc.	\$ (437,597)	\$ 130,650	\$ 168,111
Earnings (loss) per common share:			
Basic	\$ (8.44)	\$ 2.34	\$ 3.22
Diluted	\$ (8.45)	\$ (1.08)	\$ 3.11
Weighted average shares of common and common equivalent shares outstanding:			
Basic	51,542	51,780	50,317
Diluted	51,542	55,725	54,291

The accompanying notes are an integral part of the consolidated financial statements.

PANERA BRANDS, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(in thousands)

	For the fiscal year ended		
	December 31, 2025	December 31, 2024	December 31, 2023
Net income (loss)	\$ (435,703)	\$ 133,636	\$ 173,114
Other comprehensive income (loss), net of tax:			
Unrealized gains (losses) on cash flow hedging instruments, net of tax of \$2,287, (\$9,008), and \$14,145	(7,010)	27,607	(43,778)
Unrealized gains on settlement of interest rate swaps, net of tax of (\$17,284)	—	—	53,563
Reclassification adjustment for net gains realized in earnings on cash flow hedging instruments, net of tax of \$4,812, \$14,040, and \$13,465	(14,748)	(43,031)	(41,676)
Foreign currency translation adjustment	47	(66)	17
Other comprehensive income (loss)	(21,711)	(15,490)	(31,874)
Comprehensive income (loss)	(457,414)	118,146	141,240
Comprehensive income (loss) attributable to noncontrolling interest	1,707	2,810	4,614
Comprehensive income (loss) attributable to Panera Brands, Inc. .	<u>\$ (459,121)</u>	<u>\$ 115,336</u>	<u>\$ 136,626</u>

The accompanying notes are an integral part of the consolidated financial statements.

PANERA BRANDS, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	For the fiscal year ended		
	December 31, 2025	December 31, 2024	December 31, 2023
Cash flows from operating activities:			
Net income (loss)	\$ (435,703)	\$ 133,636	\$ 173,114
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Depreciation and amortization	253,834	251,646	226,202
Stock-based compensation expense	46,206	41,192	32,025
Deferred income taxes	(10,103)	(15,314)	17,234
Goodwill and trademark impairment	568,893	158,515	—
Change in fair value of warrant liabilities	21,607	(189,867)	3,459
Other	1,781	(21,292)	4,234
Changes in operating assets and liabilities, excluding the effect of acquisitions and dispositions:			
Trade and other accounts receivable, net	(21,964)	29,258	(13,221)
Inventories	(4,367)	2,052	(1,176)
Prepaid expenses and other	(791)	(1,255)	(10,568)
Deposits and other	970	(1,499)	7,431
Accounts payable	(41,223)	(71,715)	11,423
Accrued expenses	(75,911)	41,248	26,184
Operating lease assets and liabilities	11,302	(6,600)	(3,486)
Other long-term liabilities	9,001	56,812	6,431
Net cash provided by operating activities	323,532	406,817	479,286
Cash flows from investing activities:			
Additions to property and equipment	(262,691)	(283,013)	(281,236)
Acquisitions, net of cash acquired	—	(3,960)	—
Proceeds from disposal of property and equipment	332	—	1,714
Proceeds from the divestiture of certain operations	—	211,530	—
Proceeds from the settlement of interest rate swaps	—	—	70,847
Proceeds from refranchisings	—	—	7,200
Proceeds from sale-leaseback transactions	—	—	3,430
Net cash used in investing activities	(262,359)	(75,443)	(198,045)
Cash flows from financing activities:			
Repayments of long-term debt	(103,523)	(103,324)	(603,068)
Proceeds from issuance of long-term debt	435,000	1,367	2,265
Repayments of borrowings under revolving credit facilities	(405,000)	(220,000)	(160,000)
Proceeds from borrowings under revolving credit facilities	155,000	210,000	—
Payment of debt issuance costs	(4,942)	(694)	—
Proceeds from structured payables	96,719	187,857	735,704
Payments on structured payables	(133,273)	(383,481)	(860,845)
Acquisitions of noncontrolling interest and puttable common shares	(123,468)	(31,028)	(53,721)
Issuance of subsidiary common stock	2,147	2,283	1,981
Issuance of common stock	—	231	680,983
Repurchase of common stock	(7,814)	(231)	(2,614)
Acquisition of warrants	(9,084)	—	—
Dividends	—	—	(89,957)
Distributions to noncontrolling interest	(763)	(931)	(929)
Net cash used in financing activities	(99,001)	(337,951)	(350,201)
Net decrease in cash and cash equivalents	(37,828)	(6,577)	(68,960)
Cash and cash equivalents at beginning of period	126,968	133,545	202,505
Cash and cash equivalents at end of period	\$ 89,140	\$ 126,968	\$ 133,545

The accompanying notes are an integral part of the consolidated financial statements.

PANERA BRANDS, INC.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY AND MEZZANINE EQUITY
(in thousands)

	Common Stock		Treasury Stock		Additional Paid-in Capital	Retained Earnings (Accumulated Deficit)	Accumulated Other Comprehensive Income (Loss)	Noncontrolling Interest	Total	Mezzanine Equity Redeemable Noncontrolling Interest and Puttable Common Shares
	Shares	Amount	Shares	Amount						
Balance, December 31, 2022	48,259	\$ 483	7	\$ (1,339)	\$ 4,265,810	\$ (157,195)	\$ 65,922	\$ 2,913	\$ 4,176,594	\$ 303,886
Net income	—	—	—	—	—	168,111	—	960	169,071	4,043
Stock-based compensation expense	—	—	—	—	—	—	—	—	—	32,656
Unrealized loss on derivative securities, net of tax	—	—	—	—	—	—	(43,272)	—	(43,272)	(506)
Realized gain on derivative securities, net of tax	—	—	—	—	—	—	(41,205)	—	(41,205)	(471)
Acquisitions of noncontrolling interest and puttable common shares	(3)	—	3	(571)	(13,137)	—	—	—	(13,708)	(39,993)
Repurchase of common stock	(14)	—	14	(2,614)	—	—	—	—	(2,614)	—
Issuance of subsidiary common stock	—	—	—	—	—	—	—	—	—	1,981
Distributions to noncontrolling interest	—	—	—	—	—	—	—	(929)	(929)	—
Unrealized gains on settlement of interest rate swaps, net of tax	—	—	—	—	—	—	52,975	—	52,975	588
Dividends	—	—	—	—	—	(82,072)	—	—	(82,072)	(1,782)
Issuance of common stock	3,534	35	—	—	673,948	—	—	—	673,983	7,000
Exercise of warrants	14	—	—	—	2,614	—	—	—	2,614	—
Fair value remeasurements	—	—	—	—	12,469	—	—	—	12,469	(12,469)
Other	—	—	—	—	191	—	17	—	208	(156)
Balance, December 31, 2023	51,790	\$ 518	24	\$ (4,524)	\$ 4,941,895	\$ (71,156)	\$ 34,437	\$ 2,944	\$ 4,904,114	\$ 294,777
Net income	—	—	—	—	—	130,650	—	909	131,559	2,077
Stock-based compensation expense	—	—	—	—	—	—	—	—	—	41,503
Unrealized gain on derivative securities, net of tax	—	—	—	—	—	—	27,293	—	27,293	314
Realized gain on derivative securities, net of tax	—	—	—	—	—	—	(42,541)	—	(42,541)	(490)
Acquisitions of noncontrolling interest and puttable common shares	(18)	—	18	(3,260)	4,363	—	—	—	1,103	(66,045)
Repurchase of common stock	(1)	—	1	(231)	—	—	—	—	(231)	—
Issuance of subsidiary common stock	—	—	—	—	—	—	—	—	—	2,283
Distributions to noncontrolling interest	—	—	—	—	—	—	—	(931)	(931)	—
Common control transactions	—	—	—	—	142,608	—	—	—	142,608	—
Issuance of common stock	3	—	—	—	231	—	—	—	231	1,378
Exercise of warrants	1	—	—	—	231	—	—	—	231	—
Fair value remeasurements	—	—	—	—	57,733	—	—	—	57,733	(57,733)
Other	1	—	—	—	1,588	—	(66)	—	1,522	(1,756)
Balance, December 31, 2024	51,776	\$ 518	43	\$ (8,015)	\$ 5,148,649	\$ 59,494	\$ 19,123	\$ 2,922	\$ 5,222,691	\$ 216,308
Net income (loss)	—	—	—	—	—	(437,597)	—	705	(436,892)	1,189
Stock-based compensation expense	—	—	—	—	—	—	—	—	—	46,674
Unrealized loss on derivative securities, net of tax	—	—	—	—	—	—	(6,934)	—	(6,934)	(76)
Realized gain on derivative securities, net of tax	—	—	—	—	—	—	(14,637)	—	(14,637)	(111)
Acquisitions of noncontrolling interest and puttable common shares	(285)	—	285	(37,874)	40,728	—	—	—	2,854	(92,345)
Repurchase of common stock	(59)	—	59	(7,814)	—	—	—	—	(7,814)	—
Issuance of subsidiary common stock	—	—	—	—	—	—	—	—	—	2,147
Distributions to noncontrolling interest	—	—	—	—	—	—	—	(763)	(763)	—
Issuance of common stock	29	—	—	—	—	—	—	—	—	—
Exercise of warrants	18	—	—	—	2,311	—	—	—	2,311	—
Fair value remeasurements	—	—	—	—	2,497	—	—	—	2,497	(2,497)
Other	—	—	—	—	80	—	47	—	127	(333)
Balance, December 31, 2025	51,479	\$ 518	387	\$ (53,703)	\$ 5,194,265	\$ (378,103)	\$ (2,401)	\$ 2,864	\$ 4,763,440	\$ 170,956

The accompanying notes are an integral part of the consolidated financial statements.

PANERA BRANDS, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. Description of Business and Basis of Presentation

Description of Business

Panera Brands, Inc. ("Panera Brands," the "Company," "we," "us" or "our") operates and franchises bakery-cafes in the fast casual segment of the restaurant industry. Panera Brands is made up of three reportable segments, Panera Bread, Caribou Coffee, and Einstein Bros. Brands. As of December 31, 2025, Panera Brands had approximately 3,877 bakery-cafes system-wide, excluding the 266 Einstein Bros. Brands licensed bakery-cafes, which have lower average unit volumes.

Panera Bread specializes in meeting consumer dining needs by providing high-quality food and targets urban and suburban dwellers and workers by offering a premium specialty bakery-cafe experience with a neighborhood emphasis. In addition to the in-bakery-cafe dining experience, Panera Bread offers nation-wide catering and delivery services that provide breakfast assortments, sandwiches, salads, soups, pasta dishes, drinks, and bakery items using the same high-quality, fresh ingredients enjoyed in bakery-cafes. The Panera Bread segment operates retail bakery-cafe businesses and franchising businesses under the concept names Panera Bread® and Saint Louis Bread Co.®. As of December 31, 2025, the retail operations of Panera Bread consisted of 1,132 company-owned bakery-cafes. In addition, Panera Bread franchised 1,117 bakery-cafes as of December 31, 2025. Bakery-cafes are located in urban, suburban, strip mall, regional mall, university and hospital locations and currently operate in the United States and Canada. Panera Bread also sells a broad range of products through grocery, mass wholesalers, club retailers, and other channels in collaboration with licensed business partners as part of its Panera at Home business.

Caribou Coffee sells high-quality premium coffee and espresso-based beverages, and coffee lifestyle items. The Caribou Coffee segment operates, franchises, and licenses branded retail bakery-cafes under the concept name Caribou Coffee®. As of December 31, 2025, the retail operations of Caribou Coffee consisted of 350 company-owned retail locations. In addition, Caribou Coffee franchised or licensed 521 bakery-cafes as of December 31, 2025.

Einstein Bros. Brands businesses sell high quality bagels, made-to-order sandwiches, food and other bakery items at their bakery-cafes and also sell branded products through grocery, club and food service distribution channels. The Einstein Bros. Brands segment operates, franchises and licenses branded specialty bagel bakery-cafes. All references to "Einstein Bros. Brands" refer to specialty bagel bakery-cafes operating under the concept names Einstein Bros. Bagels®, Bruegger's Bagels®, Noah's New York Bagels®, and Manhattan Bagel Company®. As of December 31, 2025, the retail operations of Einstein Bros. Brands consisted of 575 company-owned retail locations. In addition, Einstein Bros. Brands franchised 182 bakery-cafes as of December 31, 2025, excluding the 266 Einstein Bros. Brands licensed bakery-cafes, which have lower average unit volumes.

Basis of Presentation

The consolidated financial statements of the Company have been prepared in accordance with generally accepted accounting principles in the United States ("GAAP"). The consolidated financial statements consist of the accounts of Panera Brands, Inc., its wholly owned direct and indirect subsidiaries and investees it controls. All intercompany balances and transactions have been eliminated in consolidation. Certain reclassifications have been made to previously reported financial information to conform to the Company's current year presentation.

Fiscal Year

Panera Brands, Inc.'s fiscal year ends on December 31. Panera Brands, Inc.'s reportable segments, Panera Bread, Caribou Coffee, and Einstein Bros. Brands, have different fiscal year-end dates and different fiscal quarter-end dates than Panera Brands, Inc., with the fiscal year for each of the reportable segments ending on the last Tuesday in December of each year.

For fiscal years 2023, 2024, and 2025, the fiscal year-end date for each reportable segment was December 26, 2023, December 31, 2024, and December 30, 2025, with fiscal year 2024 containing fifty-three weeks for the reportable segments and fiscal years 2023 and 2025 each containing fifty-two weeks for the reportable segments. The difference in fiscal year-end dates between Panera Brands, Inc. and its reportable segments was not deemed to be material. Therefore, there were no adjustments made during consolidation and references in the consolidated financial statements to the reportable segments' financial information, and the amounts, percentages and figures as of or in the fiscal years ended December 31, 2023, December 31, 2024, and December 31, 2025 refer to their respective amounts, percentages and figures as of or in the fiscal years ended December 26, 2023, December 31, 2024, and December 30, 2025, respectively.

PANERA BRANDS, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

2. Summary of Significant Accounting Policies

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Recently Adopted Accounting Pronouncements

In December 2023, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures, which requires public entities, on an annual basis, to provide disclosure of specific categories in the rate reconciliation, as well as disclosure of income taxes paid disaggregated by jurisdiction. ASU 2023-09 is effective for fiscal years beginning after December 15, 2024, with early adoption permitted. The Company adopted ASU 2023-09 for the year ended December 31, 2025, and applied the new disclosure requirements prospectively to the current annual period. Prior period disclosures have not been adjusted to reflect the new disclosure requirements. See Note 15, Income Taxes, in the accompanying notes to the consolidated financial statements for further detail.

Recent Accounting Pronouncements Not Yet Adopted

In November 2024, the FASB issued ASU 2024-03, Income Statement-Reporting Comprehensive Income-Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses, which requires public entities, on an interim and annual basis, to disclose additional information about specific expense categories in the notes to the financial statements. ASU 2024-03 is effective for fiscal years beginning after December 15, 2026, and for interim periods beginning after December 15, 2027, with early adoption permitted. The Company is currently evaluating the impact of adopting ASU 2024-03.

Common Control Transactions

As described in Note 4, Acquisitions and Divestitures, in March 2024, Caribou Coffee sold its roasting operations in Minnesota and its office, coffee, and foodservice contracts to a subsidiary of JDE Peet’s N.V. (“JDEP”). JDEP and the Company were under common control at the time of the transaction. In conjunction with the sale, Caribou Coffee also licensed the rights to its brand for use in consumer-packaged goods and foodservice channels. As consideration, Caribou Coffee received a payment of \$268.5 million. Caribou Coffee recognized \$211.5 million of the consideration as proceeds from the sale of a business to an entity under common control. The difference between the carrying amount of net assets derecognized, including goodwill of \$27.8 million, and the consideration from the sale of the business of \$211.5 million was accounted for as an equity transaction, an increase in additional paid-in capital of \$142.6 million. Caribou Coffee recognized the remaining \$57.0 million of the consideration as deferred revenue. Caribou Coffee will recognize the deferred revenue on a straight-line basis over the estimated economic life of the arrangement of 25 years.

Cash and Cash Equivalents

The Company considers all highly liquid investments with an original maturity at the time of purchase of three months or less to be cash equivalents. The Company maintains cash balances with financial institutions that exceed federally insured limits. The Company has not experienced any losses related to these balances and believes credit risk to be minimal.

Trade Accounts Receivable, net and Other Accounts Receivable

Trade accounts receivable, net consists primarily of amounts due to the Company from its franchisees for purchases of fresh dough and other products from the Company’s fresh dough facilities, royalties due to the Company from franchisee sales, information technology services provided to franchisees, and receivables from credit card and catering on-account sales.

As of December 31, 2025, other accounts receivable consisted primarily of \$27.6 million due from wholesalers of the Company’s gift cards, tenant allowances due from landlords of \$15.0 million, and \$30.9 million due from income tax refunds. As of December 31, 2024, other accounts receivable consisted primarily of \$23.7 million due from wholesalers of the Company’s gift cards, tenant allowances due from landlords of \$18.1 million, and \$4.1 million due from income tax refunds.

PANERA BRANDS, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

The Company maintains allowances for potential uncollectible accounts based on historical losses and existing economic conditions, when relevant. The allowance for doubtful accounts at December 31, 2025 and December 31, 2024 was \$0.4 million and \$0.5 million, respectively.

Inventories

Inventories, which consist of food products, paper goods, and supplies, are valued at the lower of cost or net realizable value, with cost determined under the first-in, first-out method.

Property and Equipment, net

Property, equipment, leasehold improvements, and land are stated at cost less accumulated depreciation. Depreciation is recognized using the straight-line method over the estimated useful lives of the assets. Leasehold improvements are depreciated using the straight-line method over the shorter of their estimated useful lives or the related reasonably assured lease term. Costs incurred in connection with the development of internal-use software are capitalized in accordance with the accounting standard for internal-use software and are amortized over the expected useful life of the software. The estimated useful lives used for financial statement purposes are:

Leasehold improvements	10 - 20 years
Machinery and equipment	3 - 20 years
Furniture and fixtures	2 - 7 years
Computer software	3 - 5 years

Upon retirement or sale, the cost of assets disposed and their related accumulated depreciation are removed from the Company's accounts. Any resulting gain or loss is credited or charged to operations. Maintenance and repairs are charged to expense when incurred, while certain improvements are capitalized. The total amounts expensed for maintenance and repairs was \$102.7 million, \$98.9 million, and \$98.5 million for fiscal 2025, fiscal 2024, and fiscal 2023, respectively.

Business Combinations

Acquisitions are accounted for as purchases in accordance with the provisions of FASB ASC Topic 805, Business Combinations, as amended ("ASC Topic 805"). Assets acquired and liabilities assumed are recorded at fair values at the acquisition date with the remainder of the consideration, if any, recorded as goodwill. The Company expenses acquisition-related costs as incurred.

Indefinite-Lived Intangible Assets and Goodwill

Goodwill represents the excess of consideration transferred over the fair value of the net assets acquired and liabilities assumed in a business combination. The Company's indefinite-lived intangible assets consist of the following trademarks: Panera Bread, St. Louis Bread Co., Caribou Coffee, Einstein Bros. Bagels, Noah's New York Bagels, and Bruegger's. We assess the recoverability of indefinite-lived intangible assets and goodwill annually on December 1st, or upon the occurrence of events or changes in circumstances that would indicate impairment may exist.

When assessing the recoverability of the trademarks and goodwill, we may first perform an assessment of qualitative factors. We may elect to skip the qualitative assessment and proceed directly to the quantitative analysis, for any reporting unit or trademark, in any period. If we do not perform a qualitative assessment, or if we determine it is not more-likely-than-not that the fair value of the trademark or reporting unit exceeds its carrying amount, we calculate the estimated fair value of the trademark or reporting unit. If the carrying amount of the trademark or reporting unit exceeds the estimated fair value, an impairment charge is recorded to reduce the carrying value to the estimate fair value.

When estimating the fair value of the Company's trademarks, such determination is made using the relief from royalty method. The relief from royalty method is an income approach that discounts estimates of our theoretical royalty savings from ownership of the trademarks. The fair value of a reporting unit is the price a willing buyer would pay for the reporting unit and is estimated using an income approach and market approach.

In connection with its annual impairment assessment during the fourth quarter of fiscal 2025, the Company elected to bypass the qualitative assessment and perform the quantitative goodwill impairment analysis. The Company also performed a quantitative impairment analysis for its indefinite-lived intangible assets, consisting of its trademarks. For Panera Bread, the

PANERA BRANDS, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

impairment test completed during the fourth quarter of fiscal 2025 indicated the fair values of the Panera Bread retail and supply chain reporting units did not exceed their carrying values, which resulted in an impairment of goodwill for the Panera Bread retail and supply chain reporting units of \$459.2 million and \$15.4 million, respectively. Further, the fair values of the Panera Bread and St. Louis Bread Co. trademarks did not exceed their carrying values, which resulted in an impairment of \$75.0 million. For Caribou Coffee, the impairment test completed during the fourth quarter of fiscal 2025 indicated the fair value of the Caribou Coffee retail reporting unit did not exceed its carrying value, which resulted in an impairment of goodwill for the Caribou Coffee retail reporting unit of \$19.3 million. The impairment charges reflect a decline in forecasted revenue, a decline in forecasted margins, and a higher discount rate, when compared to prior impairment tests.

In connection with its annual impairment assessment during the fourth quarter of fiscal 2024, the Company identified triggering events that indicated the Panera Bread and St. Louis Bread Co. trademarks and goodwill allocated to the Panera Bread reportable segment's reporting units might be impaired. The triggering events related to negative trends in Panera Bread comparable same-store sales and a decline in the fair value of Panera Bread's common stock. As a result, the Company performed a quantitative test of the Panera Bread and St. Louis Bread Co. trademarks and the Panera Bread reporting units. The impairment test completed in the fourth quarter of fiscal 2024 indicated the fair value of the Panera Bread and St. Louis Bread Co. trademarks exceeded their carrying value by less than 20% and the fair value of the retail reporting unit exceeded its carrying value by less than 10%. However, the fair value of the Panera Bread supply chain reporting unit did not exceed its carrying value, which resulted in an impairment of goodwill of \$158.5 million in fiscal 2024.

The Panera Bread supply chain reporting unit supplies dough, produce, and other items to most company-owned and franchise-operated bakery-cafes. The sales, costs, and operating profit related to the sales to Company-owned bakery-cafes are eliminated in consolidation in the Consolidated Statements of Operations. The valuation of the Panera Bread supply chain reporting unit in fiscal 2024 assumed a reduced profit forecast due to Panera Bread's ongoing transformation of its bakery and supply chain operations, which the Company refers to as the Panera Bread bakery transformation.

In performing the quantitative tests of goodwill in fiscal 2025 and fiscal 2024, the Company primarily used the income approach method of valuation that included the discounted cash flow method and the market approach that included the guideline public company method to determine the fair value of the reporting units. Significant assumptions used to determine fair value under the discounted cash flow method included expected sales trends, bakery-cafe development, and operating expenses for each of the reporting units, and an appropriate discount rate based on the weighted average cost of capital. Significant assumptions used to determine fair value under the guideline public company method included comparable public companies and profitability multiples for each of the reporting units. In performing the quantitative tests of the trademarks, the Company used the relief from royalty method. Significant assumptions used to determine fair value under the relief from royalty method included expected sales trends, assumed royalty rates that could be payable if the Company did not own the trademarks, and an appropriate discount rate based on the weighted average cost of capital.

During fiscal 2023, the Company elected to perform a qualitative assessment for its annual review of its trademarks and goodwill to determine whether or not indicators of impairment exist. As a result of the qualitative assessment, no indicators of impairment were identified and no additional indicators of impairment were identified through the end of our fourth fiscal quarter that would have required us to test further for impairment.

Other Intangible Assets

Definite-lived intangible assets recorded in other intangible assets, net in the Consolidated Balance Sheets consists of franchise agreements, a technology-related intangible asset, a non-compete agreement, customer relationships, tradenames and trademarks. Definite-lived intangible assets are amortized over their estimated useful lives. Franchise agreements are amortized over their estimated useful lives, originally estimated at 7 to 25 years. The technology-related intangible asset is amortized over its estimate useful life, originally estimated at 24 years. The acquired non-compete agreement was amortized over its estimated useful life of 1 year. Acquired customer relationships are amortized over their estimated useful lives, originally estimated at 3 to 4 years.

Impairment of Long-Lived Assets

The Company evaluates whether events or changes in circumstances have occurred that indicate the remaining estimated useful lives of long-lived assets, including definite-lived intangible assets, may warrant revision or that the remaining balance of an asset may not be recoverable. When such an event or change in circumstance is identified, the Company compares anticipated undiscounted cash flows from the related asset group with their respective carrying values to determine if the long-lived assets are recoverable. If the sum of the anticipated undiscounted cash flows for the asset group is less than their carrying value, an impairment loss is recognized for the difference between the anticipated discounted cash flows, which approximates fair value, and the carrying value of the long-lived assets.

PANERA BRANDS, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

During fiscal 2025, the Company recognized impairment losses totaling \$4.7 million related to certain underperforming Company-owned bakery-cafes, which included \$2.9 million of equipment and leasehold improvement impairments and \$1.8 million of right-of-use asset impairments. During fiscal 2024, the Company recognized impairment losses totaling \$3.5 million related to certain underperforming Company-owned bakery-cafes, which included \$2.3 million of equipment and leasehold improvement impairments and \$1.2 million of right-of-use asset impairments. During fiscal 2023, the Company recognized impairment losses totaling \$1.6 million related to certain underperforming Company-owned bakery-cafes, which included \$1.0 million of equipment and leasehold improvement impairments and \$0.6 million of right-of-use asset impairments. The equipment and leasehold improvement impairments were recorded in depreciation and amortization expense in the Consolidated Statements of Operations. The right-of-use asset impairments were recorded in occupancy expense in the Consolidated Statements of Operations.

Accounts Payable

As part of the Company's ongoing efforts to improve cash flow and related liquidity, the Company negotiates with suppliers to optimize terms and conditions, which include the extension of payment terms. The Company also has agreements with third-party administrators to allow participating suppliers to sell payment obligations from the Company to financial institutions, if voluntarily elected by the supplier. Suppliers can sell one or more of the Company's payment obligations at their sole discretion and the rights and obligations of the Company to its suppliers are not impacted. The Company has no economic interest in a supplier's decision to enter into these agreements. The Company's obligations to its suppliers, including amounts due and scheduled payment terms, are not impacted. All outstanding payments owed under the programs are recorded within accounts payable in the Consolidated Balance Sheets, unless designated as structured payables, as described below. All payment activities related to the supplier finance programs are presented within the increase (decrease) in accounts payable line in the Consolidated Statements of Cash Flows, unless designated as structured payables, as described below.

Included in the Company's accounts payable in the Consolidated Balance Sheets as of December 31, 2024 were \$7.4 million of outstanding payment obligations due to suppliers under the supplier finance programs. The rollforward of outstanding payment obligations under the supplier finance programs was as follows (in thousands):

Obligations outstanding, December 31, 2023	\$ 44,943
Invoices confirmed during the fiscal year	7,372
Invoices paid during the fiscal year	(44,943)
Obligations outstanding, December 31, 2024	\$ 7,372
Invoices confirmed during the fiscal year	—
Invoices paid during the fiscal year	(7,372)
Obligations outstanding, December 31, 2025	\$ —

Structured Payables

The Company has supply chain financing programs allowing participating suppliers to sell payment obligations from the Company to financial institutions, if voluntarily elected by the supplier, as described above. The Company also utilizes purchase card programs and virtual credit card programs with sponsoring financial institutions, whereby the card sponsors pay amounts on behalf of the Company. The card sponsors will then bill the Company the original payment amount. The Company Credit Facility, as further defined below in Note 12, Debt, provides for the designation of supply chain financing liabilities, among a variety of other liabilities, as "Deposit Obligations" entitled to security of the collateral under the Company Credit Facility. Supply chain financing liabilities designated as "Deposit Obligations" and amounts due to the card sponsors under the purchase card and virtual credit card programs have been classified as "structured payables" in the Consolidated Balance Sheets. Proceeds and payments related to structured payables transactions are recorded as a financing activity in the Consolidated Statements of Cash Flows. As of December 31, 2025 and December 31, 2024, outstanding structured payables were \$13.2 million and \$49.7 million, respectively. The rollforward of outstanding structured payables was as follows (in thousands):

PANERA BRANDS, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

Structured payables outstanding, December 31, 2023	\$ 245,366
Invoices confirmed during the fiscal year	187,857
Invoices paid during the fiscal year	(383,481)
Structured payables outstanding, December 31, 2024	\$ 49,742
Invoices confirmed during the fiscal year	96,719
Invoices paid during the fiscal year	(133,273)
Structured payables outstanding, December 31, 2025	\$ 13,188

Self-Insurance Reserves

The Company is self-insured for a significant portion of its workers' compensation, group health, and general, auto, and property liability insurance with varying deductibles of as much as \$1.0 million for individual claims, depending on the type of claim. The Company also purchases aggregate stop-loss and/or layers of loss insurance in many categories of loss. The Company utilizes third party actuarial experts' estimates of expected losses based on statistical analyses of the Company's actual historical data and historical industry data to determine required self-insurance reserves. The assumptions are closely reviewed, monitored, and adjusted when warranted by changing circumstances. The estimated accruals for these liabilities could be affected if actual experience related to the number of claims and cost per claim differs from these assumptions and historical trends. As of December 31, 2025 and December 31, 2024, self-insurance reserves were \$73.1 million and \$77.9 million, respectively, and were included in accrued expenses in the Consolidated Balance Sheets. The total amounts expensed for self-insurance were \$98.1 million, \$99.3 million, and \$105.2 million for fiscal 2025, fiscal 2024, and fiscal 2023, respectively.

Income Taxes

We recognize deferred tax assets and liabilities for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using enacted income tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. Any effect on deferred tax assets and liabilities from a change in tax rates is recognized in income in the period that includes the enactment date. The Company assesses all available positive and negative evidence to estimate if the existing deferred tax assets will be realized. As of December 31, 2025 and December 31, 2024, a valuation allowance of \$2.7 million has been recorded for the portion of the deferred tax assets that are not more likely than not to be realized. The valuation allowance as of December 31, 2025 and December 31, 2024 relates to Canadian net operating loss and state credit carryforwards that are not expected to be realized before expirations of the attribute carryforwards.

In accordance with the authoritative guidance on income taxes, we establish additional provisions for income taxes when, despite the belief that tax positions are fully supportable, there remain certain positions that do not meet the minimum probability threshold, which is a tax position that is more likely than not to be sustained upon ultimate settlement with tax authorities assuming full knowledge of the position and all relevant facts. In the normal course of business, we and our subsidiaries are examined by various federal, state, foreign, and other tax authorities. We regularly assess the potential outcomes of these examinations and any future examinations for the current or prior years in determining the adequacy of its provision for income taxes. We routinely assess the likelihood and amount of potential adjustments and adjust the income tax provision, the current tax liability and deferred taxes in the period in which the facts that give rise to a revision become known. We classify estimated interest and penalties related to the unrecognized tax benefits as a component of the provision for income taxes in the Consolidated Statements of Operations.

Capitalization of Certain Development Costs

The Company accounts for construction costs in accordance with the accounting standard for real estate in the Company's consolidated financial statements. The Company capitalizes direct costs clearly associated with the acquisition, development, design, and construction of bakery-cafe locations and fresh dough facilities as these costs have a future benefit to the Company. The types of specifically identifiable costs capitalized by the Company include primarily payroll and payroll related taxes and benefit costs incurred by those individuals directly involved in development activities, including the acquisition, development, design, and construction of bakery-cafes and fresh dough facilities. The Company does not consider for capitalization payroll or payroll-related costs incurred by individuals that do not directly support the acquisition, development, design, and construction of bakery-cafes and fresh dough facilities. The Company uses an activity-based methodology to determine the amount of costs incurred for Company-owned projects, which are capitalized, and those for franchise-operated projects and general and administrative activities, which both are expensed as incurred. If the Company subsequently makes a determination that sites for which development costs have been capitalized will not be acquired or developed, any previously capitalized

PANERA BRANDS, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

development costs are expensed and included in general and administrative expenses in the Consolidated Statements of Operations.

The Company capitalized \$9.7 million, \$10.7 million, and \$12.2 million during fiscal 2025, fiscal 2024, and fiscal 2023, respectively. The Company amortizes capitalized development costs for each bakery-cafe and fresh dough facility using the straight-line method over the shorter of their estimated useful lives or the related reasonably assured lease term and includes such amounts in depreciation and amortization in the Consolidated Statements of Operations. In addition, the Company assesses the recoverability of capitalized costs through the performance of impairment analyses on an individual bakery-cafe and fresh dough facility basis pursuant to the accounting standard for property and equipment, net specifically related to the accounting for the impairment or disposal of long-lived assets.

Deferred Financing Costs

Debt issuance costs incurred in connection with term loan borrowings are capitalized and amortized to interest expense using the effective interest method. Debt issuance costs incurred in connection with revolving credit facilities are capitalized and amortized to interest expense using the straight-line method.

Revenue Recognition

Revenue is measured based on consideration specified in contracts with customers. The Company recognizes revenue when it satisfies a performance obligation by transferring control over a product or service to a customer. Taxes assessed by a governmental authority that are both imposed on and concurrent with a specific revenue-producing transaction, that are collected by the Company from a customer, are excluded from revenue. Delivery costs, including freight associated with our dough and other product sales, are accounted for as fulfillment costs and are included in operating costs.

The Company records revenues from bakery-cafe sales, net of discounts and incentives, upon delivery of the related food and other products to the customer. Revenues from manufacturing and other product sales are recorded upon delivery to the franchisees. The Company distributes product to grocery stores through direct distribution networks, as well as independent distributors who do not take title to the inventory, and revenue is recognized when the product is delivered to the grocer. In addition, the Company has distributors where title does pass to the distributor, and, therefore, revenue is recorded upon delivery to the distributor. Revenues are reported excluding sales, use or other transaction taxes that are collected from customers and remitted to taxing authorities.

Franchise royalties are recognized as revenue in the period in which the sales are reported to have occurred based on contractual royalty rates applied to the net franchise sales. The Company also recognizes as revenue certain information technology-related fees for access to and the usage of proprietary systems by our franchisees, primarily composed of fees calculated based on a percentage of franchise sales occurring on our digital channels. Franchise opening fees are recognized as revenue over the term of each respective franchise bakery-cafe agreement.

When there is no legal obligation to remit the unredeemed gift card balance in the relevant jurisdiction, we recognize gift card breakage income under the proportional method, where recognition of breakage income is based upon the historical redemption rate of unredeemed gift cards. Gift card breakage income is included as a component of bakery-cafe sales, net in the Consolidated Statements of Operations. During fiscal 2025, fiscal 2024, and fiscal 2023, the Company recognized gift card breakage as a component of bakery-cafe sales, net of \$23.3 million, \$32.8 million, and \$30.6 million, respectively. Incremental direct costs related to the sale of gift cards are deferred until the associated gift card is redeemed or breakage is deemed appropriate.

The Company maintains a customer loyalty program in which customers earn rewards based on registration in the program and purchases within bakery-cafes. The Company records the full retail value of loyalty program rewards as a reduction of net bakery-cafe sales and a liability is established within accrued expenses in the Consolidated Balance Sheets as rewards are earned while considering historical redemption rates. The accrued liability related to the Company's loyalty program was \$17.7 million and \$17.5 million as of December 31, 2025 and December 31, 2024, respectively. Costs associated with coupons are classified as a reduction of net bakery-cafe sales in the period in which the coupon is redeemed.

National advertising fund contributions received from franchise-operated bakery-cafes are recognized as franchise advertising revenues in the Consolidated Statements of Operations. Although these revenues are restricted to be used only for advertising, the Company has determined there are no performance obligations associated with the franchise advertising contributions that are separate from its royalty payment stream and, as a result, these franchise contributions and the related expenses are presented gross in the Consolidated Statements of Operations. Franchise advertising costs are expensed when the related franchise advertising revenues are recognized, as the Company is obligated to expend such revenues on advertising.

PANERA BRANDS, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

All revenue is recognized net of any discounts, returns, allowances, and sales incentives, including coupon redemptions and rebates.

Pre-Opening Expenses

Pre-opening expenses directly associated with the opening of new bakery-cafe locations, which consists primarily of pre-opening rent expense, labor, and food costs incurred during in-store training and preparation for opening, but exclude manager training costs which are included in labor expense in the Consolidated Statements of Operations, are expensed when incurred.

Lease Accounting

The Company leases land, buildings or both for most of its bakery-cafes, fresh dough facilities, and support centers. Right-of-use assets and liabilities are recognized upon lease commencement for operating leases based on the present value of lease payments over the lease term. Right-of-use assets represent the Company's right to use an underlying asset for the lease term and lease liabilities represent the Company's obligation to make lease payments arising from the lease. Subsequent amortization of the right-of-use asset and accretion of the lease liability for an operating lease is recognized as a single lease cost, on a straight-line basis, over the lease term. The Company cannot determine the interest rate implicit in its leases. Therefore, the discount rate used in determining the present value of lease payments represents the Company's incremental borrowing rate, which is determined based on the risk-free rate, adjusted for the risk premium attributed to the Company's credit rating for a secured or collateralized instrument. Leases with an initial term of 12 months or less are not recorded in the Consolidated Balance Sheets.

The length of the Company's lease terms, which often include renewal options, is an important factor in determining the appropriate accounting for leases including the initial classification of the lease as finance or operating as well as the timing of recognition of rent expense over the duration of the lease. Renewal option periods are included in determining the term of its leases when failure to renew the lease would impose a penalty on the Company in such an amount that a renewal appears to be reasonably certain at the commencement of the lease. The Company recognizes rent expense for its operating leases on a straight-line basis over the lease term. The lease term for most bakery-cafe leases is the initial non-cancelable lease term plus one renewal option period, which generally equates to an aggregate of 15 years. The lease term on most fresh dough facility leases is the initial non-cancelable lease term plus one to two renewal option periods, which generally equates to an aggregate of 20 years. In addition, certain of the Company's lease agreements provide for scheduled rent increases during the lease terms or for rental payments commencing at a date other than the date of initial occupancy. The Company includes any rent escalations and construction period and other rent holidays in its determination of straight-line rent expense. Therefore, rent expense for new bakery-cafes is charged to expense beginning on the date at which the Company has the right to control the use of the property. Certain of the Company's lease agreements also contain provisions that require additional rental payments based upon net bakery-cafe sales volume, which the Company refers to as contingent rent. Contingent rent is accrued each period as the liability is incurred, in addition to the straight-line rent expense noted above. This results in variability in occupancy expense over the term of the lease in bakery-cafes where the Company pays contingent rent.

Right-of-use assets are assessed for impairment in accordance with the Company's policy on the impairment of long-lived assets, which is performed annually or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The Company reassesses lease classification and remeasures right-of-use assets and lease liabilities when a lease is modified and that modification is not accounted for as a separate new lease or upon certain other events that require reassessment in accordance with ASC 842, Leases. The difference between operating lease rental expense recognized in the Company's Consolidated Statements of Operations and cash payments for operating leases is recognized within the operating lease assets and liabilities line of the operating activities section in the Consolidated Statements of Cash Flows.

Landlord allowances and incentives received are recorded as a reduction of the operating lease asset in the Consolidated Balance Sheets. Additionally, payments made by the Company and reimbursed by the landlord for improvements deemed to be lessor assets have no impact on the Consolidated Statements of Operations. The Company considers improvements to be a lessor asset if all of the following criteria are met:

- the lease specifically requires the lessee to make the improvement;
- the improvement is fairly generic;
- the improvement increases the fair value of the property to the lessor; and
- the useful life of the improvement is longer than the lease term.

The Company reports the period-to-period change in the landlord receivable within the operating activities section in its Consolidated Statements of Cash Flows.

PANERA BRANDS, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

Foreign Currency Translation

As of December 31, 2025, the Company had 11 franchise-operated bakery-cafes in Canada which use the Canadian Dollar as their functional currency. Assets and liabilities are translated into U.S. dollars using the current exchange rate in effect at the balance sheet date, while revenues and expenses are translated at the weighted-average exchange rate during the fiscal period. The resulting translation adjustments are recorded as a separate component of accumulated other comprehensive income (loss) ("AOCI") in the Consolidated Balance Sheets and Consolidated Statements of Changes in Equity and Mezzanine Equity. Gains and losses resulting from foreign currency transactions have not historically been significant and are included in other (income) expense, net in the Consolidated Statements of Operations.

Derivative Instruments

The Company records all derivatives in the Consolidated Balance Sheets at fair value. The Company does not enter into derivative instruments for trading purposes. For derivative instruments that are designated and qualify as cash flow hedges, the effective portion of the derivative's gain or loss is reported as component of other comprehensive income and recorded in accumulated other comprehensive income, net of tax in the Consolidated Balance Sheets. The gain or loss is subsequently reclassified into earnings when the hedged exposure affects earnings. To the extent that the change in the fair value of the contract corresponds to the change in the value of the anticipated transaction, the hedge is considered effective. Once established, unrealized gains or losses on cash flow hedges generally remain in AOCI until the hedged item impacts earnings, or the anticipated transaction is no longer likely to occur.

Fair Value of Financial Instruments

The carrying amounts of cash, accounts receivable, accounts payable, structured payables, and accrued expenses approximate their fair values due to the short-term nature of these assets and liabilities. The fair value of the Company's interest rate swaps are determined based on a discounted cash flow analysis on the expected future cash flows of each derivative. This analysis reflects the contractual terms of the derivatives and uses observable market-based inputs, including interest rate curves and credit spreads. The fair value of the Company's redeemable noncontrolling interest and puttable common shares is estimated using the market and income approaches to valuation. Under the market approach, the value of the stock is estimated based on a comparison to comparable public companies in a similar line of business. From the comparable public companies, a representative market value multiple is determined and then applied to the Company's financial metrics. Under the income approach, the value of the stock is estimated based on the discounted cash flow method, which considers expected sales trends, bakery-cafe development, and operating expenses, and an appropriate discount rate based on the weighted average cost of capital.

Stock-Based Compensation

The Company accounts for stock-based compensation in accordance with the accounting standard for stock-based compensation, which requires the Company to measure and record compensation expense in the Company's consolidated financial statements for all stock-based compensation awards using a fair value method.

The Company maintains various stock compensation plans that provide for the granting of non-qualified stock options and restricted stock units ("RSUs") to officers, key employees and certain non-employees. The plans include provisions for the grantee, after the satisfaction of a six-month holding period, to put the vested shares to the respective company in exchange for the current fair value of the shares. The Company has the option to call outstanding vested shares in exchange for the current fair value of the shares. RSUs are valued based on the grant-date fair value of the shares. The fair value of the shares is estimated using a market approach, which estimates the value of the stock based upon comparison to comparable public companies in a similar line of business. From the comparable public companies, a representative market value multiple is determined and then applied to the Company's financial metrics.

The Company accounts for stock options and RSUs as equity classified awards. The compensation expense recognized by the Company over the vesting period is based on the grant-date fair value of the stock and the number of units expected to vest. The Company estimates forfeitures at the time of grant and revises those estimates in subsequent periods if actual forfeitures differ or are expected to differ.

Asset Retirement Obligations

The Company recognizes the future cost to comply with lease obligations at the end of a lease as it relates to tangible long-lived assets in accordance with the accounting standard for the asset retirement and environmental obligations ("ARO") in the Company's consolidated financial statements. Most lease agreements require the Company to restore the leased property to its

PANERA BRANDS, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

original condition, including removal of certain long-lived assets the Company has installed, at the end of the lease. A liability for the fair value of an asset retirement obligation along with a corresponding increase to the carrying value of the related long-lived asset is recorded at the time a lease agreement is executed. The Company amortizes the amount added to property and equipment, net and recognizes accretion expense in connection with the discounted liability over the reasonably assured lease term. The estimated liability is based on the Company's historical experience in closing bakery-cafés, fresh dough facilities, and support centers and the related external cost associated with these activities. Revisions to the liability could occur due to changes in estimated retirement costs or changes in lease terms. As of December 31, 2025 and December 31, 2024, the net ARO asset included in property and equipment, net was \$14.3 million and \$18.9 million, respectively, and the net ARO liability included in other long-term liabilities was \$34.8 million and \$35.8 million, respectively. ARO accretion expense was \$1.4 million, \$0.8 million, and \$1.7 million for fiscal 2025, fiscal 2024, and fiscal 2023, respectively.

Redeemable Noncontrolling Interest and Puttable Common Shares

The Company has provisions to purchase shares held by its employees under various stock-based compensation plans, due to employee put options. If these put options were exercised, the Company would be required to purchase the employees' equity interests, at their fair market value. These interests subject to employee put options constitute redeemable equity interests and are therefore classified as mezzanine equity and carried at the greater of their cost after attribution of income or loss or their fair value in the Company's Consolidated Balance Sheets.

The fair value of the redeemable noncontrolling interest and puttable common shares was estimated using a market approach, which estimates the value of the stock based upon comparison to comparable public companies in a similar line of business. From the comparable public companies, a representative market value multiple is determined and then applied to the Company's financial metrics.

Variable Interest Entities

The Company applies relevant accounting standards for variable interest entities ("VIE"), which defines the process for how an enterprise determines which party consolidates a VIE. The enterprise that consolidates the VIE (the primary beneficiary) is defined as the enterprise with (1) the power to direct activities of the VIE that most significantly affect the VIE's economic performance and (2) the obligation to absorb losses of the VIE or the right to receive benefits from the VIE. The Company does not possess any ownership interests in franchise entities or other affiliates. The franchise agreements are designed to provide the franchisee with key decision-making ability to enable it to oversee its operations and to have a significant impact on the success of the franchise, while the Company's decision-making rights are related to protecting its brand. Based upon its analysis of all the relevant facts and considerations of the franchise entities and other affiliates, the Company has concluded that these entities are not variable interest entities and they have not been consolidated as of either December 31, 2025 or December 31, 2024.

Advertising Costs

The Company's contributions to the national advertising and marketing administration funds are recorded as part of other operating expenses and general and administrative expenses in the Consolidated Statements of Operations, while the Company's own local bakery-cafe media costs are recorded as part of other operating expenses in the Consolidated Statements of Operations. The Company records advertising costs as expense in the period in which the costs are incurred. The Company's advertising costs include national, regional, and local expenditures utilizing primarily radio, billboards, social networking, Internet, television, and print. The total amount recorded as advertising expense was \$170.1 million, \$151.4 million, and \$174.0 million for fiscal 2025, fiscal 2024, and fiscal 2023, respectively.

Franchise advertising costs are accrued and expensed when the related franchise advertising revenues are recognized, as the Company is obligated to expend such revenues on advertising. Franchise advertising costs are included in franchise advertising expenses in the Company's Consolidated Statements of Operations. Franchise advertising expenses were \$108.7 million, \$98.3 million, and \$118.0 million for fiscal 2025, fiscal 2024, and fiscal 2023, respectively.

3. Lease Accounting

The components of lease expense in the Consolidated Statements of Operations were as follows (in thousands):

PANERA BRANDS, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

	For the fiscal year ended		
	December 31, 2025	December 31, 2024	December 31, 2023
Operating lease expense	\$ 280,750	\$ 271,918	\$ 257,477
Variable lease expense	75,387	72,359	71,571
Total lease expense	<u>\$ 356,137</u>	<u>\$ 344,277</u>	<u>\$ 329,048</u>

Supplemental cash flow information related to leases (in thousands):

	For the fiscal year ended		
	December 31, 2025	December 31, 2024	December 31, 2023
Cash paid for amounts included in the measurement of lease liabilities:			
Operating cash flows from operating leases	\$ 265,994	\$ 281,420	\$ 260,877
Right-of-use assets obtained in exchange for new operating lease liabilities	\$ 189,248	\$ 194,108	\$ 146,865

The weighted-average remaining lease terms and discount rates were as follows:

	December 31, 2025		December 31, 2024	
	Weighted-Average Remaining Lease Term (Years)	Weighted-Average Discount Rate (1)	Weighted-Average Remaining Lease Term (Years)	Weighted-Average Discount Rate (1)
Operating Leases	8.4	6.2 %	8.3	6.2 %

(1) The Company cannot determine the interest rate implicit in its leases. Therefore, the discount rate used in determining the present value of lease payments represents the Company's incremental borrowing rate, which is determined based on the risk-free rate, adjusted for the risk premium attributed to the Company's credit rating for a secured or collateralized instrument.

Future lease payments under non-cancelable operating leases as of December 31, 2025 were as follows (in thousands):

Fiscal Year	Operating Leases
2026	\$ 282,205
2027	257,947
2028	222,376
2029	187,975
2030	155,537
Thereafter	656,167
Total future minimum lease payments	<u>1,762,207</u>
Less: imputed interest	<u>(363,977)</u>
Present value of minimum lease payments	<u>\$ 1,398,230</u>

PANERA BRANDS, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

4. Acquisitions and Divestitures

Caribou Commercial Divestiture

In March 2024, Caribou Coffee sold its roasting operations in Minnesota and its office, coffee, and foodservice contracts to a subsidiary of JDE Peet's N.V. ("JDEP"). JDEP and the Company were under common control at the time of the transaction. In conjunction with the sale, Caribou Coffee also licensed the rights to its brand for use in consumer-packaged goods and foodservice channels. As consideration, Caribou Coffee received a payment of \$268.5 million. Caribou Coffee recognized \$211.5 million of the consideration as proceeds from the sale of a business to an entity under common control. The difference between the carrying amount of net assets derecognized, including goodwill of \$27.8 million, and the consideration from the sale of the business of \$211.5 million was accounted for as an equity transaction, an increase in additional paid-in capital of \$142.6 million. Caribou Coffee recognized the remaining \$57.0 million of the consideration as deferred revenue, as it has a continuing performance obligation to support the use of its brand by JDEP, including providing access to certain intellectual property. Caribou Coffee will recognize the deferred revenue on a straight-line basis over the estimated economic life of the arrangement of 25 years. Caribou Coffee's obligations to maintain the Caribou brand and other intellectual property are generally constant throughout the term of the arrangement. Accordingly, a straight-line recognition pattern is reflective of how Caribou Coffee will satisfy its performance obligations.

In connection with the transaction with JDEP, Caribou Coffee entered into a supply agreement with JDEP under which JDEP will roast and supply coffee beans and Caribou-branded consumer-packaged goods for sale in Caribou Coffee retail locations. The supply agreement has an initial period of ten years, with three ten-year renewal terms.

Panera Bread Franchisee Acquisition

Fiscal 2024

During fiscal 2024, the Company acquired substantially all the assets and certain liabilities of 11 Panera Bread bakery-cafes for consideration of approximately \$4.3 million. Approximately \$4.0 million of the purchase price was paid at closing, with \$0.3 million retained by the Company for certain holdbacks.

The following table summarizes the final allocation of the total consideration to the fair values of the assets acquired and liabilities assumed (in thousands):

Total consideration	\$ 4,255
Fair value of assets acquired and liabilities assumed:	
Cash and cash equivalents	\$ 27
Inventories	128
Prepaid expenses and other	143
Property and equipment	3,071
Operating lease assets	12,795
Accrued expenses	(264)
Operating lease liabilities	(12,795)
Other long-term liabilities	(98)
Net assets acquired	3,007
Excess purchase price allocated to goodwill	\$ 1,248

The Consolidated Statements of Operations include the results from the bakery-cafes from the acquisition date.

Goodwill determined through the purchase price allocation was entirely allocated to the Panera Bread segment, and goodwill of approximately \$1.2 million is expected to be deductible for tax purposes.

PANERA BRANDS, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

5. Fair Value Measurements

The following tables summarize the assets and liabilities measured at fair value on a recurring basis (in thousands):

	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
December 31, 2025				
Cash and cash equivalents	\$ 89,140	\$ 89,140	\$ —	\$ —
Total assets	\$ 89,140	\$ 89,140	\$ —	\$ —
Interest rate swaps	\$ 16,038	\$ —	\$ 16,038	\$ —
Vested Existing Warrants	578,098	—	—	578,098
Total liabilities	\$ 594,136	\$ —	\$ 16,038	\$ 578,098
Redeemable noncontrolling interest and puttable common shares	\$ 93,987	\$ —	\$ —	\$ 93,987
Total mezzanine equity	\$ 93,987	\$ —	\$ —	\$ 93,987

	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
December 31, 2024				
Cash and cash equivalents	\$ 126,968	\$ 126,968	\$ —	\$ —
Interest rate swaps	660	—	660	—
Total assets	\$ 127,628	\$ 126,968	\$ 660	\$ —
Interest rate swaps	\$ 4,484	\$ —	\$ 4,484	\$ —
Vested Existing Warrants	567,885	—	—	567,885
Total liabilities	\$ 572,369	\$ —	\$ 4,484	\$ 567,885
Redeemable noncontrolling interest and puttable common shares	\$ 137,730	\$ —	\$ —	\$ 137,730
Total mezzanine equity	\$ 137,730	\$ —	\$ —	\$ 137,730

The carrying value of cash and cash equivalents approximates fair value because of the short-term nature of these instruments. The fair value of the Company's interest rate swaps are determined based on a discounted cash flow analysis on the expected future cash flows of each derivative. This analysis reflects the contractual terms of the derivatives and uses observable market-based inputs, including interest rate curves and credit spreads. The fair value of the vested Existing Warrants is described in Note 17. As described in Note 2, redeemable noncontrolling interest and puttable common shares are carried at the greater of their cost after attribution of income or loss or their fair value in the Company's Consolidated Balance Sheets. The fair value of the Company's redeemable noncontrolling interest and puttable common shares is estimated using the market and income approaches to valuation. Under the market approach, the value of the stock is estimated based on a comparison to comparable public companies in a similar line of business. From the comparable public companies, a representative market value multiple is determined and then applied to the Company's financial metrics. Under the income approach, the value of the stock is estimated based on the discounted cash flow method, which considers expected sales trends, bakery-cafe development, and operating expenses, and an appropriate discount rate based on the weighted average cost of capital.

PANERA BRANDS, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

The fair value of non-financial assets measured at fair value on a non-recurring basis, which is classified as Level 3 in the fair value hierarchy, is determined based on appraisals or sales prices of comparable assets and estimates of future cash flows. As of December 31, 2025, long-lived assets held and used with a carrying amount of \$7.1 million associated with certain underperforming Company-owned bakery-cafes were determined to have a fair value of \$2.4 million, resulting in an impairment loss of \$4.7 million. As of December 31, 2024, long-lived assets held and used with a carrying amount of \$6.1 million associated with certain underperforming Company-owned bakery-cafes were determined to have a fair value of \$2.6 million, resulting in an impairment loss of \$3.5 million.

6. Inventories

Inventories consisted of the following (in thousands):

	December 31, 2025	December 31, 2024
Bakery-cafes	\$ 42,124	\$ 39,281
Coffee	2,475	733
Fresh dough facilities and manufacturing	1,700	3,740
Contract manufacturing	11,765	9,943
Total	\$ 58,064	\$ 53,697

7. Property and Equipment, net

Major classes of property and equipment consisted of the following (in thousands):

	December 31, 2025	December 31, 2024
Leasehold improvements	\$ 1,162,754	\$ 1,078,569
Machinery and equipment	624,630	601,164
Computer software	430,744	386,709
Furniture and fixtures	257,192	237,621
Smallwares	42,253	42,864
Construction in progress	52,306	60,004
Land	1,395	—
	2,571,274	2,406,931
Less: accumulated depreciation	(1,544,972)	(1,405,107)
Property and equipment, net	\$ 1,026,302	\$ 1,001,824

The Company recorded depreciation expense related to these assets of \$238.6 million, \$233.8 million, and \$207.9 million for fiscal 2025, fiscal 2024, and fiscal 2023, respectively. Depreciation expense for fiscal 2025, fiscal 2024, and fiscal 2023 includes equipment and leasehold improvement impairments of \$2.9 million, \$2.3 million, and \$1.0 million, respectively.

8. Goodwill

The following is a reconciliation of the beginning and ending balances of the Company's goodwill by reportable segment (in thousands):

PANERA BRANDS, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the fiscal year ended December 31, 2025			
	Panera Bread	Caribou Coffee	Einstein Bros. Brands
Goodwill	\$ 4,495,647	\$ 134,920	\$ 222,131
Accumulated impairment loss	(158,515)	—	—
Balance at January 1, 2025	4,337,132	134,920	222,131
Goodwill impairment	(474,616)	(19,277)	—
Other	(14)	—	—
Balance at December 31, 2025	<u>\$ 3,862,502</u>	<u>\$ 115,643</u>	<u>\$ 222,131</u>

For the fiscal year ended December 31, 2024			
	Panera Bread	Caribou Coffee	Einstein Bros. Brands
Goodwill	\$ 4,494,376	\$ 162,682	\$ 222,131
Accumulated impairment loss	—	—	—
Balance at January 1, 2024	4,494,376	162,682	222,131
Acquisition of franchise-operated bakery-cafes	1,248	—	—
Caribou Commercial Divestiture	—	(27,762)	—
Goodwill impairment	(158,515)	—	—
Other	23	—	—
Balance at December 31, 2024	<u>\$ 4,337,132</u>	<u>\$ 134,920</u>	<u>\$ 222,131</u>

As described in Note 2, Summary of Significant Accounting Policies, during fiscal 2025, the Company recognized an impairment of \$459.2 million and \$15.4 million for the goodwill of the Panera Bread retail and supply chain reporting units, respectively, and during fiscal 2025, an impairment of \$19.3 million for the goodwill of the Caribou Coffee retail reporting unit, and during fiscal 2024, the Company recognized an impairment of \$158.5 million for the goodwill of the Panera Bread supply chain reporting unit. The Company did not record a goodwill impairment charge in fiscal 2023. At December 31, 2025, cumulative goodwill impairments for the Panera Bread and Caribou Coffee reportable segments were \$633.1 million and \$19.3 million, respectively.

9. Other Intangible Assets

Other intangible assets consisted of the following (in thousands):

	December 31, 2025			December 31, 2024		
	Gross Carrying Value	Accumulated Amortization	Net Carrying Value	Gross Carrying Value	Accumulated Amortization	Net Carrying Value
Intangible assets not subject to amortization:						
Trademarks	\$4,157,500	\$ —	\$4,157,500	\$4,232,500	\$ —	\$4,232,500
Total intangible assets not subject to amortization	<u>4,157,500</u>	<u>—</u>	<u>4,157,500</u>	<u>4,232,500</u>	<u>—</u>	<u>4,232,500</u>
Intangible assets subject to amortization:						
Trademarks	3,700	(3,700)	—	3,700	(3,700)	—
Franchise agreements	308,734	(131,136)	177,598	308,734	(120,417)	188,317
Other definite-lived intangible assets	96,977	(44,363)	52,614	96,977	(39,905)	57,072
Total other intangible assets subject to amortization	<u>409,411</u>	<u>(179,199)</u>	<u>230,212</u>	<u>409,411</u>	<u>(164,022)</u>	<u>245,389</u>
Total other intangible assets	<u>\$4,566,911</u>	<u>\$ (179,199)</u>	<u>\$4,387,712</u>	<u>\$4,641,911</u>	<u>\$ (164,022)</u>	<u>\$4,477,889</u>

PANERA BRANDS, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

As described in Note 2, Summary of Significant Accounting Policies, during fiscal 2025, the Company recognized an impairment of \$75.0 million of the Panera Bread and St. Louis Bread Co. trademarks, which has been presented in the table above as an adjustment to the gross carrying value of the trademarks.

Amortization expense related to the franchise agreements and other definite-lived intangible assets was approximately \$15.2 million, \$17.8 million, and \$18.3 million for fiscal 2025, fiscal 2024, and fiscal 2023, respectively, and is included in depreciation and amortization expense in the Consolidated Statements of Operations.

The weighted average remaining life for franchise agreements and other definite-lived intangible assets as of December 31, 2025 was approximately 15.7 years. Future amortization expense related to the franchise agreements and other definite-lived intangible assets as of December 31, 2025 is estimated to be approximately: \$15.2 million in fiscal 2026, \$15.2 million in fiscal 2027, \$15.1 million in fiscal 2028, \$14.9 million in fiscal 2029, \$14.9 million in fiscal 2030 and \$154.9 million thereafter.

10. Accrued Expenses

Accrued expenses consisted of the following (in thousands):

	December 31, 2025	December 31, 2024
Gift card liability	\$ 167,566	\$ 172,001
Compensation and related employment taxes	96,128	108,197
Insurance	73,618	78,149
Taxes, other than income tax	36,967	42,103
Deferred revenue	26,696	23,577
Loyalty program	17,664	17,462
Capital expenditures	15,207	18,013
Interest rate swaps	9,244	—
Utilities	8,202	8,880
Advertising	2,234	4,381
Interest due - debt	1,361	3,967
Share repurchase	—	34,108
Other	76,769	127,613
Total	\$ 531,656	\$ 638,451

PANERA BRANDS, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

11. Contract Liabilities

Gift card liabilities and deferred franchise fees represent contract liabilities.

The following is a reconciliation of the beginning and ending balances of the Company's gift card liability (in thousands):

	Gift Card Liability
Balance at December 31, 2023	\$ 192,453
Redemptions	(341,892)
Activations	354,224
Gift card breakage income	(32,784)
Balance at December 31, 2024	\$ 172,001
Redemptions	\$ (274,444)
Activations	293,358
Gift card breakage income	(23,349)
Balance at December 31, 2025	\$ 167,566

The following is a reconciliation of the beginning and ending balances of the Company's deferred franchise fees (in thousands):

	Deferred Franchise Fees
Balance at December 31, 2023	\$ 14,651
Revenue recognized during the period	(2,357)
New deferrals due to cash received and other	2,750
Balance at December 31, 2024	\$ 15,044
Revenue recognized during the period	\$ (2,006)
New deferrals due to cash received and other	1,676
Balance at December 31, 2025	\$ 14,714

The following table summarizes estimated revenue to be recognized in the future related to performance obligations that are unsatisfied as of December 31, 2025 (in thousands):

	Fiscal Years						
	2026	2027	2028	2029	2030	Thereafter	Total
Deferred franchise fees	\$ 1,320	\$ 1,199	\$ 1,090	\$ 966	\$ 858	\$ 6,120	\$ 11,553

An additional \$3.2 million of deferred franchise fees related to unopened bakery-cafes are included in deferred revenue as of December 31, 2025. Timing of revenue recognition is dependent upon the timing of bakery-cafe openings.

12. Debt

Long-term debt consisted of the following (in thousands):

	December 31, 2025	December 31, 2024
Panera Brands term loans	\$ 2,110,000	\$ 1,775,000
Panera Brands revolving credit facility	376,750	626,750
Other borrowings	3,057	6,581
Aggregate unamortized lender fees and issuance costs	(9,125)	(10,082)
Total carrying amount	2,480,682	2,398,249
Current portion of long-term debt, including unamortized lender fees and issuance costs	96,021	98,075
Long-term debt	\$ 2,384,661	\$ 2,300,174

PANERA BRANDS, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

The following table summarizes annual maturities of debt during the next five fiscal years and thereafter as of December 31, 2025 (in thousands):

Fiscal Years					Thereafter	Total
2026	2027	2028	2029	2030		
\$ 102,302	\$ 2,387,485	\$ —	\$ —	\$ —	\$ 20	\$ 2,489,807

Pret Panera Company Facility

On April 26, 2021, Pret Panera Company, Inc. (n/k/a Panera Brands, Inc.) entered into a term loan agreement (as amended by that certain Amendment No. 1 to Term Loan Agreement, dated as of April 1, 2022, and by that certain Amendment No. 2 to Term Loan Agreement, dated as of May 17, 2022) (collectively, the “PPC Facility”), which provided loans in an initial aggregate principal amount of \$840.0 million.

On June 15, 2022, in connection with the Company Credit Facility, the Company made a \$340.0 million prepayment on the outstanding loans under the PPC Facility. The \$340.0 million was funded through an issuance of shares pursuant to a certain Subscription Agreement, dated as of June 15, 2022, by and among the Company and Pret Panera Treasury B.V.

The outstanding PPC Facility balance of \$500.0 million was repaid in full in June 2023.

Company Credit Facility

On June 15, 2022, the Company entered into a new credit agreement (as amended, the “Company Credit Facility”). The Company Credit Facility originally provided for term loans in two tranches with an aggregate principal amount of \$1 billion each (collectively, the “Panera Brands term loans”) and a revolving credit facility in an aggregate principal amount of \$1 billion (the “Panera Brands revolving credit facility”). The initial proceeds from the Company Credit Facility were used to refinance existing indebtedness and to fund working capital needs. The revolving credit facility is available for general corporate purposes.

On August 22, 2025, the Company entered into an amendment to the Company Credit Facility pursuant to which the Company incurred incremental term loans with an aggregate principal amount of \$435.0 million (the “Incremental Term Loans” and, together with the term loans for the June 15, 2022 credit agreement, the “Panera Brands term loans”) and an increase in the revolving credit facility of \$65.0 million (the “Incremental Revolving Credit Facility” and, together with the revolving credit facility for the June 15, 2022 credit agreement, the “Panera Brands revolving credit facility”). Proceeds from the Incremental Term Loans were used to pay down a portion of existing borrowings on the Panera Brands revolving credit facility and to fund working capital needs.

Borrowings under the Company Credit Facility accrue interest at a rate, per annum, equal to, in the case of “base rate” borrowings, the greater of (x) a prime rate, (y) the NYFRB Rate (as defined in the Company Credit Facility) plus 0.50% and (z) the Adjusted Term SOFR Rate (as defined in the Company Credit Facility) for a one month interest period plus a leverage-based margin of 0.25% to 1.00%. In the case of term benchmark borrowings, such borrowings under the Company Credit Facility accrue interest at a rate, per annum, equal to the Adjusted Term SOFR Rate, as defined in the Company Credit Facility, plus a leverage-based margin of 1.25% to 2.00%. Applicable interest rates are subject to a 0.00% SOFR floor. Letter of credit and unused revolver fees accrue based on a leverage-based fee.

The Panera Brands revolving credit facility and one tranche of term loans under the Company Credit Facility matures five years after the initial closing. On March 25, 2025, the Company entered into an amendment to the Company Credit Facility pursuant to which the Company extended the maturity date of the second tranche of term loans under the Company Credit Facility to June 15, 2027. The Incremental Term Loans and Incremental Revolving Credit Facility mature on June 15, 2027. The maturity date of any credit facility under the Company Credit Facility may be extended by an additional year with the consent of the applicable lenders. Pursuant to this extension option, each of the Panera Brands revolving credit facility and the first tranche of term loans may be extended on two occasions. The obligations under the Company Credit Facility are collateralized by substantially all of the assets of Panera Brands and certain subsidiaries of Panera Brands that guarantee the Company Credit Facility.

PANERA BRANDS, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

The Company Credit Facility contains customary negative covenants which, among other things, generally limit (with certain exceptions): mergers, amalgamations or consolidations; the incurrence of additional indebtedness (including guarantees); the incurrence of additional liens; the sale, assignment, lease or conveyance or transfer of assets; certain investments and restricted payments (including to the Company); transactions with affiliates; engaging in materially different lines of business; swap agreements; and other activities customarily restricted in similar financing agreements. The Company Credit Facility contains customary affirmative covenants, representations and warranties and events of default. The Company Credit Facility also contains a financial covenant in which the Company shall not permit the Total Net Leverage Ratio (as defined in the Company Credit Facility) to exceed 5.50x. At December 31, 2025, the Company was in compliance with its covenants.

The Company incurred lender fees and issuance costs of approximately \$39.6 million in connection with the original issuance of the Company Credit Facility. The Company allocated the lender fees and issuance costs to the Panera Brands revolving credit facility and the Panera Brands term loans. Costs allocated to the Panera Brands term loans are presented in the Consolidated Balance Sheets as a direct deduction from the associated debt. Costs allocated to the Panera Brands revolving credit facility are capitalized and presented in the Consolidated Balance Sheets as an asset. The lender fees and issuance costs are being amortized to expense over the terms of the Panera Brands revolving credit facility and the Panera Brands term loans.

On June 1, 2023, the Company sold 3,424,835 shares of common stock to Panera Brands Holdings L.P., the direct parent of Panera Brands, Inc., in exchange for \$660.0 million. The sale of the common stock to Panera Brands Holdings L.P. in exchange for \$660.0 million satisfied the definition of a "Qualifying IPO" (as defined in the Company Credit Facility).

In connection with the occurrence of the "Qualifying IPO," the Company repaid the outstanding PPC Facility balance of \$500.0 million and repaid \$160.0 million of outstanding borrowings under the Panera Brands revolving credit facility.

As of December 31, 2025, the Company had total borrowings of \$2,486.8 million under the Company Credit Facility, composed of Panera Brands term loans of \$2,110.0 million and borrowings under the Panera Brands revolving credit facility of \$376.8 million, and outstanding letters of credit of \$19.2 million, resulting in \$669.0 million of available capacity under the Company Credit Facility. As of December 31, 2024, the Company had total borrowings of \$2,401.8 million under the Company Credit Facility, composed of Panera Brands term loans of \$1,775.0 million and borrowings under the Panera Brands revolving credit facility of \$626.8 million, and outstanding letters of credit of \$22.0 million, resulting in \$351.2 million of available capacity under the Company Credit Facility.

Pret Panera III G.P. Credit Facility

On March 26, 2025, the Company entered into a credit agreement with Pret Panera III G.P. (the "Pret Panera III G.P. Credit Facility"). The Pret Panera III G.P. Credit Facility provided an unsecured revolving credit facility in an aggregate principal amount of \$250.0 million. The Pret Panera III G.P. Credit Facility matures July 31, 2027. The Pret Panera III G.P. Credit Facility is available for general corporate purposes. As of December 31, 2025, the Company has not drawn on the Pret Panera III G.P. Credit Facility.

13. Derivative Financial Instruments

The Company enters into derivative instruments solely for risk management purposes. To the extent the Company's cash-flow hedging instruments are effective in offsetting the variability in the hedged cash flows, and otherwise meet the cash flow hedge accounting criteria, changes in the derivatives' fair value are not included in current earnings but are included in AOCI. These changes in fair value will be reclassified into earnings at the time of the forecasted transaction. By using these instruments, the Company exposes itself, from time to time, to credit risk and market risk. Credit risk is the failure of the counterparty to perform under the terms of the derivative contract. The Company minimizes this credit risk by entering into transactions with high-quality counterparties. Market risk is the adverse effect on the value of a financial instrument that results from changes in interest rates. The Company seeks to minimize this market risk by establishing and monitoring parameters that limit the types and degree of market risk that may be undertaken.

For each of the Company's current swaps, the Company has agreed to exchange with a counterparty the difference between fixed and variable interest amounts calculated by reference to an agreed-upon principal amount. The following table summarizes the Company's interest rate swaps as of December 31, 2025:

PANERA BRANDS, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

Trade Date	Effective Date	Term (in Years)	Initial Notional Amount (in thousands)	Fixed Rate
January 9, 2017	April 3, 2018	10	\$ 187,500	2.37 %
March 5, 2020	February 18, 2020	7	150,000	1.82 %
September 26, 2023	September 28, 2023	4	200,000	4.53 %
September 28, 2023	October 2, 2023	4	200,000	4.57 %
October 3, 2023	October 5, 2023	4	200,000	4.60 %
October 4, 2023	October 6, 2023	4	250,000	4.58 %
October 5, 2023	October 10, 2023	4	200,000	4.51 %
October 10, 2023	October 12, 2023	4	200,000	4.46 %
October 17, 2025	October 21, 2025	4	225,000	3.20 %
October 17, 2025	October 21, 2025	4	225,000	3.21 %

The following table summarizes the Company's interest rate swaps as of December 31, 2024:

Trade Date	Effective Date	Term (in Years)	Initial Notional Amount (in thousands)	Fixed Rate
January 9, 2017	April 3, 2018	10	\$ 187,500	2.37 %
March 5, 2020	February 18, 2020	7	150,000	1.82 %
September 26, 2023	September 28, 2023	4	200,000	4.53 %
September 28, 2023	October 2, 2023	4	200,000	4.57 %
October 3, 2023	October 5, 2023	4	200,000	4.60 %
October 4, 2023	October 6, 2023	4	250,000	4.58 %
October 5, 2023	October 10, 2023	4	200,000	4.51 %
October 10, 2023	October 12, 2023	4	200,000	4.46 %

The interest rate swaps, which have been designated and qualify as cash flow hedges, are recorded at fair value in the Consolidated Balance Sheets. The following table summarizes the estimated fair value of the Company's interest rate swaps (in thousands):

Balance Sheet Location	December 31, 2025	December 31, 2024
Prepaid expenses and other	\$ —	\$ 660
Total assets	\$ —	\$ 660
Accrued expenses	\$ 9,244	\$ —
Other long-term liabilities	6,794	4,484
Total liabilities	\$ 16,038	\$ 4,484

Changes in fair value of the interest rate swaps are recorded as a component of AOCI in the Consolidated Balance Sheets. The Company reclassifies the effective gain or loss from AOCI to interest expense in the Consolidated Statements of Operations at the time the forecasted transaction affects earnings. The following table presents pre-tax gains and losses on the interest rate swaps recognized in other comprehensive income ("OCI") and reclassified from AOCI to earnings for the periods indicated (in thousands):

PANERA BRANDS, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

	For the fiscal year ended		
	December 31, 2025	December 31, 2024	December 31, 2023
Net gains (losses) recognized in OCI before reclassifications	\$ (7,010)	\$ 27,607	\$ (43,778)
Net (gains) losses reclassified from AOCI to earnings	(14,748)	(43,031)	(41,676)

The Company did not recognize a gain or loss due to hedge ineffectiveness during fiscal 2025, fiscal 2024, or fiscal 2023. The Company does not hold or use derivative instruments for trading purposes. The Company does not have any derivatives that are not designated as hedging instruments and has not designated any non-derivatives as hedging instruments.

During fiscal 2023, the Company settled nine interest rate swap contracts and deferred a gain of \$70.8 million, \$53.6 million net of deferred tax liabilities, in AOCI. This gain is being amortized as a reduction of net interest expense during the periods in which the hedged forecasted transactions affect earnings.

As of December 31, 2025, a net of tax gain of approximately \$0.4 million is expected to be reclassified from AOCI to earnings in the next twelve months, which includes the impact of amortizing the gain from the settlement of interest rate swaps in prior years.

14. Commitments and Contingencies

Lease Guarantees

As of December 31, 2025, the Company guaranteed 107 operating leases. These guarantees are primarily a result of sales of Company-owned bakery-cafes, pursuant to which the Company exercised its right to assign the lease for the bakery-cafe but remain liable to the landlord for the remaining lease term in the event of a default by the assignee. These guarantees expire on various dates from January 31, 2026 to December 31, 2050, with a maximum potential amount of future rental payments of approximately \$225.1 million as of December 31, 2025. The obligation from these leases will decrease over time as these operating leases expire. The Company performed an analysis of the facts and circumstances of each such lease and each such assignee's performance to determine whether it was probable that it would be required to perform under any guarantees and has recorded a liability of \$0.3 million for these guarantees as of December 31, 2025. Applicable assignees continue to have primary liability for these operating leases. As of December 31, 2025, future commitments under these leases were as follows (in thousands):

Fiscal Years					Thereafter	Total
2026	2027	2028	2029	2030		
\$ 19,399	\$ 19,260	\$ 18,040	\$ 17,853	\$ 17,839	\$ 132,734	\$ 225,125

Legal Proceedings

The Company is subject to various legal proceedings, claims, and litigation that arise in the ordinary course of its business. Defending lawsuits requires significant management attention and financial resources and the outcome of any litigation, including the matter described above, is inherently uncertain. The Company believes accruals for these matters are adequately provided for in its consolidated financial statements. The Company does not believe the ultimate resolution of these actions will have a material adverse effect on its consolidated financial statements. However, a significant increase in the number of these claims, or one or more successful claims under which the Company incurs greater liabilities than is currently anticipated, could materially and adversely affect its consolidated financial statements.

Other

The Company is subject to on-going federal and state income tax audits and sales and use tax audits. The Company does not believe the ultimate resolution of these actions will have a material adverse effect on its consolidated financial statements. However, a significant increase in the number of these audits, or one or more audits under which the Company incurs greater liabilities than is currently anticipated, could materially and adversely affect its consolidated financial statements. The Company believes accruals for these matters are adequately provided for in its consolidated financial statements.

PANERA BRANDS, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

15. Income Taxes

Income (loss) before income taxes consisted of (in thousands):

	For the fiscal year ended		
	December 31, 2025	December 31, 2024	December 31, 2023
United States	\$ (427,310)	\$ 167,372	\$ 223,457
Canada	68	(336)	(222)
Income (loss) before income taxes	<u>\$ (427,242)</u>	<u>\$ 167,036</u>	<u>\$ 223,235</u>

The components of the provision (benefit) for income taxes are as follows (in thousands):

	For the fiscal year ended		
	December 31, 2025	December 31, 2024	December 31, 2023
Current taxes:			
U.S. federal	\$ 2,047	\$ 35,894	\$ 20,171
U.S. state and local	15,709	12,210	12,370
Foreign	808	610	346
Total current taxes	<u>18,564</u>	<u>48,714</u>	<u>32,887</u>
Deferred taxes:			
U.S. federal	1,295	(14,588)	14,102
U.S. state and local	(11,398)	(726)	3,132
Foreign	—	—	—
Total deferred taxes	<u>(10,103)</u>	<u>(15,314)</u>	<u>17,234</u>
Total provision (benefit) for income taxes	<u>\$ 8,461</u>	<u>\$ 33,400</u>	<u>\$ 50,121</u>

PANERA BRANDS, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

A reconciliation of the provision (benefit) for income taxes to the amount computed by applying the U.S. federal statutory income tax rate to income (loss) before income taxes after the adoption of ASU 2023-09 is as follows:

	For the fiscal year ended December 31, 2025	
	Amount (in thousands)	Percent
Tax at U.S. Federal Statutory Rate	\$ (89,721)	21.0 %
State and Local Income Taxes ⁽¹⁾	8,641	(2.0)%
Non-taxable and Non-deductible Items:		
Goodwill impairment	103,717	(24.3)%
Mark to market adjustment of warrant liabilities	4,956	(1.2)%
Other	861	(0.2)%
Tax Credits:		
Work opportunity tax credit	(5,844)	1.4 %
Research and development tax credits	(5,331)	1.2 %
Other	(4,349)	1.0 %
Foreign Tax Effects	808	(0.2)%
Changes in Unrecognized Tax Benefits	5,375	(1.3)%
Other, net:		
Attribute carryforward adjustments	(12,906)	3.0 %
Other adjustments	2,254	(0.5)%
Total provision for income taxes	<u>\$ 8,461</u>	<u>(2.0)%</u>

(1) The states and local jurisdictions that contribute to the majority (greater than 50 percent) of the tax effect in this category include state taxes in California, Minnesota, New Jersey, and Michigan.

A reconciliation of the statutory U.S. federal income tax rate to the Company's effective tax rate for years prior to the adoption of ASU 2023-09 is as follows:

	For the fiscal year ended	
	December 31, 2024	December 31, 2023
Statutory U.S. federal rate	21.0 %	21.0 %
State taxes	5.4 %	5.6 %
Non-deductible expenses	2.0 %	1.1 %
Inventory donations	(1.4)%	(1.1)%
Stock based compensation	(0.1)%	(1.3)%
U.S. federal tax credits	(5.4)%	(4.8)%
Uncertain tax position accrual	2.0 %	1.2 %
Prior period adjustments	— %	(1.3)%
Changes in valuation allowance	(0.1)%	0.3 %
Tax rate changes	— %	1.9 %
Mark to market adjustment of warrant liabilities	(23.9)%	0.3 %
Goodwill impairment	19.9 %	— %
Other, net	0.6 %	(0.4)%
Effective tax rate	<u>20.0 %</u>	<u>22.5 %</u>

The tax effects of the significant temporary differences which comprise the deferred tax assets and liabilities were as follows (in thousands):

PANERA BRANDS, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

	December 31, 2025	December 31, 2024
Deferred tax assets:		
Net operating loss carryforwards	\$ 11,066	\$ 11,862
Interest deduction carryforward	20,993	30,332
Leasing	363,924	356,759
Federal credit carryforwards	15,015	1,942
Other	145,283	175,719
Less: valuation allowance	(2,716)	(2,736)
Total deferred tax assets	<u>\$ 553,565</u>	<u>\$ 573,878</u>
Deferred tax liabilities:		
Intangibles	\$ 1,154,135	\$ 1,175,032
Property and equipment	107,853	119,164
Leasing	337,092	330,943
Other	5,906	11,198
Total deferred tax liabilities	<u>\$ 1,604,986</u>	<u>\$ 1,636,337</u>
Net deferred tax liability	<u>\$ 1,051,421</u>	<u>\$ 1,062,459</u>

The Company assesses all available positive and negative evidence to estimate if the existing deferred tax assets will be realized. As of December 31, 2025 and December 31, 2024, a valuation allowance of \$2.7 million has been recorded for the portion of the deferred tax assets that are not more likely than not to be realized. The valuation allowance as of December 31, 2025 and December 31, 2024 relates to Canadian net operating loss and state credit carryforwards that are not expected to be realized before expirations of the attribute carryforwards. Realization of net deferred tax assets generally is dependent on generation of taxable income in future periods. While the Company believes its forecast of future taxable income is reasonable, actual results will inevitably vary from management's forecasts. Such variances could result in adjustments to the valuation allowance on deferred tax assets in future periods, and such adjustments could be material to the financial statements.

As of December 31, 2025, the Company had tax effected net operating loss carryforwards of approximately \$0.2 million and \$8.8 million for federal and state tax purposes, respectively. If not utilized, these carryforwards will begin to expire in 2031 and 2026 for federal and state tax purposes, respectively. As of December 31, 2025, the Company had tax effected foreign net operating loss carryforwards of approximately \$2.0 million. If not utilized, these carryforwards will begin to expire in 2037.

As of December 31, 2025, the Company had various tax credit carryforwards of approximately \$15.0 million and \$0.7 million for federal and state tax purposes, respectively. While the federal and state tax credits can generally be carried forward 20 years and 10 years, respectively, if not utilized these tax credits will begin to expire in 2026.

The Company files income tax returns in the U.S. federal jurisdiction and various state and foreign jurisdictions. These jurisdictions have varying statutes of limitations. While tax years prior to 2020 would generally be closed for federal tax assessment purposes, the Internal Revenue Service ("IRS") commenced an examination of our U.S. income tax returns for the tax year ended December 31, 2019 in the fourth quarter of 2021. The exam is still in progress as of December 31, 2025.

Unrecognized tax benefits are included in deferred income taxes and other long-term liabilities in the Consolidated Balance Sheets. The following is a reconciliation of the beginning and ending balances of unrecognized tax benefits (in thousands):

PANERA BRANDS, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

	December 31, 2025	December 31, 2024
Balance as of January 1	\$ 59,719	\$ 30,237
Additions for tax positions - prior years	626	19,439
Reductions for tax positions - prior years	—	—
Additions for tax positions - current year	440	10,043
Settlements with taxing authorities	—	—
Lapse of the statute of limitations	(101)	—
Balance as of December 31	<u>\$ 60,684</u>	<u>\$ 59,719</u>

Approximately \$33.8 million and \$28.7 million of unrecognized income tax benefits as of December 31, 2025 and December 31, 2024, respectively, would, if recognized, impact the annual effective tax rate. The Company does not believe that changes in its uncertain tax benefits will result in a material impact during the next twelve months.

The Company classifies all interest and penalties related to uncertain tax positions as income tax expense. Accrued interest and penalties, excluding the tax benefits of deductible interest, included in other long-term liabilities in the Consolidated Balance Sheets were \$20.0 million and \$14.0 million as of December 31, 2025 and December 31, 2024, respectively.

The Company has not recorded United States deferred income taxes on its non-U.S. subsidiaries' undistributed earnings because such amounts are intended to be reinvested outside the United States indefinitely, with the exception of current year earnings. The additional tax obligation associated with the repatriation of earnings generated outside of the United States would not have a material impact on the Company's consolidated financial statements.

Income taxes paid, net of refunds received, were as follows (in thousands):

	For the fiscal year ended December 31, 2025
Federal	\$ 21,050
State and local	
California	1,683
Other state and local jurisdictions	9,521
Foreign	597
Income taxes paid, net of refunds received	<u>\$ 32,851</u>

The amount of income taxes paid, net of refunds received, by the Company during fiscal 2024 and fiscal 2023 was \$25.2 million and \$28.7 million, respectively.

On July 4, 2025, the One Big Beautiful Bill Act ("OBBBA") was enacted into law. The OBBBA makes permanent key elements of the Tax Cuts and Jobs Act, including 100% bonus depreciation, domestic research cost expensing, and the business interest expense limitation. The legislation did not have a material impact on the Company's fiscal 2025 effective tax rate or consolidated financial statements but did result in a reduction in the Company's cash tax payments in fiscal 2025 and is expected to result in lower cash tax payments in fiscal 2026, when compared to fiscal 2025. The OBBBA has multiple effective dates, with certain provisions effective in fiscal 2025 and others requiring implementation through fiscal 2027. The Company continues to review the OBBBA tax provisions to assess impacts to its consolidated financial statements in future years.

PANERA BRANDS, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

As disclosed in Note 4, Acquisitions and Divestitures, in March 2024, Caribou Coffee sold its roasting operations in Minnesota and its office, coffee, and foodservice contracts to a subsidiary of JDEP. JDEP and the Company were under common control at the time of the transaction. In conjunction with the sale, Caribou Coffee also licensed the rights to its brand for use in consumer-packaged goods and foodservice channels. As consideration, Caribou Coffee received a payment of \$268.5 million. Caribou Coffee recognized \$211.5 million of the consideration as proceeds from the sale of a business to an entity under common control. The difference between the carrying amount of net assets derecognized, including goodwill of \$27.8 million, and the consideration from the sale of the business of \$211.5 million was accounted for as an equity transaction, an increase in additional paid-in capital of \$142.6 million. Caribou Coffee recognized the remaining \$57.0 million of the consideration as deferred revenue. For tax purposes, the net tax impact recorded in equity was \$14.8 million, resulting from \$46.9 million of federal and state income taxes payable associated with the transaction, partially offset by a \$32.1 million release of a previously recorded valuation allowance against capital loss carryforwards.

16. Stockholders' Equity

Common Stock

The Company is authorized to issue 70,000,000 shares of common stock, each with a par value of \$0.01, of which 51,865,597 shares were issued and 51,478,550 shares were outstanding at December 31, 2025, and 51,819,113 shares were issued and 51,776,251 shares were outstanding at December 31, 2024.

On May 23, 2023, the Company issued 58,994 shares in exchange for an \$11.4 million cash contribution from Pret Panera Treasury B.V. On June 1, 2023, the Company issued 3,424,835 shares in exchange for a \$660.0 million cash contribution from Panera Brands Holdings L.P, the parent entity of Panera Brands, Inc.

Treasury Stock

Pursuant to the terms of the Panera Brands Long-Term Incentive Plan and the Panera Brands Executive Ownership Plan, the Company repurchased 344,185 shares of common stock at a weighted-average cost of \$132.74 per share during fiscal 2025, 18,959 shares of common stock at a weighted-average cost of \$184.15 per share during fiscal 2024, and 16,517 shares of common stock at a weighted-average cost of \$192.83 per share during fiscal 2023.

The shares repurchased by the Company are held as treasury stock.

Distributions to Stockholders

In September 2023, the Company's Board of Directors declared dividends totaling approximately \$90.0 million, which were paid in October 2023, \$6.1 million of which was paid to holders of vested Existing Warrants as defined in Note 17, Liability Classified Common Stock Warrants.

Accumulated Other Comprehensive Income (Loss)

AOCI reported on the Company's Consolidated Balance Sheets consists of foreign currency translation adjustments and the unrealized gains and losses, net of applicable taxes, on derivative instruments designated and qualifying as cash flow hedges.

PANERA BRANDS, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

The following tables summarize changes in accumulated other comprehensive income (loss), net of tax (in thousands):

	Foreign Currency Translation Adjustment	Cash Flow Hedging Instruments	Accumulated Other Comprehensive Income (Loss)
Balances at December 31, 2023	\$ (7)	\$ 34,444	\$ 34,437
Unrealized gains on cash flow hedging instruments, net of tax	—	27,607	27,607
Reclassification adjustment for net gains realized in earnings on cash flow hedging instruments, net of tax ..	—	(43,031)	(43,031)
Foreign currency translation adjustment	(66)	—	(66)
Amounts attributable to noncontrolling interest	—	176	176
Balances at December 31, 2024	\$ (73)	\$ 19,196	\$ 19,123
Unrealized losses on cash flow hedging instruments, net of tax	—	(7,010)	(7,010)
Reclassification adjustment for net gains realized in earnings on cash flow hedging instruments, net of tax ..	—	(14,748)	(14,748)
Foreign currency translation adjustment	47	—	47
Amounts attributable to noncontrolling interest	—	187	187
Balances at December 31, 2025	\$ (26)	\$ (2,375)	\$ (2,401)

Noncontrolling Interest

Noncontrolling interest in the consolidated financial statements represents joint ownership in certain bakery-cafe locations.

17. Liability Classified Common Stock Warrants

On December 16, 2020, the Company entered into an Omnibus Subscription Agreement (the “Agreement”). Pursuant to the Agreement, on January 25, 2021, the Company consummated the sale of shares of Series A Preferred Stock (“Preferred Stock”) with an aggregate notional value of \$680.0 million to certain investors, including existing indirect investors of the Company, JAB, and certain members of management (collectively considered related parties in accordance with ASC 850, “Related Party Disclosures”). The Agreement also provided that each holder of Preferred Stock would receive Existing Warrants exercisable for shares of the Company at an exercise price of \$0.01, resulting in the sale of an aggregate of 680,000 shares of Preferred Stock and Existing Warrants exercisable for 4,014,403 shares of the Company’s Common Stock for total consideration of \$680.0 million. On the date of issue, 2,827,045 Existing Warrants immediately vested with the remaining 1,187,358 Existing Warrants vesting on a pro rata basis over the three-year period following the issue date and ceasing to vest upon a Public Listing. If a Public Listing has not occurred within five years of the issue date, the Company is obligated to redeem the Existing Warrants on January 26, 2026, based upon a contractual fixed multiple of adjusted EBITDA for the Company for the trailing twelve-month period ending December 31, 2025.

The Preferred Stock was subsequently redeemed in May 2021 for \$707.2 million, inclusive of accrued dividends of \$13.3 million and a redemption premium of \$13.9 million. Concurrent with the redemption of the Preferred Stock, the Company amended the vesting conditions of the unvested Existing Warrants to permit continued vesting after the redemption of the Preferred Stock.

The vested Existing Warrants were accounted for as a liability at the date of issuance and are measured at fair value at each balance sheet date, with the change in fair value recorded as a component of other income (expense), net in the Consolidated Statements of Operations and Comprehensive Income (Loss). During fiscal 2025, fiscal 2024, and fiscal 2023, the Company recorded expense of \$21.6 million, income of \$189.9 million, and expense of \$3.5 million, respectively, related to the change in fair value of the vested Existing Warrants. As of December 31, 2025 and December 31, 2024, the fair value of the vested Existing Warrants was \$578.1 million and \$567.9 million, respectively.

Upon redemption of the Preferred Stock in May 2021 and amendment of the Existing Warrant vesting conditions to permit continued vesting after the redemption of the Preferred Stock, the Company accounted for the outstanding unvested Existing Warrants as a liability, valued at \$35.2 million, through an adjustment to retained earnings. The unvested Existing Warrants were subsequently adjusted to fair value at each balance sheet date, with the change in fair value recorded as a component of other income (expense), net in the consolidated statements of operations and comprehensive income (loss). During fiscal 2024

PANERA BRANDS, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

and fiscal 2023, the Company recorded expense of less than \$0.1 million and less than \$0.1 million, respectively, related to the change in fair value of the unvested Existing Warrants.

The key terms and activity of the Existing Warrants are summarized as follows:

	Issuance	Exercise Price per Share	Outstanding at Issuance	Exercised through December 31, 2025	Repurchased through December 31, 2025	Outstanding at December 31, 2025
Penny Warrants	January 2021	\$0.01	4,014,403	85,850	72,229	3,856,324

As of December 31, 2025 and December 31, 2024, all outstanding Existing Warrants were fully vested. In periods prior to fiscal 2024, the fair value of the vested Existing Warrants, as well as the unvested Existing Warrants upon issuance concurrent with redemption of the Preferred Stock, was estimated using a market approach, which estimates the value of the Company's stock based upon comparison of the Company to comparable public companies in a similar line of business. From the comparable public companies, a representative market value multiple is determined and then applied to the Company's financial metrics. The fair value of the unvested Existing Warrants also considered the estimated timing of the planned public offering. As of December 31, 2025 and December 31, 2024, the fair value of the vested Existing Warrants reflects the estimated redemption amount on January 26, 2026, which was based upon the contractual fixed multiple of estimated adjusted EBITDA for the Company for the trailing twelve-month period ending December 31, 2025, discounted to present value.

18. Stock-Based Compensation

The Company accounts for stock-based compensation in accordance with the accounting standard for stock-based compensation, which requires the Company to measure and record compensation expense in the Company's consolidated financial statements for all stock-based compensation awards using a fair value method. The Company uses historical data to estimate pre-vesting forfeiture rates. For fiscal 2025, fiscal 2024, and fiscal 2023, total stock-based compensation expense was \$46.2 million, \$41.2 million, and \$32.0 million, respectively. For fiscal 2025, fiscal 2024, and fiscal 2023, the income tax benefit related to stock-based compensation expense was \$12.1 million, \$10.8 million, and \$8.4 million, respectively.

Description of Panera Brands plans

Panera Brands Long-Term Incentive Plan

During 2021, the Company established the Panera Brands Long-Term Incentive Plan (the "PB-LTIP") which provides for the granting of restricted stock units ("RSUs") and stock options of Panera Brands, Inc. to officers, key employees and certain non-employees of the Company. Under the PB-LTIP, executive personnel and other key employees of Panera Brands (collectively, "participants") are awarded RSUs. The RSUs are generally subject to either graded vesting over the 54-months following the grant date or vest on a cliff basis on the 60-month anniversary of the award, with certain of the RSUs granted or issued under the PB-LTIP containing an IPO vesting condition in addition to the service-based condition. Unless otherwise determined by the Board, there is no maximum number of shares with respect to which awards may be granted or issued under the PB-LTIP.

Panera Brands Executive Ownership Plan

During 2021, the Company established the Panera Brands Executive Ownership Plan (the "PB-EOP"). Under the PB-EOP, executive personnel and other key employees of Panera Brands are given the opportunity to purchase shares of the Company. Upon purchase, the participants are awarded matching RSUs, Stock Options, Preferred Shares, or an Other Equity Award (the "Matching Awards") equivalent to a predetermined ratio of shares purchased. The Matching Awards vest on the 60-month anniversary of the award or such other date as determined by the Talent and Compensation Nomination Committee of the Company. Certain Matching Awards under the PB-EOP contain an IPO vesting condition in addition to the service-based condition. The PB-EOP includes provisions for the grantee, after vesting and the satisfaction of a six-month holding period, to put the vested shares to the Parent in exchange for the current fair value of the shares. The Company has the option to call outstanding vested shares in exchange for the current fair value of the shares. The fair value of the shares is estimated using the market and income approaches to valuation. Under the market approach, the value of the stock is estimated based on a comparison to comparable public companies in a similar line of business. From the comparable public companies, a representative market value multiple is determined and then applied to the Company's financial metrics. Under the income approach, the value of the stock is estimated based on the discounted cash flow method, which considers expected sales trends, bakery-cafe development, and operating expenses, and an appropriate discount rate based on the weighted average cost of

PANERA BRANDS, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

capital. Unless otherwise determined by the Board, there is no maximum number of shares with respect to which shares may be purchased or Matching Awards issued under the PB-EOP.

During fiscal 2025, 0.3 million shares were repurchased for \$42.1 million under the PB-LTIP and PB-EOP. During fiscal 2024, less than 0.1 million shares were repurchased for \$7.1 million under the PB-LTIP and PB-EOP. In connection with the fiscal 2024 share repurchases, \$3.2 million was paid during fiscal 2024 and \$3.9 million was recorded in accrued expenses in the Consolidated Balance Sheet as of December 31, 2024 and paid during fiscal 2025.

Description of Panera Bread plans

Panera Bread Company Long-Term Incentive Plan

During 2017, the Company established the Panera Bread Company Long-Term Incentive Plan (the “P-LTIP”) which provides for the granting of restricted stock units (“RSUs”) and stock options of Panera Holdings Corp. (the “Parent”) to officers, key employees and certain non-employees of the Company. Under the P-LTIP, executive personnel and other key employees of Panera Bread (collectively, “participants”) are awarded RSUs. The RSUs are generally subject to either graded vesting over the 54-months following the grant date or vest on a cliff basis on the 60-month anniversary of the award. The P-LTIP includes provisions for the grantee, after vesting and the satisfaction of a six-month holding period, to put the vested shares to the Parent in exchange for the current fair value of the shares. The fair value of the shares is estimated using the market and income approaches to valuation. Under the market approach, the value of the stock is estimated based on a comparison to comparable public companies in a similar line of business. From the comparable public companies, a representative market value multiple is determined and then applied to the Company’s financial metrics. Under the income approach, the value of the stock is estimated based on the discounted cash flow method, which considers expected sales trends, bakery-cafe development, and operating expenses, and an appropriate discount rate based on the weighted average cost of capital. This results in the classification of these awards in mezzanine equity (redeemable noncontrolling interest). Unless otherwise determined by the Board, there is no maximum number of shares with respect to which awards may be granted or issued under the P-LTIP.

Panera Bread Company Executive Ownership Plan

Also, during 2017 the Company established the Panera Bread Company Executive Ownership Plan (the “P-EOP”). Under the P-EOP, executive personnel and other key employees of Panera Bread are given the opportunity to purchase shares of the Parent. Upon purchase, the participants are awarded matching RSUs (the “Matching Awards”) equivalent to a predetermined ratio of shares purchased. The Matching Awards vest on the 54-month anniversary of the award or such other date as determined by the Remuneration and Nomination Committee of the Parent. The P-EOP includes provisions for the grantee, after vesting and the satisfaction of a six-month holding period, to put the vested shares to the Parent in exchange for the current fair value of the shares. This results in the classification of these awards in mezzanine equity (redeemable noncontrolling interest). The Company has the option to call outstanding vested shares in exchange for the current fair value of the shares. The fair value of the shares is estimated using the market and income approaches to valuation. Under the market approach, the value of the stock is estimated based on a comparison to comparable public companies in a similar line of business. From the comparable public companies, a representative market value multiple is determined and then applied to the Company’s financial metrics. Under the income approach, the value of the stock is estimated based on the discounted cash flow method, which considers expected sales trends, bakery-cafe development, and operating expenses, and an appropriate discount rate based on the weighted average cost of capital. During fiscal 2025, fiscal 2024, and fiscal 2023, 0.3 million shares, 0.3 million shares, and 0.2 million shares were repurchased for \$30.9 million, \$44.7 million, and \$37.5 million, respectively. In connection with the fiscal 2024 share repurchases, \$26.0 million was paid during fiscal 2024 and \$18.7 million was recorded in accrued expenses in the Consolidated Balance Sheet as of December 31, 2024 and paid during fiscal 2025. Unless otherwise determined by the Board, there is no maximum number of shares with respect to which shares may be purchased or Matching Awards issued under the P-EOP.

Description of Caribou Coffee plans

Caribou Coffee Company Long-Term Incentive Plan

During 2013, the Company established the Caribou Coffee Company, Inc. Long-Term Incentive Plan (“C-LTIP”), which provides for the granting of non-qualified stock options and restricted stock to officers and key employees that are generally subject to either graded vesting over the 54-months following the grant date or vest on a cliff basis on the 60-month anniversary of the award. Restricted stock awards include a six-month holding period before the employee can sell the shares. Non-qualified stock options can be exercised any time after vesting and up to ten years from the date of grant. Upon exercise of options, shares are issued from treasury stock, when available, or new shares are issued. The C-LTIP plan includes provisions for the

PANERA BRANDS, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

grantee, after the satisfaction of a six-month holding period, to put the vested shares to the Company in exchange for the current fair value of the shares. This results in the classification of these awards in mezzanine equity (redeemable noncontrolling interest). The Company has the option to call outstanding vested shares in exchange for the current fair value of the shares. The fair value of the shares is estimated using the market and income approaches to valuation. Under the market approach, the value of the stock is estimated based on a comparison to comparable public companies in a similar line of business. From the comparable public companies, a representative market value multiple is determined and then applied to the Company's financial metrics. Under the income approach, the value of the stock is estimated based on the discounted cash flow method, which considers expected sales trends, bakery-cafe development, and operating expenses, and an appropriate discount rate based on the weighted average cost of capital. The Company is authorized to issue a maximum of 1.3 million shares of its common stock pursuant to the C-LTIP. As of December 31, 2025, 1.3 million shares of the underlying common stock were available for issuance under the C-LTIP.

Caribou Coffee Company Executive Ownership Plan

Also, during 2013, the Company established the Caribou Coffee Company, Inc. Executive Ownership Plan ("C-EOP"). The C-EOP allows eligible executive employees and non-employee directors to purchase shares of Caribou Coffee Company, Inc.'s common stock during specified investment periods at an amount that equals or exceeds an investment minimum, which is defined as five percent of the participant's annual base salary divided by the fair market value of a share on the investment date. In no event shall the aggregate value of shares acquired by any participant pursuant to the C-EOP exceed the aggregate investment limit, which is defined as the product of ten and the participant's annual base salary. The C-EOP allows for the granting of matching awards of the number of shares purchased by the participants and vests on the 54-month anniversary of the investment date. The matching awards granted, as well as any shares issued at a discount, under the C-EOP are accounted for as stock-based compensation expense. Shareholders who purchased shares under the C-EOP plan may sell the shares to the Company during specified investment periods for the then current fair value. The fair value of the shares is estimated using the market and income approaches to valuation. Under the market approach, the value of the stock is estimated based on a comparison to comparable public companies in a similar line of business. From the comparable public companies, a representative market value multiple is determined and then applied to the Company's financial metrics. Under the income approach, the value of the stock is estimated based on the discounted cash flow method, which considers expected sales trends, bakery-cafe development, and operating expenses, and an appropriate discount rate based on the weighted average cost of capital. Shareholders are subject to market risk on the value of their shares. This results in the classification of these awards in mezzanine equity (redeemable noncontrolling interest). During each of fiscal 2025, fiscal 2024, and fiscal 2023, less than 0.1 million shares, respectively, were repurchased under the C-EOP for \$3.3 million, \$0.2 million, and \$2.4 million, respectively. As of December 31, 2025, 2.0 million shares of Caribou Coffee Company, Inc.'s common stock were available for issuance under the C-EOP.

Caribou Coffee Operating Company Long-Term Incentive Plan

During 2020, the Company established the Caribou Coffee Operating Company ("CCOC") Long-Term Incentive Plan ("CCOC-LTIP"), which provides for the granting of non-qualified stock options and RSUs to officers and key employees with terms identical to the C-LTIP.

Caribou Coffee Operating Company Executive Ownership Plan

Also, during 2020, the Company established the CCOC Executive Ownership Plan ("CCOC-EOP") that allows eligible executive employees and non-employee directors to purchase shares of CCOC common stock with terms identical to the C-EOP. During fiscal 2025, fiscal 2024, and fiscal 2023, 0.3 million shares, less than 0.1 million shares, and less than 0.1 million shares, respectively, were repurchased for \$6.8 million, \$0.9 million, and \$0.5 million, respectively.

Description of Einstein Bros. Brands plans

Einstein Noah Restaurant Group Long-Term Incentive Plan

During 2020, the Company established the Einstein Noah Restaurant Group, Inc. ("ENRGI") Long-Term Incentive Plan ("ENRGI-LTIP"), which provides for the granting of non-qualified stock options and RSUs to officers and key employees with terms identical to the C-LTIP.

Einstein Noah Restaurant Executive Ownership Plan

PANERA BRANDS, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

Also during 2020, the Company established the ENRGI Executive Ownership Plan ("ENRGI-EOP") that allows eligible executive employees and non-employee directors to purchase shares of ENRGI common stock with terms identical to the C-EOP. During fiscal 2025, fiscal 2024, and fiscal 2023, 0.3 million shares, 0.1 million shares, and 0.2 million shares were repurchased for \$14.1 million, \$12.2 million, and \$12.8 million, respectively. In connection with the fiscal 2024 share repurchases, \$0.7 million was paid during fiscal 2024 and \$11.5 million was recorded in accrued expenses in the Consolidated Balance Sheet as of December 31, 2024 and paid during fiscal 2025.

Restricted Stock Units

For fiscal 2025, compensation expense related to RSUs awarded under the Plans was \$45.7 million, net of capitalized compensation expense of \$2.8 million. For fiscal 2024, compensation expense related to RSUs awarded under the Plans was \$40.3 million, net of capitalized compensation expense of \$3.2 million. For fiscal 2023, compensation expense related to RSUs awarded under the Plans was \$29.9 million, net of capitalized compensation expense of \$1.6 million.

The estimated grant date fair value of each stock-based award under the plans is recognized in the Company's Consolidated Statements of Operations on a straight-line basis over the requisite service period (generally the vesting period). RSUs are valued based on the grant-date fair value of the shares. The fair value of the shares is estimated using a market approach, which estimates the value of the stock based upon comparison to comparable public companies in a similar line of business. From the comparable public companies, a representative market value multiple is determined and then applied to the Company's financial metrics.

For fiscal 2025, the Company recognized income tax expense related to restricted stock vestings of less than \$0.1 million. For fiscal 2024, the Company recognized income tax expense related to restricted stock vestings of \$0.1 million. For fiscal 2023, the Company recognized an income tax benefit related to restricted stock vestings of \$3.6 million.

As of December 31, 2025, there was \$16.5 million of total unrecognized compensation cost related to PB-LTIP and PB-EOP non-vested RSUs.

As of December 31, 2025, there was \$81.2 million of total unrecognized compensation cost related to P-LTIP and P-EOP non-vested RSUs. This unrecognized compensation cost is expected to be recognized over a weighted average period of approximately 2.9 years.

As of December 31, 2025, there was \$0.5 million of total unrecognized compensation cost related to C-LTIP and C-EOP non-vested RSUs. This unrecognized compensation cost is expected to be recognized over a weighted average period of approximately 2.7 years.

As of December 31, 2025, there was \$4.7 million of total unrecognized compensation cost related to CCOC-LTIP and CCOC-EOP non-vested RSUs. This unrecognized compensation cost is expected to be recognized over a weighted average period of approximately 2.6 years.

As of December 31, 2025, there was \$9.3 million of total unrecognized compensation cost related to ENRGI-LTIP and ENRGI-EOP non-vested RSUs. This unrecognized compensation cost is expected to be recognized over a weighted average period of approximately 2.8 years.

A summary of the status of the RSU activity is set forth below (in thousands, except weighted average fair value):

PANERA BRANDS, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

	Non-vested Restricted Stock at December 31, 2022	Granted	Vested	Forfeited	Converted	Non-vested Restricted Stock at December 31, 2023
PB-LTIP / PB-EOP						
Shares	259	203	—	(105)	—	357
Weighted Average Fair Value	\$ 152.38	\$ 192.80	\$ —	\$ 142.40	\$ —	\$ 178.29
P-LTIP / P-EOP						
Shares	1,044	245	(137)	(302)	—	850
Weighted Average Fair Value	\$ 143.48	\$ 170.26	\$ 116.41	\$ 148.76	\$ —	\$ 154.49
C-LTIP / C-EOP						
Shares	42	3	(19)	—	—	26
Weighted Average Fair Value	\$ 52.18	\$ 99.13	\$ 52.47	\$ —	\$ —	\$ 56.82
CCOC-LTIP / CCOC-EOP						
Shares	404	172	(36)	(18)	—	522
Weighted Average Fair Value	\$ 25.66	\$ 28.56	\$ 25.17	\$ 29.29	\$ —	\$ 26.52
ENRGI-LTIP / ENRGI-EOP						
Shares	742	100	(149)	(150)	—	543
Weighted Average Fair Value	\$ 29.00	\$ 55.08	\$ 32.58	\$ 27.22	\$ —	\$ 33.34

	Non-vested Restricted Stock at December 31, 2023	Granted	Vested	Forfeited	Converted	Non-vested Restricted Stock at December 31, 2024
PB-LTIP / PB-EOP						
Shares	357	14	(2)	(162)	—	207
Weighted Average Fair Value	\$ 178.29	\$ 137.32	\$ 192.92	\$ 181.04	\$ —	\$ 169.92
P-LTIP / P-EOP						
Shares	850	536	(266)	(132)	—	988
Weighted Average Fair Value	\$ 154.49	\$ 126.56	\$ 146.69	\$ 160.52	\$ —	\$ 139.64
C-LTIP / C-EOP						
Shares	26	3	(13)	(3)	—	13
Weighted Average Fair Value	\$ 56.82	\$ 105.11	\$ 53.48	\$ 73.73	\$ —	\$ 66.21
CCOC-LTIP / CCOC-EOP						
Shares	522	97	(93)	(49)	—	477
Weighted Average Fair Value	\$ 26.52	\$ 37.44	\$ 26.07	\$ 30.64	\$ —	\$ 29.82
ENRGI-LTIP / ENRGI-EOP						
Shares	543	103	(160)	(34)	—	452
Weighted Average Fair Value	\$ 33.34	\$ 66.68	\$ 30.84	\$ 52.43	\$ —	\$ 42.40

PANERA BRANDS, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

	Non-vested Restricted Stock at December 31, 2024	Granted	Vested	Forfeited	Converted	Non-vested Restricted Stock at December 31, 2025
PB-LTIP / PB-EOP						
Shares	207	—	(29)	(54)	—	124
Weighted Average Fair Value	\$ 169.92	\$ —	\$ 141.83	\$ 140.37	\$ —	\$ 180.20
P-LTIP / P-EOP						
Shares	988	286	(273)	(127)	—	874
Weighted Average Fair Value	\$ 139.64	\$ 118.62	\$ 126.00	\$ 135.71	\$ —	\$ 133.51
C-LTIP / C-EOP						
Shares	13	6	(10)	—	—	9
Weighted Average Fair Value	\$ 66.21	\$ 85.24	\$ 54.97	\$ —	\$ —	\$ 90.14
CCOC-LTIP / CCOC-EOP						
Shares	477	234	(259)	(133)	—	319
Weighted Average Fair Value	\$ 29.82	\$ 20.97	\$ 26.54	\$ 30.17	\$ —	\$ 25.83
ENRGI-LTIP / ENRGI-EOP						
Shares	452	133	(151)	(105)	—	329
Weighted Average Fair Value	\$ 42.40	\$ 63.78	\$ 31.08	\$ 47.07	\$ —	\$ 54.80

Stock Options

For fiscal 2025, fiscal 2024, and fiscal 2023, stock-based compensation expense related to stock options was \$0.5 million, \$0.9 million, and \$2.1 million, respectively. Stock options are generally issued with an exercise price equal to the market price of the underlying common stock on the date of grant.

19. Business Segment Information

Panera Brands operates and franchises bakery-cafes in the fast casual segment of the restaurant industry. Panera Brands is made up of three reportable segments, Panera Bread, Caribou Coffee, and Einstein Bros. Brands. The Company determines its reportable segments based on how the Company's chief operating decision maker (the "CODM"), its Chairman of the Board of Directors, manages the business, allocates resources, makes operating decisions and evaluates operating performance.

As of December 31, 2025, the Company had approximately 3,877 bakery-cafes system-wide, excluding the 266 Einstein Bros. Brands licensed bakery-cafes, which have lower average unit volumes.

Panera Bread specializes in meeting consumer dining needs by providing high-quality food and targets urban and suburban dwellers and workers by offering a premium specialty bakery-cafe experience with a neighborhood emphasis. In addition to the in-bakery-cafe dining experience, Panera Bread offers nation-wide catering and delivery services that provide breakfast assortments, sandwiches, salads, soups, pasta dishes, drinks, and bakery items using the same high-quality, fresh ingredients enjoyed in bakery-cafes. The Panera Bread segment operates retail bakery-cafe businesses and franchising businesses under the concept names Panera Bread® and Saint Louis Bread Co.®. As of December 31, 2025, the retail operations of Panera Bread consisted of 1,132 company-owned bakery-cafes. In addition, Panera Bread franchised 1,117 bakery-cafes as of December 31, 2025. Bakery-cafes are located in urban, suburban, strip mall, regional mall, university and hospital locations and currently operate in the United States and Canada. Panera Bread also sells a broad range of products through grocery, mass wholesalers, club retailers, and other channels in collaboration with licensed business partners as part of its Panera at Home business.

Caribou Coffee sells high-quality premium coffee and espresso-based beverages, and coffee lifestyle items. The Caribou Coffee segment operates, franchises, and licenses branded retail bakery-cafes under the concept name Caribou Coffee®. As of December 31, 2025, the retail operations of Caribou Coffee consisted of 350 company-owned retail locations. In addition, Caribou Coffee franchised or licensed 521 bakery-cafes as of December 31, 2025.

PANERA BRANDS, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

Einstein Bros. Brands businesses sell high quality bagels, made-to-order sandwiches, food and other bakery items at their bakery-cafes and also sell branded products through grocery, club and food service distribution channels. The Einstein Bros. Brands segment operates, franchises and licenses branded specialty bagel bakery-cafes. All references to "Einstein Bros. Brands" refer to specialty bagel bakery-cafes operating under the concept names Einstein Bros. Bagels®, Bruegger's Bagels®, Noah's New York Bagels®, and Manhattan Bagel Company®. As of December 31, 2025, the retail operations of Einstein Bros. Brands consisted of 575 company-owned retail locations. In addition, Einstein Bros. Brands franchised 182 bakery-cafes as of December 31, 2025, excluding the 266 Einstein Bros. Brands licensed bakery-cafes, which have lower average unit volumes.

The accounting policies applicable to each segment are consistent with those described in Note 2, Summary of Significant Accounting Policies. The CODM does not use asset information by segment to evaluate segment performance or allocate resources. As a result, asset information by segment is not disclosed.

PANERA BRANDS, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

The following tables present revenues, depreciation and amortization, and capital expenditures by segment (in thousands):

	For the fiscal year ended		
	December 31, 2025	December 31, 2024	December 31, 2023
Revenues:			
Panera Bread	\$ 3,565,753	\$ 3,632,190	\$ 3,900,713
Caribou Coffee	367,557	380,382	415,974
Einstein Bros. Brands	680,371	681,582	635,503
Total revenues	<u>\$ 4,613,681</u>	<u>\$ 4,694,154</u>	<u>\$ 4,952,190</u>
Depreciation and amortization:			
Panera Bread	\$ 201,847	\$ 206,342	\$ 186,131
Caribou Coffee	23,383	20,694	18,329
Einstein Bros. Brands	28,604	24,610	21,742
Total depreciation and amortization	<u>\$ 253,834</u>	<u>\$ 251,646</u>	<u>\$ 226,202</u>
Capital expenditures:			
Panera Bread	\$ 151,930	\$ 197,729	\$ 238,479
Caribou Coffee	33,022	32,474	18,104
Einstein Bros. Brands	77,739	52,810	24,653
Total capital expenditures	<u>\$ 262,691</u>	<u>\$ 283,013</u>	<u>\$ 281,236</u>

The following tables summarize segment revenues by category (in thousands):

	For the fiscal year ended December 31, 2025			
	Panera Bread	Caribou Coffee	Einstein Bros. Brands	Consolidated
Bakery-cafe sales, net	\$ 2,995,720	\$ 317,685	\$ 623,259	\$ 3,936,664
Franchise royalties, IT and other fees	190,457	11,033	19,557	221,047
Franchise advertising revenue	103,033	1,889	3,748	108,670
Manufacturing and other product sales	276,543	36,950	33,807	347,300
Total revenues	<u>\$ 3,565,753</u>	<u>\$ 367,557</u>	<u>\$ 680,371</u>	<u>\$ 4,613,681</u>

	For the fiscal year ended December 31, 2024			
	Panera Bread	Caribou Coffee	Einstein Bros. Brands	Consolidated
Bakery-cafe sales, net	\$ 3,029,854	\$ 315,509	\$ 612,855	\$ 3,958,218
Franchise royalties, IT and other fees	196,190	9,778	19,615	225,583
Franchise advertising revenue	93,035	1,531	3,746	98,312
Manufacturing and other product sales	313,111	53,564	45,366	412,041
Total revenues	<u>\$ 3,632,190</u>	<u>\$ 380,382</u>	<u>\$ 681,582</u>	<u>\$ 4,694,154</u>

PANERA BRANDS, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

	For the fiscal year ended December 31, 2023			
	Panera Bread	Caribou Coffee	Einstein Bros. Brands	Consolidated
Bakery-cafe sales, net	\$ 3,241,745	\$ 302,354	\$ 557,209	\$ 4,101,308
Franchise royalties, IT and other fees	206,539	8,155	17,971	232,665
Franchise advertising revenue	113,558	946	3,401	117,905
Manufacturing and other product sales	338,871	104,519	56,922	500,312
Total revenues	<u>\$ 3,900,713</u>	<u>\$ 415,974</u>	<u>\$ 635,503</u>	<u>\$ 4,952,190</u>

The Company's primary measure of segment income is Adjusted EBITDA. Adjusted EBITDA is defined as net income (loss) excluding depreciation and amortization, interest expense, income tax expense (benefit), certain bakery-cafe costs (asset impairments, lease termination and other closure costs), expenses involved with the divestiture of Au Bon Pain, corporate restructuring and transformation expenses, legal fees and settlements, Parent Company costs, stock-based compensation, as well as certain non-recurring items that we believe do not directly reflect our core operations and may not be indicative of our recurring business operations.

Adjusted EBITDA is used by the CODM to facilitate comparisons to historical performance and competitors' operating results, develop internal budgets and forecasts in tracking performance, to evaluate the Company's capacity to fund capital expenditures and expand its business, along with serving as a key metric in certain of the Company's compensation programs. Adjusted EBITDA by segment is as follows (in thousands):

	For the fiscal year ended December 31, 2025			
	Panera Bread	Caribou Coffee	Einstein Bros. Brands	Total From Reportable Segments
Total revenues	\$ 3,565,753	\$ 369,969	\$ 680,371	\$ 4,616,093
Costs and expenses:				
Bakery-cafe expenses:				
Total cost of food and paper products	\$ 783,986	\$ 92,323	\$ 141,229	\$ 1,017,538
Labor	892,669	99,324	182,287	1,174,280
Occupancy	244,202	34,452	62,354	341,008
Other operating expenses	534,944	44,988	107,631	687,563
Total bakery-cafe expenses	\$ 2,455,801	\$ 271,087	\$ 493,501	\$ 3,220,389
Manufacturing and other product cost of sales	200,523	29,766	21,537	251,826
Franchise IT and other expenses	34,640	1,199	1,103	36,942
Franchise advertising expenses	103,033	1,889	3,748	108,670
General and administrative expenses	216,351	34,030	43,993	294,374
Pre-opening expenses	7,165	3,304	3,389	13,858
Total costs and expenses	\$ 3,017,513	\$ 341,275	\$ 567,271	\$ 3,926,059
Other (income) expense, net	(288)	—	—	(288)
Less: Net income (loss) attributable to noncontrolling interest	—	400	707	1,107
Adjusted EBITDA	<u>\$ 548,528</u>	<u>\$ 28,294</u>	<u>\$ 112,393</u>	<u>\$ 689,215</u>

PANERA BRANDS, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the fiscal year ended December 31, 2024				
	Panera Bread	Caribou Coffee	Einstein Bros. Brands	Total From Reportable Segments
Total revenues	\$ 3,632,190	\$ 380,382	\$ 681,582	\$ 4,694,154
Costs and expenses:				
Bakery-cafe expenses:				
Total cost of food and paper products	\$ 790,598	\$ 85,581	\$ 141,103	\$ 1,017,282
Labor	937,901	98,910	173,106	1,209,917
Occupancy	235,246	32,659	59,104	327,009
Other operating expenses	522,993	44,323	99,766	667,082
Total bakery-cafe expenses	\$ 2,486,738	\$ 261,473	\$ 473,079	\$ 3,221,290
Manufacturing and other product cost of sales	236,047	40,638	33,652	310,337
Franchise IT and other expenses	35,248	2,152	1,124	38,524
Franchise advertising expenses	93,035	1,531	3,746	98,312
General and administrative expenses	219,561	37,306	49,232	306,099
Pre-opening expenses	8,372	2,024	2,590	12,986
Total costs and expenses	\$ 3,079,001	\$ 345,124	\$ 563,423	\$ 3,987,548
Other (income) expense, net	1,548	—	—	1,548
Less: Net income (loss) attributable to noncontrolling interest	—	911	821	1,732
Adjusted EBITDA	<u>\$ 551,641</u>	<u>\$ 34,347</u>	<u>\$ 117,338</u>	<u>\$ 703,326</u>

For the fiscal year ended December 31, 2023				
	Panera Bread	Caribou Coffee	Einstein Bros. Brands	Total From Reportable Segments
Total revenues	\$ 3,900,713	\$ 415,974	\$ 635,503	\$ 4,952,190
Costs and expenses:				
Bakery-cafe expenses:				
Total cost of food and paper products	\$ 921,599	\$ 81,814	\$ 134,587	\$ 1,138,000
Labor	961,669	92,867	155,178	1,209,714
Occupancy	226,712	30,233	55,557	312,502
Other operating expenses	567,902	42,284	89,207	699,393
Total bakery-cafe expenses	\$ 2,677,882	\$ 247,198	\$ 434,529	\$ 3,359,609
Manufacturing and other product cost of sales	263,543	82,185	44,250	389,978
Franchise IT and other expenses	36,349	1,850	1,556	39,755
Franchise advertising expenses	113,558	1,008	3,400	117,966
General and administrative expenses	260,134	34,197	46,484	340,815
Pre-opening expenses	6,670	1,501	949	9,120
Total costs and expenses	\$ 3,358,136	\$ 367,939	\$ 531,168	\$ 4,257,243
Other (income) expense, net	(1,432)	—	—	(1,432)
Less: Net income (loss) attributable to noncontrolling interest	—	1,137	663	1,800
Adjusted EBITDA	<u>\$ 544,009</u>	<u>\$ 46,898</u>	<u>\$ 103,672</u>	<u>\$ 694,579</u>

A reconciliation of total adjusted EBITDA from reportable segments to income (loss) before income taxes is as follows (in thousands):

PANERA BRANDS, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

	For the fiscal year ended		
	December 31, 2025	December 31, 2024	December 31, 2023
Total adjusted EBITDA from reportable segments	\$ 689,215	\$ 703,326	\$ 694,579
Depreciation and amortization	(253,834)	(251,646)	(226,202)
Interest expense, net	(136,411)	(124,925)	(155,399)
Other corporate and unallocated costs	(3,296)	(3,708)	(4,825)
Less: Net income (loss) attributable to noncontrolling interest	1,894	2,986	5,003
Adjustments included in total adjusted EBITDA from reportable segments:			
Bakery-cafe costs(1)	(197)	(233)	(827)
Au Bon Pain divestiture(2)	(327)	(1,847)	(1,416)
Corporate restructuring and transformation(3)	(82,159)	(121,292)	(25,362)
Legal proceedings(4)	(771)	(10,729)	(16,198)
Parent Company costs(5)	(8,806)	(13,026)	(7,994)
Stock-based compensation	(33,274)	(33,071)	(31,433)
Goodwill and trademark impairment	(568,893)	(158,515)	—
Other adjustments(6)	(30,383)	179,716	(6,691)
Total adjustments	(724,810)	(158,997)	(89,921)
Income (loss) before income taxes	<u>\$ (427,242)</u>	<u>\$ 167,036</u>	<u>\$ 223,235</u>

(1) Bakery-cafe costs primarily include asset impairments, accelerated depreciation, lease termination and other closure costs involving certain underperforming bakery-cafes resulting from a strategic review of our capital allocation strategy as part of a broader transformation plan.

(2) Expenses for the divestiture of Au Bon Pain primarily include lease termination, accelerated depreciation and other closure costs.

(3) Corporate restructuring and transformation for all periods presented includes employee-related costs and professional service expenses incurred, primarily as part of Panera Bread's broader transformation initiatives to align the organizational structure to effectively execute strategic growth initiatives. Fiscal 2025 and fiscal 2024 also include expenses associated with Panera Bread's bakery transformation initiative. Fiscal 2024 also included expenses with Panera Bread's menu transformation initiative.

Corporate restructuring and transformation for fiscal 2025 was primarily composed of employee severance and related benefit costs of \$21.9 million, lease and asset disposal costs, including product obsolescence, totaling \$30.1 million, and professional service expenses of \$19.7 million. Corporate restructuring and transformation for fiscal 2024 was primarily composed of employee severance and related benefit costs of \$48.0 million, lease and asset disposal costs, including product obsolescence, totaling \$25.9 million, professional service expenses of \$17.3 million, and incremental advertising of \$16.0 million supporting Panera Bread's menu transformation. Panera Bread's menu transformation was substantially complete by the end of fiscal 2024. The Company anticipates Panera Bread's bakery transformation will be substantially completed by the end of fiscal 2026, with the closure of the remaining Panera Bread production facilities as Panera Bread eliminates reliance on its legacy dough-making production facilities. The Company expects to incur additional expenses of approximately \$15 million to \$20 million in fiscal 2026 related to the Panera Bread bakery transformation initiative. As of December 31, 2025, the Company had an accrual of \$18.7 million for employee severance and related benefit costs which was included in accrued expenses in the Consolidated Balance Sheets.

(4) Legal proceedings includes legal fees and settlements for several distinct legal matters.

(5) Parent Company costs primarily involve general and administrative and other costs incurred by the Panera Brands holding company entity, which owns the three reportable segments, Panera Bread, Caribou Coffee, and Einstein Bros. Brands.

(6) Other adjustments comprise the net expense (income) associated with fair value adjustments on outstanding warrants described in Note 17, Liability Classified Common Stock Warrants, and other miscellaneous non-recurring activities. Fair

PANERA BRANDS, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

value adjustments on outstanding warrants totaled expense of \$21.6 million, income of \$189.9 million, and expense of \$3.5 million in fiscal 2025, fiscal 2024, and fiscal 2023, respectively.

20. Earnings (Loss) Per Share

The following table sets forth the computation of basic and diluted earnings (loss) per share (in thousands, except for per share data):

	For the fiscal year ended		
	December 31, 2025	December 31, 2024	December 31, 2023
Net income (loss) attributable to Panera Brands, Inc.	\$ (437,597)	\$ 130,650	\$ 168,111
Adjustment to net income (loss) attributable to common shareholders ...	2,703	(105)	(249)
Net (income) loss attributable to participating securities	—	(9,241)	(5,833)
Net income (loss) attributable to common shareholders - Basic	\$ (434,894)	\$ 121,304	\$ 162,029
Net income (loss) attributable to Panera Brands, Inc.	\$ (437,597)	\$ 130,650	\$ 168,111
Adjustment to net income (loss) attributable to common shareholders ...	2,703	(105)	(249)
Change in fair value of warrant liabilities	—	(189,867)	3,459
Additional income attributed to noncontrolling interest due to subsidiary potential common shares	(515)	(1,009)	(2,458)
Net income (loss) attributable to common shareholders - Diluted	\$ (435,409)	\$ (60,331)	\$ 168,863
Basic weighted average common shares outstanding	51,542	51,780	50,317
Diluted weighted average common shares outstanding	51,542	55,725	54,291
Earnings (loss) per common share:			
Basic	\$ (8.44)	\$ 2.34	\$ 3.22
Diluted	\$ (8.45)	\$ (1.08)	\$ 3.11

Potential dilutive shares consist of vested and unvested penny warrants, calculated using the if-converted method, and unvested RSUs and outstanding time-based options, calculated using the treasury stock method. The calculation of dilutive shares outstanding excludes certain penny warrants and unvested RSUs and outstanding time-based options, because their inclusion would have been antidilutive.

The following table summarizes the number of penny warrants, unvested RSUs and time-based options excluded due to antidilution:

	For the fiscal year ended		
	December 31, 2025	December 31, 2024	December 31, 2023
Panera Brands	3,910,786	186,360	63,816
Panera	236,449	240,899	—
CCCI	—	—	—
CCOC	36,599	—	33,832
Einstein	123,644	—	—

21. Supplemental Cash Flow Information

The following table sets forth supplemental cash flow information for the periods indicated (in thousands):

PANERA BRANDS, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

	For the fiscal year ended		
	December 31, 2025	December 31, 2024	December 31, 2023
Cash paid during the year for:			
Interest	\$ 149,774	\$ 158,681	\$ 169,501
Non-cash investing and financing activities:			
Change in accrued property and equipment purchases	\$ (316)	\$ (13,654)	\$ (2,602)

22. Related Party Transactions

Group Cash Pool

In July 2024, the Company became party to a liquidity agreement with Bank Mendes Gans N.V., JAB Holdings B.V., and certain affiliated entities of JAB Holdings B.V. The liquidity agreement aids JAB Holdings B.V. in efficient cash management and reduces the need for external borrowing by the pool participants. Parties to the agreement, including the Company, may deposit funds with or borrow from Bank Mendes Gans N.V., provided that the net balance of funds deposited or borrowed by all pool participants in the aggregate is not less than zero.

The Company did not deposit or borrow any funds within the cash pool during fiscal 2025 or fiscal 2024. As of December 31, 2025 and December 31, 2024, the Company's balance for the cash pool was zero.

Sales of Coffee to JDEP

As disclosed in Note 4, Acquisitions and Divestitures, in March 2024, Caribou Coffee sold its roasting operations in Minnesota and its office, coffee, and foodservice contracts and licensed the rights to its brand for use in consumer-packaged goods and foodservice channels to a subsidiary of JDEP (the "Caribou Coffee Transaction"). Prior to the Caribou Coffee Transaction, Caribou Coffee sold Caribou branded coffee to JDEP and received a royalty for all sales by JDEP of Caribou Coffee branded product. The Company recorded \$8.0 million and \$32.6 million of JDEP coffee bean sales and royalties during fiscal 2024 and fiscal 2023, respectively.

Sales to Keurig Dr. Pepper

Prior to the Caribou Coffee Transaction, Caribou Coffee sold Caribou branded coffee to Keurig Dr. Pepper ("KDP"), an affiliate of the Company at the time of the transaction. The Company sold \$3.4 million and \$17.3 million of green coffee to KDP during fiscal 2024 and fiscal 2023, respectively. The Company also received royalties of \$2.0 million and \$8.2 million from KDP on sales by KDP of Caribou Coffee branded product during fiscal 2024 and fiscal 2023, respectively.

23. Subsequent Events

The Company has evaluated subsequent events through March 31, 2026, the date that the consolidated financial statements were available to be issued.

GUARANTEE OF PERFORMANCE

For value received, Panera Brands, Inc., a Delaware corporation ("Guarantor") located at 1400 South Highway Drive, Suite 100, Fenton, Missouri 63026, absolutely and unconditionally guarantees to assume the duties and obligations of Panera, LLC, located 1400 South Highway Drive, Suite 100, Fenton, Missouri 63026 (the "Franchisor") under its franchise registration in each state where the franchise is registered, and under its Franchise Agreement identified in its 2026 Franchise Disclosure Document, as it may be amended, and as that Franchise Agreement may be entered into with franchisees and amended, modified or extended, from time to time. This guarantee continues until all such obligations of the Franchisor under its franchise registrations and the Franchise Agreement are satisfied or until liability of the Franchisor to its franchisees under the Franchise Agreement has been completely discharged, whichever first occurs. The Guarantor is not discharged from liability if a claim by a franchisee against the Franchisor remains outstanding. Notice of acceptance is waived. The Guarantor does not waive receipt of notice of default on the part of the Franchisor. This guarantee is binding on the Guarantor and its successors and assigns.

The Guarantor signs this guarantee at Newton, Massachusetts on the 23rd day of April, 2026.

Guarantor:

PANERA BRANDS, INC.



By: Marlene Gordon

Title: Senior Vice President, Chief Legal Officer and Secretary

EXHIBIT J TO FDD

**DISCLOSURE ADDENDA
FOR REGISTRATION STATES**

**ADDENDUM TO THE PANERA, LLC FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF CALIFORNIA**

Notwithstanding anything to the contrary set forth in the Panera, LLC Franchise Disclosure Document, the following provisions shall supersede and apply to all Franchises offered and sold in the State of California:

1. The following paragraph is added at the end of Item 3 of the Disclosure Document:

Except as disclosed above, neither we nor any person identified in Item 2 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, 15 U.S.C.A. Section 78a et seq., suspending or expelling such person from membership in such association or exchange.

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

3. OUR WEBSITE, www.panerabread.com, HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THE WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION AT www.dfpi.ca.gov.

4. The row entitled “Interest” in Item 6 of the Disclosure Document is amended to state that the maximum interest rate in California currently is 10% annually.

5. The following paragraphs are added at the end of Item 17 of the Disclosure Document:

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

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

Covenant not to Compete. The Franchise Agreement contains a covenant not to compete which extends beyond the termination of the franchise. This provision may not be enforceable under California law.

Arbitration. The Franchise Agreement requires binding arbitration. The arbitration will occur at a suitable location in Boston, Massachusetts with the costs being borne as the arbitrator determines. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provision of the Franchise Agreement restricting venue to a forum outside the State of California.

Material Modification. California Corporations Code, Section 31125 requires the franchisor to give the franchisee a disclosure document, approved by the Department of Business Oversight, prior to a solicitation of a proposed material modification of an existing franchise.

Releases. The Franchise Agreement requires you to sign a general release of claims upon renewal or transfer of the Franchise Agreement. California Corporations Code Section 31512 provides that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of that law or any rule or order thereunder is void. Section 31512 might void a waiver of your rights under the Franchise Investment Law (California Corporations Code Section 31000 – 31516). Business and Professions Code Section 20010 might void a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 – 20043).

Personal Guarantee. Franchisees and all owners must sign a personal guarantee, making you and your spouse individually liable for your financial obligations under the agreement if you are married. The guarantee will place your and your spouse's marital and personal assets at risk, perhaps even your house, if your franchise fails.

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

**ADDENDUM TO THE PANERA, LLC FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF HAWAII**

Notwithstanding anything to the contrary set forth in the Panera, LLC Franchise Disclosure Document, the following provisions shall supersede and apply to all Franchises offered and sold in the State of Hawaii:

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

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

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

ADDENDUM TO THE PANERA, LLC FRANCHISE DISCLOSURE DOCUMENT FOR THE STATE OF ILLINOIS

Notwithstanding anything to the contrary set forth in the Panera, LLC Franchise Disclosure Document, the following provisions shall supersede and apply to all Franchises offered and sold in the State of Illinois:

1. The following paragraphs are added to the end of the Disclosure Document:

Illinois law governs the Franchise Agreement.

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.

Your rights upon Termination and Non-Renewal of an agreement are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

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.

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

**ADDENDUM TO THE PANERA, LLC FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF MARYLAND**

Notwithstanding anything to the contrary set forth in the Panera, LLC Franchise Disclosure Document, the following provisions shall supersede and apply to all Franchises offered and sold in the State of Maryland:

1. The following language is added to the end of the “Summary” sections of Item 17(c), entitled Requirements for franchisee to renew or extend, and Item 17(m), entitled Conditions for franchisor approval of transfer:

Any release required as a condition of renewal and/or assignment/transfer will not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

2. The following language is added to the end of the “Summary” section of Item 17(h), entitled “Cause” defined – non-curable defaults:

Termination upon insolvency might not be enforceable under federal bankruptcy law (11 U.S.C. Sections 101 et seq.), but we will enforce it to the extent enforceable.

3. The following sentence is added to the end of the “Summary” section of Item 17(v), entitled Choice of forum:

Subject to your arbitration obligation, you may bring suit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

4. The “Summary” section of Item 17(w), entitled Choice of law, is amended to read as follows:

Except for federal law, and except as otherwise required by the Maryland Franchise Registration and Disclosure Law, Missouri law governs.

5. The following language is added to the end of the chart in Item 17:

You must bring any claims arising under the Maryland Franchise Registration and Disclosure Law within 3 years after the grant of the franchise.

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

ADDENDUM TO THE PANERA, LLC FRANCHISE DISCLOSURE DOCUMENT FOR THE STATE OF MINNESOTA

Notwithstanding anything to the contrary set forth in the Panera, LLC Franchise Disclosure Document, the following provisions shall supersede and apply to all Franchises offered and sold in the State of Minnesota:

THESE FRANCHISES HAVE BEEN REGISTERED UNDER THE MINNESOTA FRANCHISE ACT. REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF COMMERCE OF MINNESOTA OR A FINDING BY THE COMMISSIONER THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

THE MINNESOTA FRANCHISE ACT MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WHICH IS SUBJECT TO REGISTRATION WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, AT LEAST 7 DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST 7 DAYS PRIOR TO THE OF ANY CONSIDERATION, BY THE FRANCHISEE, WHICHEVER OCCURS FIRST, A COPY OF THIS PUBLIC OFFERING STATEMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE FRANCHISE. THIS PUBLIC OFFERING STATEMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR AN UNDERSTANDING OF ALL RIGHTS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

1. Minnesota Statutes, Section 80C.21 and Minnesota Rules 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 (1) any of the franchisee's rights as provided for in Minnesota Statutes, Chapter 80C or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.
2. With respect to franchises governed by Minnesota law, the franchisor will comply with Minnesota Statutes, Section 80C.14, Subd. 3-5, which require (except in certain specified cases) (1) that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the franchise agreement and (2) that consent to the transfer of the franchise will not be unreasonably withheld.
3. The franchisor will protect the franchisee's rights to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify the franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name. Minnesota considers it unfair to not protect the franchisee's right to use the trademarks. Refer to Minnesota Statutes, Section 80C.12, Subd. 1(g).
4. Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.
5. The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rules 2860.4400J. Also, a court will determine if a bond is required.
6. The Limitations of Claims section must comply with Minnesota Statutes, Section 80C.17, Subd. 5.
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 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 franchisee.

**ADDENDUM TO THE PANERA, LLC FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF NEW YORK**

Notwithstanding anything to the contrary set forth in the Panera, LLC Franchise Disclosure Document, the following provisions shall supersede and apply to all Franchises offered and sold in the State of New York:

1. The following information is added to the State Cover Page of the Disclosure Document:

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

2. The following paragraphs are added at the beginning of Item 3 of the Disclosure Document:

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

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

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

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

(d) No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association 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. The following is added to the end of the "Summary" sections of Item 17(c), titled "**Requirements for 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; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687(4) and 687(5) be satisfied.

4. The following language replaces the “Summary” section of Item 17(d), titled “**Termination by franchisee**”:

You may terminate the agreement on any grounds available by law.

5. 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 forgoing choice of law should not be considered a waiver of any right conferred upon the franchisor or upon the franchisee by article 33 of the General Business law of the state of New York.

6. There are circumstances in which an offering made by us would not fall within the scope of the New York General Business Law, Article 33, such as when the offer and acceptance occurred outside the State of New York. However, an offer or sale is deemed made in New York if you are domiciled in and the franchise will be operated in New York. We are required to furnish a New York prospectus to every prospective franchisee who is protected under the New York General Business Law, Article 33.

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

8. Receipts – Any sale made must be in compliance with § 683(8) of the Franchise Sale Act (N.Y. Gen. Bus. L. § 680 et seq.), which describes the time period a Franchise Disclosure Document (offering prospectus) must be provided to a prospective franchisee before a sale may be made. New York law requires a franchisor to provide the Franchise Disclosure Document at the earliest of the first personal meeting, ten (10) business days before the execution of the franchise or other agreement, or the payment of any consideration that relates to the franchise relationship.

**ADDENDUM TO THE PANERA, LLC FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF NORTH DAKOTA**

Notwithstanding anything to the contrary set forth in the Panera, LLC Franchise Disclosure Document, the following provisions shall supersede and apply to all Franchises offered and sold in the State of North Dakota:

1. The “Summary” sections of Items 17(c), entitled **Requirements for franchisee to renew or extend**, and 17(m), entitled **Conditions for franchisor approval of transfer**, of the Franchise Agreement chart in the Disclosure Document are amended by adding the following:

However, any release required as a condition of renewal and/or assignment/transfer will not apply to the extent prohibited by the North Dakota Franchise Investment Law.

2. The “Summary” section of Item 17(i), entitled **Franchisee's obligations on termination/non-renewal**, of the Franchise Agreement chart in the Disclosure Document is amended by adding the following:

The Commissioner has determined termination or liquidated damages to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. However, we and you agree to enforce these provisions to the extent the law allows.

3. The “Summary” section of Item 17(r), entitled **Non-competition covenants during the term of the franchise**, of the Franchise Agreement chart in the Disclosure Document is amended by adding the following:

Covenants not to compete such as those mentioned above generally are considered unenforceable in North Dakota. However, we will seek to enforce them to the extent enforceable.

4. The “Summary” section of Item 17(u), entitled **Dispute resolution by arbitration or mediation**, of the Franchise Agreement chart in the Disclosure Document is amended by adding the following:

However, to the extent required by the North Dakota Franchise Investment Law (unless preempted by the Federal Arbitration Act), arbitration will be at a site to which we and you mutually agree.

5. The “Summary” section of Item 17(v), entitled **Choice of Forum**, of the Franchise Agreement chart in the Disclosure Document is amended by adding the following:

Subject to arbitration requirements and to the extent required by the North Dakota Franchise Investment Law, you may bring an action in North Dakota.

6. The “Summary” section of Item 17(w), entitled **Choice of law**, of the Franchise Agreement chart in the Disclosure Document is amended by adding the following:

Except for Federal Arbitration Act and other federal law, North Dakota law governs.

**ADDENDUM TO THE PANERA, LLC FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF VIRGINIA**

Notwithstanding anything to the contrary set forth in the Panera, LLC Franchise Disclosure Document, the following provisions shall supersede and apply to all Franchises offered and sold in the State of Virginia:

1. In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the “Summary” section of Item 17(h), entitled **“Cause” defined – non-curable defaults**, is amended by adding the following:

Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the franchise agreement 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. The “Summary” section of Item 17(r), entitled **Non-competition covenants after the franchise is terminated or expires**, is amended by adding the following:

Under subdivision A 4 of § 13.1-563 of the Virginia Retail Franchising Act (“Act”), it is unlawful to offer or enter into a franchise agreement that restricts the right of a franchisee to engage in the business of offering, selling, or distributing goods or services at retail after termination or expiration of the franchise agreement. However, subsection B of § 13.1-563 of the Act provides that if a franchisee sells a franchise at a mutually agreed upon price to a third party or back to the franchisor, such sale may include a term restricting the right of such franchisee to engage in the business of offering, selling, or distributing goods or services at retail for a period of no more than two years after such sale.

3. The “Summary” section of Item 17(w), entitled **Choice of law**, is amended by adding the following:

Under subsection D of § 13.1-559 of the Virginia Retail Franchising Act, for all franchises located in Virginia, the franchise contract or agreement offered or entered into pursuant to terms of this chapter shall be governed by the laws of the Commonwealth of Virginia.

ADDENDUM TO THE PANERA, LLC FRANCHISE DISCLOSURE DOCUMENT FOR THE STATE OF WASHINGTON

Notwithstanding anything to the contrary set forth in the Panera, LLC Franchise Disclosure Document, the following provisions shall supersede and apply to all Franchises offered and sold in the State of Washington:

1. In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW shall prevail.
2. RCW 19.100.180 may supersede provisions in the Franchise Agreement or related agreements concerning your relationship with the franchisor, including in the areas of termination and renewal of your franchise. There may also be court decisions that supersede the Franchise Agreement or related agreements concerning your relationship with the franchisor. Franchise agreement provisions, including those summarized in Item 17 of the Franchise Disclosure Document, are subject to state law.
3. In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the Franchise Agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.
4. A release or waiver of rights in the Franchise Agreement or related agreements purporting to bind the franchisee to waive compliance with any provision under the Washington Franchise Investment Protection Act or any rules or orders thereunder is void except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likewise void except as provided for in RCW 19.100.220(2).
5. Provisions contained in the Franchise Agreement or related agreements that unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.
6. Transfer fees are collectable to the extent that they reflect our reasonable estimated or actual costs in effecting a transfer.
7. The franchisee may terminate the Franchise Agreement under any grounds permitted under state law.
8. Provisions in Franchise Agreements or related agreements that permit the franchisor to repurchase the franchisee's business for any reason during the term of the Franchise Agreement without the franchisee's consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchise is terminated for good cause.
9. Any provision in the Franchise Agreement or related agreements that requires the franchisee to purchase or rent any product or service for more than a fair and reasonable price is unlawful under RCW 19.100.180(2)(d).
10. RCW 19.100.190 permits franchisees to seek treble damages under certain circumstances. Accordingly, provisions contained in the Franchise Agreement or elsewhere requiring franchisees to waive exemplary, punitive, or similar damages are void, except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2).
11. Provisions in the Franchise Agreement or related agreements stating that the franchisor may exercise its discretion on the basis of its reasonable business judgment may be limited or superseded by RCW 19.100.180(1), which requires the parties to deal with each other in good faith.
12. Any provision in the Franchise Agreement or related agreements requiring the franchisee to indemnify, reimburse, defend, or hold harmless the franchisor or other parties is hereby modified such that the franchisee has no obligation to indemnify, reimburse, defend, or hold harmless the franchisor or any other indemnified party for losses or liabilities to the extent that they are caused by the indemnified party's negligence, willful misconduct, strict liability, or fraud.

13. If the Franchise Agreement or related agreements require a franchisee to reimburse the franchisor for court costs or expenses, including attorneys' fees, such provision applies only if the franchisor is the prevailing party in any judicial or arbitration proceeding.

14. Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of an area representative, unless the employee's earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the Franchise Agreement or elsewhere that conflict with these limitations is void and unenforceable in Washington.

15. RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the Franchise Agreement or elsewhere are void and unenforceable in Washington.

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

17. Any provision in the Franchise Agreement or related agreements that prohibits the franchisee from communicating with or complaining to regulators is inconsistent with the express instructions in the Franchise Disclosure Document and is unlawful under RCW 19.100.180(2)(h).

18. Under the Washington Franchise Investment Protection Act, a "franchise broker" is defined as a person that engages in the business of the offer or sale of franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. If a franchisee is working with a franchise broker, franchisees are advised to carefully evaluate any information provided by the franchise broker about a franchise.

ASSURANCE OF DISCONTINUANCE STATE OF WASHINGTON

To resolve an investigation by the Washington Attorney General and without admitting any liability, we have entered into an Assurance of Discontinuance ("AOD") with the State of Washington, where we have agreed to remove from our form franchise agreement a provision which restricts a franchisee from soliciting and/or hiring the employees of our other franchisees and/or our employees, which the Attorney General alleges violates Washington state and federal antitrust and unfair practices laws. We have agreed, as part of the AOD, to not enforce any such provisions in any existing franchise agreement, to request that our Washington franchisees amend their existing franchise agreements to remove such provisions, and to notify our franchisees about the entry of the AOD. In addition, the State of Washington did not assess any fines or other monetary penalties against us.

EXHIBIT K TO FDD

RIDERS TO THE PANERA, LLC AGREEMENTS

**RIDER TO THE PANERA, LLC AGREEMENTS
PURSUANT TO THE MARYLAND FRANCHISE REGISTRATION AND DISCLOSURE LAW**

This Rider to the Panera, LLC Agreements by and between Panera, LLC and Franchisee is dated _____, _____.

In both the Franchise Agreement and Area Development Agreement, the 5th and 6th sentences of Section 1.02 are deleted.

The following language shall be added to Sections 13.02(i) and 15.03 of the Franchise Agreement and 7.02(g) of the Area Development Agreement:

Pursuant to COMAR 02.02.08. 16L, any general release, estoppel or waiver of liability required as a condition of renewal and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

The following language shall be added to the end of Sections 18.02 of the Franchise Agreement and 10.02 of the Area Development Agreement:

However, subject to your arbitration obligations, you may bring an action in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

The following sentence is added to the end of Section 19.06 of the Franchise Agreement and 11.06 of the Area Development Agreement:

However, to the extent required by applicable law, Maryland law will apply to claims arising under the Maryland Franchise Registration and Disclosure Law.

The following sentence is added to the end of the Franchise Agreement and Area Development Agreement:

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.

Pursuant to the Interpretive Opinion “Adopting NASAA Statement of Policy Regarding the Use of Franchise Questionnaires and Acknowledgments” dated January 23, 2023, issued by the State of Maryland Office of the Attorney General Securities Division (the “Division”), the Division requires franchisors selling franchises that are subject to the Maryland Franchise Registration and Disclosure Law to provide the following legend: “No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.”

All initially capitalized terms not defined herein shall have the same meaning as ascribed to them in the Agreements. Except as expressly modified hereby, the Agreements shall remain in full force and effect in accordance with its terms.

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Rider concurrently with the execution of the Agreements on the day and year first above written.

PANERA, LLC
A Delaware limited liability company

By: _____

Title: _____

FRANCHISEE

(Signature)

(Print Name)

(Signature)

(Print Name)

**RIDER TO THE PANERA, LLC AGREEMENTS
PURSUANT TO THE MINNESOTA FRANCHISES LAW**

This Rider to the Panera, LLC Agreements by and between Panera, LLC and Franchisee is dated _____, _____.

The Franchise Agreement and Area Development Agreement for Panera, LLC shall be amended as follows:

1. Minnesota Statutes, Section 80C.21 and Minnesota Rules 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 (1) any of the franchisee's rights as provided for in Minnesota Statutes, Chapter 80C or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.
2. With respect to franchises governed by Minnesota law, the franchisor will comply with Minnesota Statutes, Section 80C.14, Subd. 3-5, which require (except in certain specified cases) (1) that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the franchise agreement and (2) that consent to the transfer of the franchise will not be unreasonably withheld.
3. The franchisor will protect the franchisee's rights to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify the franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name. Minnesota considers it unfair to not protect the franchisee's right to use the trademarks. Refer to Minnesota Statutes, Section 80C.12, Subd. 1(g).
4. Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.
5. The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rules 2860.4400J. Also, a court will determine if a bond is required.
6. The Limitations of Claims section must comply with Minnesota Statutes, Section 80C.17, Subd. 5.
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 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 franchisee.

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Rider concurrently with the execution of the Agreements on the day and year first above written.

PANERA, LLC
A Delaware limited liability company

By: _____

Title: _____

FRANCHISEE

(Signature)

(Print Name)

(Signature)

**RIDER TO THE PANERA, LLC AGREEMENTS
PURSUANT TO THE NORTH DAKOTA FRANCHISE INVESTMENT LAW**

This Rider to the Panera, LLC Agreements by and between Panera, LLC and Franchisee is dated _____, _____.

1. The Franchise Agreement and Area Development Agreement for Panera, LLC shall be amended by the addition of the following:

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 on Claims. Requiring North Dakota franchisees to consent to a limitation on when claims may be brought.

All initially capitalized terms not defined herein shall have the same meaning as ascribed to them in the Agreements. Except as expressly modified hereby, the Agreements shall remain in full force and effect in accordance with its terms.

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Rider concurrently with the execution of the Agreements on the day and year first above written.

PANERA, LLC
A Delaware limited liability company

By: _____

Title: _____

FRANCHISEE

(Signature)

(Print Name)

(Signature)

**RIDER TO THE PANERA, LLC AGREEMENTS
PURSUANT TO THE VIRGINIA RETAIL FRANCHISING ACT**

This Rider to the Panera, LLC Agreements by and between Panera, LLC and Franchisee is dated _____, _____.

1. The Franchise Agreement and Area Development Agreement for Panera, LLC shall be amended by the addition of the following:

A. Restrictive Covenants: Under subdivision A 4 of § 13.1-563 of the Virginia Retail Franchising Act ("Act"), it is unlawful to offer or enter into a franchise agreement that restricts the right of a franchisee to engage in the business of offering, selling, or distributing goods or services at retail after termination or expiration of the franchise agreement. However, subsection B of § 13.1-563 of the Act provides that if a franchisee sells a franchise at a mutually agreed upon price to a third party or back to the franchisor, such sale may include a term restricting the right of such franchisee to engage in the business of offering, selling, or distributing goods or services at retail for a period of no more than two years after such sale.

B. Applicable Laws: Under subsection D of § 13.1-559 of the Virginia Retail Franchising Act, for all franchises located in Virginia, the franchise contract or agreement offered or entered into pursuant to terms of this chapter shall be governed by the laws of the Commonwealth of Virginia.

All initially capitalized terms not defined herein shall have the same meaning as ascribed to them in the Agreements. Except as expressly modified hereby, the Agreements shall remain in full force and effect in accordance with its terms.

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Rider concurrently with the execution of the Agreements on the day and year first above written.

PANERA, LLC
A Delaware limited liability company

By: _____

Title: _____

FRANCHISEE

(Signature)

(Print Name)

(Signature)

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.

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

STATE	EFFECTIVE DATE
California	Pending
Illinois	Pending
Indiana	Pending
Maryland	Pending
Michigan	Pending
Minnesota	Pending
New York	Pending
North Dakota	Pending
Rhode Island	Pending
Virginia	Pending
Washington	Pending
Wisconsin	Pending

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

ITEM 23
RECEIPT

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

If Panera, LLC (“Panera”) offers you a franchise, Panera must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, us or an affiliate in connection with the proposed franchise sale, or sooner if required by applicable state law. Applicable state law in (a) Michigan requires us to provide you the Franchise Disclosure Document at least 10 business 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 and (b) New York requires us to provide you the Franchise Disclosure Document the earlier of the first personal meeting or 10 business 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.

If Panera does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and any applicable state agency.

The name, principal business address, and telephone number of the franchise seller offering the franchise is:

Name	Principal Business Address	Telephone Number
Yvonne Lynch	1220 Washington St., West Newton, MA 02465	917-566-0582
Eric D’Amico	1220 Washington St., West Newton, MA 02465	314-984-2635
Matt Scobbie	1400 South Highway Drive, Suite 100, Fenton, MO 63026	
Tim O’Kane	1220 Washington St., West Newton, MA 02465	781-686-2880
Michele Keaveny	1220 Washington St., West Newton, MA 02465	617-771-3508
Liz Walsh	1220 Washington St., West Newton, MA 02465	

Issuance Date: April 23, 2026

I received a disclosure document dated April 23, 2026. (See the state effective date summary page for state effective dates.) The disclosure document included the following Exhibits and Attachments:

- A AREA DEVELOPMENT AGREEMENT
- B FRANCHISE AGREEMENT
- C-1 NON-TRADITIONAL LOCATION ADDENDUM TO FRANCHISE AGREEMENT
- C-2 DEVELOPMENT AND OPERATIONS AGREEMENT
- D-1 DEVELOPMENT SERVICES AGREEMENT
- D-2 REAL ESTATE SELECTION AND CONSTRUCTION MANAGEMENT SERVICES AGREEMENT

E	FRANCHISEE MASTER AGREEMENT FOR SOFTWARE, HARDWARE AND SUPPORT SERVICES
F	PANERA OPERATIONS MANUAL TABLE OF CONTENTS
G	LIST OF STATE AGENCIES/AGENTS FOR SERVICE OF PROCESS
H-1	LIST OF CURRENT FRANCHISEES
H-2	LIST OF FORMER FRANCHISEES
I	FINANCIAL STATEMENTS / PANERA BRANDS, INC. GUARANTY
J	DISCLOSURE ADDENDA FOR REGISTRATION STATES
K	AGREEMENT RIDERS FOR CERTAIN REGISTRATION STATES

FRANCHISEE

Date: _____

(type or print name)

Signature

(sign, date and retain for your records)

ITEM 23
RECEIPT

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

If Panera, LLC (“Panera”) offers you a franchise, Panera must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, us or an affiliate in connection with the proposed franchise sale, or sooner if required by applicable state law. Applicable state law in (a) Michigan requires us to provide you the Franchise Disclosure Document at least 10 business 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 and (b) New York requires us to provide you the Franchise Disclosure Document the earlier of the first personal meeting or 10 business 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.

If Panera does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and any applicable state agency.

The name, principal business address, and telephone number of the franchise seller offering the franchise is:

Name	Principal Business Address	Telephone Number
Yvonne Lynch	1220 Washington St., West Newton, MA 02465	917-566-0582
Eric D’Amico	1220 Washington St., West Newton, MA 02465	714-316-4926
Matt Scobbie	1220 Washington St., West Newton, MA 02465	
Tim O’Kane	1220 Washington St., West Newton, MA 024651220	781-686-2880
Michele Keaveny	Washington St., West Newton, MA 02465	617-771-3508
Liz Walsh	1220 Washington St., West Newton, MA 02465	

Issuance Date: April 23, 2026

I received a disclosure document dated April 23, 2026. (See the state effective date summary page for state effective dates.) The disclosure document included the following Exhibits and Attachments:

- A AREA DEVELOPMENT AGREEMENT
- B FRANCHISE AGREEMENT
- C-1 NON-TRADITIONAL LOCATION ADDENDUM TO FRANCHISE AGREEMENT
- C-2 DEVELOPMENT AND OPERATIONS AGREEMENT
- D-1 DEVELOPMENT SERVICES AGREEMENT
- D-2 REAL ESTATE SELECTION AND CONSTRUCTION MANAGEMENT SERVICES AGREEMENT

E	FRANCHISEE MASTER AGREEMENT FOR SOFTWARE, HARDWARE AND SUPPORT SERVICES
F	PANERA OPERATIONS MANUAL TABLE OF CONTENTS
G	LIST OF STATE AGENCIES/AGENTS FOR SERVICE OF PROCESS
H-1	LIST OF CURRENT FRANCHISEES
H-2	LIST OF FORMER FRANCHISEES
I	FINANCIAL STATEMENTS / PANERA BRANDS, INC. GUARANTY
J	DISCLOSURE ADDENDA FOR REGISTRATION STATES
K	AGREEMENT RIDERS FOR CERTAIN REGISTRATION STATES

FRANCHISEE

Date: _____

(type or print name)

Signature

(sign, date and return to us immediately)