2022
FRANCHISE DISCLOSURE DOCUMENT

WOW Café & Wingery Franchising Account, LLC
d/b/a WOW American Eats
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As a franchisee you will own and operate a retail restaurant business under the name WOW American Eats. A WOW American Eats restaurant features American fare, fast, casual dining, including wings, wraps, sandwiches, salads, burgers, drinks and other general food products under the name WOW American Eats.

The total investment necessary to begin operation of a unit franchise is between $191,600 and $795,100depending on the size and type of model chosen. This total investment estimate includes the initial franchise fee of $15,000to $35,000that must be paid to the Franchisor or its affiliate.

The total investment necessary to begin operation of a Traditional Fast Casual Model WOW AE Unit ranges from $243,600 - $795,100. This total investment estimate includes the initial franchise fee of $35,000 that must be paid to Franchisor.

The total investment necessary to begin operation of a Non-Traditional Fast Casual Model WOW AE Unit ranges from $201,600 - $450,100. This total investment estimate includes the initial franchise fee of $25,000 that must be paid to Franchisor.

The total investment necessary to begin operation of a Special Contracts Traditional Fast Casual Model WOW AE Unit ranges from $223,600 - $775,100. This total investment estimate includes the initial franchise fee of $15,000 that must be paid to Franchisor.

The total investment necessary to begin operation of a Special Contracts Non-Traditional Fast Casual Model WOW AE Unit ranges from $191,600 - $440,100. This total investment estimate includes the initial franchise fee of $15,000 that must be paid to Franchisor.

We also offer multi-unit franchises under a Multiple-Unit Option Agreement (the "MUOA"), a copy of which is attached as Exhibit N. If you sign a MUOA, you agree to open a certain number of WOW AE Units according to an agreed upon development schedule. You will sign a separate franchise agreement for each WOW AE Unit you develop. The minimum number of WOW AE Units for an MUOA is two. Under the MUOA, the initial franchise fee is $35,000, but subsequent WOW AE Units receive a reduced franchise fee of $10,000 for each WOW AE Unit numbered two and greater.

This Disclosure Document summarizes certain provisions of Franchisee's franchise agreement and other information in plain English. Read this Disclosure Document and all accompanying agreements carefully. Franchisee must receive this Disclosure Document at least fourteen (14) calendar days before Franchisee signs a binding agreement with, or make any payment to, the Franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no governmental agency has verified the information contained in this document.**

You may wish to receive the Franchise Disclosure Document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, please contact the Vice President of Franchise Development for WOW Café & Wingery Franchising Account, LLC at 4480 LA-22, Suite 2, Mandeville, Louisiana 7047170433 or 985-792-5776.

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 entire contract carefully. Show your contract and this Disclosure Document to an advisor, like a lawyer or an accountant.

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

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

Issuance date: May 5, 2022 (The issuance date is not the effective date for registration states.)

How to Use This Franchise Disclosure Document

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

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibit J.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit F 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 WOW American Eats 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 WOW American Eats franchisee?	Item 20 or Exhibit J lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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, arbitration and/or litigation only in Louisiana. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in Louisiana than in your own state.

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

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ITEM 1

THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

The Franchisor

To simplify the language in this disclosure document, "we", "us", "our", "WOW AE", or "Franchisor" means WOW Café & Wingery Franchising Account, LLC d/b/a WOW American Eats. "You" or "Franchisee" means the person who buys the franchise, including a corporation, partnership, limited liability company or other legal business entity.

WOW Café & Wingery Franchising Account, LLC is a Louisiana limited liability company organized on January 23, 2004. Franchisor does business under the trade names WOW Café & Wingery, WOW Café American Grill & Wingery and WOW American Eats, and our business entity name, WOW Café & Wingery Franchising Account, LLC. We do not do business or intend to do business under any other name. Our corporate address is 4480 LA-22, Suite 2, Mandeville, Louisiana 70471. Our agents for service of process are disclosed on Exhibit E to this Disclosure Document.

WOW Café & Wingery Franchising Account, LLC began offering unit franchises in January 2004. As of May 5, 2022, WOW Café & Wingery Franchising Account, LLC did not own or operate any WOW American Eats restaurants. An affiliate of Franchisor owns and operates one (1) WOW American Eats Franchise. As of the date of this Disclosure Document, Franchisor has 46 franchised units in operation.

Franchisor is also an affiliate of New Orleans Brew, LLC that offers the PJ's Coffee of New Orleans franchise.

Our Parent, Predecessors and Affiliates

Franchisor has no parent.

Franchisor's predecessor is Wingery, LLC, a Louisiana limited liability company. The WOW Café & Wingery Franchising Account, LLC's concept was started by Paul Ballard and award-winning chef, George Rhode, IV in December 2001 when Wingery, LLC opened the first WOW Café & Wingery restaurant in Covington, Louisiana. Wingery, LLC began offering franchises in January 2002. In August 2003, Wingery, LLC transferred to WOW Café & Wingery Franchising Account, LLC all of its assets, including its rights to its existing franchise in New Orleans and the right to sell future franchises.

WOW Café & Wingery Franchising Account, LLC has one affiliate through common ownership that offers the following franchise:

New Orleans Brew, LLC, is a Louisiana limited liability company doing business as PJ's Coffee of New Orleans, with its principal place of business at 4480 LA-22, Suite 2, Mandeville, Louisiana 70471 ("PJ's"). Paul Ballard, Steven Ballard and John "Scott" Ballard are all principals. The other principals of New Orleans Brew, LLC have no affiliation or decision-making authority with WOW AE. New Orleans Brew, L.L.C is a Louisiana limited liability company organized in January 2008. On June 17, 2008, New Orleans Brew, LLC, and their affiliate, New Orleans Roast, LLC, completed an asset purchase agreement with PJ's USA, Inc. and PJ's Wholesale, Inc. for substantially all of the assets of the PJ's franchise system and coffee roasting business. As of the date of this Disclosure Document, there are 132 PJ's franchised units in operation.

New Orleans Brew, LLC has not offered franchises for any other line of business.

New Orleans Brew, LLC has not operated any other type of business (franchise or otherwise).

PJ's Coffee will offer franchises using its own Franchise Disclosure Document. You may face competition from the above concept because this concept may be established in close proximity to your Unit. This affiliate has total discretion where to permit their franchisees to operate.

Buena Franchising, L.L.C. is an affiliate company that offers the opportunity to own franchise units under the proprietary mark Buena Onda® ("Buena Onda"). Buena Onda offers franchises whose primary business is a quick service restaurant featuring tacos, quesadillas, nachos, salads and "Buena Bowls", as well as other specialty items. As of the date of this disclosure document, there is one (1) franchised outlet in operation. Buena Onda has not offered franchises for any other line of business. Buena Onda has not operated any other type of business.

Buena Onda will offer franchises using its own Franchise Disclosure Document. Franchisee may face competition from the above concept because this concept may be established in close proximity to your Franchisee's PJ's Unit. This affiliate has total discretion where to permit their franchisees to operate.

Except as described above, Franchisor has no parents, predecessors or other affiliates required to be included in this Item.

The Franchise Offered

Through a unit franchise, we grant you a WOW AE restaurant whose primary business is the sale of food and related products under the name and service mark "WOW American Eats." The type of business that you will operate will be referred to in this Franchise Disclosure Document as a "unit franchise" or "WOW AE Business." WOW AE has developed its unique system ("System") which allows its customers to enjoy quality food, such as wings, wraps, sandwiches, salads, burgers, drinks and other general food products which are reasonably priced and served within a short period of time.

WOW AE developed and owns a System which you will utilize in your unit franchise business. The franchise agreement is attached to this disclosure document as Exhibit A. This System includes specialized training, methods of operation, uniform standards, distinctive decor and design, and advertising and promotional programs to assist you in operating your unit franchise. WOW AE will also provide you with certain confidential recipes and formulas, supplier lists, operations and training manuals, and other confidential information and methods for managing your unit franchise. The WOW AE unit franchise is identified by certain trade names, service marks, trademarks, logos, emblems, and indicia of origin, such as "WOW American Eats" ("Proprietary Marks"). The WOW AE trade names and marks will be referred to in this Franchise Disclosure Document as "Proprietary Marks."

We offer opportunities to franchise either a Traditional Fast Casual model or a Non-Traditional Quick Service Restaurant (QSR) model. "Traditional Fast Casual" WOW AE Units are defined as WOW AE Units located within free-standing buildings, strip malls, multi-tenant developments, or the like, which feature street-level storefront entrances. "Non-Traditional QSR" include, without limitation, WOW AE Units located within (1) military bases or government facilities; (2) public transportation facilities; (3) sports facilities or arenas, including race tracks; (4) student unions or other similar buildings on college or university campuses; (5) amusement and theme parks; (6) community and special events; (7) hotels, casinos, and resorts; (8) airports; (9) hospitals; (10) shopping malls; or (11) corporate dining facilities.

We also offer multi-unit franchises under a Multiple-Unit Option Agreement (the "MUOA"), a copy of which is attached as Exhibit N. If you sign a MUOA, you agree to open a certain number of WOW AE Units according to an agreed upon development schedule. Failure to meet the deadline imposed may result

in the forfeiture of your rights to develop additional WOW AE Units. You will sign a separate franchise agreement for each WOW AE Unit you develop; future franchise agreements may be different from the franchise agreement in this offering. The minimum number of WOW AE Units for an MUOA is two. Under the MUOA, the initial franchise fee is $35,000, but subsequent WOW AE Units receive a reduced franchise fee. The fee for each WOW AE Unit numbered two or greater is $10,000.

We offer existing franchisees, who are compliant and in good standing, the rights to acquire additional franchise licenses. Single unit franchisees may acquire an additional license for $25,000. Multi-unit franchisees may acquire an additional license for $15,000. A multi-unit franchisee is defined as a franchisee who has been granted the option to establish and operate multiple WOW AE Units.

Franchisee will operate a WOW AE Unit as an independent business utilizing Franchisor's business format, procedures, designs, trade dress, standards, specifications, and methods of operation. Franchisee must use the WOW AE System at Franchisee's WOW AE Unit, which includes, without limitation, the common use and promotion of the name "WOW" and other service marks, trademarks, trade names, logos, emblems, signs, slogans, insignia and other commercial symbols Franchisor may designate from time to time (collectively, the "Marks"). Franchisee must also use Franchisor's distinctive food products, recipes, quality standards, procedures, training manuals, advertising & promotional programs, and ongoing assistance. Franchisor may from time to time add or delete products and/or services and change specifications, standards, procedures, and methods of operation and Franchisee will be expected to follow suit. Franchisee will offer and provide products and services to the general public, at all times comply with the Franchise Agreement and our confidential operations manual (the "Manual") that will be loaned to Franchisee at the time of training. Franchisee may only offer services and products with our prior approval.

Market and Competition

The market for the products sold in a WOW AE unit franchise is the general public. American fare, fast, casual dining, including wings, wraps, sandwiches, salads, burgers, drinks and other general food products is fairly common in most markets. The market may be affected by general economic conditions and is seasonal in most areas. The market is highly competitive and you will be competing with other businesses and restaurants, both national and local, offering similar food items. National and local restaurants may also develop similar menu items and national and local supermarkets and other retailers may carry some of the same or similar product lines. If Franchisee's WOW AE Unit is located in a strip center or local or regional shopping mall, Franchisee will typically have to compete with businesses offering competitive goods or services within the same center or mall.

Franchisee should investigate all general laws in evaluating the franchise. It is your sole responsibility to obtain and keep all necessary permits required by public authorities.

Government Regulation

Local, state and federal laws and regulations will apply to the business operations of your WOW AE Unit. Food service, health and sanitation laws and regulations will also directly apply to the preparation of Franchisee's food and handling of other food related products. In addition, Franchisee must comply with all local, state, and federal laws that apply to Franchisee's WOW AE Unit including health, sanitation, non-smoking, and EEOC, OSHA, discrimination, employment and sexual harassment laws. The Americans with Disabilities Act of 1990 requires readily accessible accommodations for disabled people and, therefore, may affect Franchisee's building construction, entrance ramps, doors, seating, bathroom(s), and parking. Franchisee must obtain building permits, other licenses, and operational permits and certifications.

Franchisee should consult with Franchisee's attorney concerning these and other local laws and ordinance that may affect Franchisee's WOW AE Unit.

Franchisee Referral Program.

We have a program (the "Franchisee Referral Program") that provides existing WOW AE Franchisees the opportunity to earn an incentive for each new qualified candidate they refer to us, who meet our criteria for approval as a WOW AE Franchisee, and who sign a Franchise Agreement and pay the applicable Initial Franchise Fee. The incentive for Franchisees is $5,000. The incentive applies only to the first WOW AE Unit of the referred franchisee. All existing WOW AE Franchisees who are in good standing are eligible to participate in the Franchisee Referral Program. Only one (1) WOW AE Franchisee may receive the $5,000 referral incentive for each qualified candidate. This program is not intended to supplement or amend the Franchise Agreement or any other agreement and does not create any additional rights for a WOW AE Franchisee or any third party.

We can change or eliminate this program at any time without notice. Franchisees are not our sales agents and are not authorized by us to qualify WOW AE franchise candidates or to make statements on our behalf relating to the financial performance to prospects for success in operating the WOW AE Unit. WOW AE Franchisees are merely referring/introducing candidates to us, and we retain sole discretion and responsibility for the new franchise qualification and evaluation process.

Veteran Discount Program.

We have a program (the "Veteran Discount Program") that provides United States Veterans with a twenty percent discount off their Initial Franchise Fee. Veterans must provide us with a valid DD214 form to qualify for the discount. We can change or eliminate this program at any time without notice.

ITEM 2

BUSINESS EXPERIENCE

Owner: Paul Ballard

From 2008 to present, Paul Ballard has served as Owner of WOW Café & Wingery Franchising Account, LLC at 4480 LA-22, Suite 2, Mandeville, Louisiana 70471.

Owner: John "Scott" Ballard

From 2008 to present, John "Scott" Ballard has served as the Owner of WOW Café & Wingery Franchising Account, LLC at 4480 LA-22, Suite 2, Mandeville, Louisiana 70471.

Owner: Steven Ballard

From 2008 to present, Steven Ballard has served as Owner of WOW Café & Wingery Franchising Account, LLC at 4480 LA-22, Suite 2, Mandeville, Louisiana 70471.

President: Peter J. Boylan, III

Since April of 2010, Peter Boylan, III has served on the Board of Advisors for WOW Café & Wingery Franchising Account, LLC at 4480 LA-22, Suite 2, Mandeville, Louisiana 70471; a position he currently holds. In October of 2011, Mr. Boylan joined WOW Café & Wingery Franchising Account, LLC as the

Executive Vice President and Chief Development Officer. In June of 2016, Mr. Boylan was promoted to President of WOW Café & Wingery Franchising Account, LLC, a position he currently holds.

Chief Financial Officer: Jeffery Giavotella

Since April 2010, Jeffery Giavotella has served as Chief Financial Officer of WOW Café and Wingery Franchising Account, LLC at 4480 LA-22, Suite 2, Mandeville, Louisiana 70471.

Chief Operating Officer: William "Bill" DiPaola, CFE

From June 2014 to July 2018, William "Bill" DiPaola served as President and Chief Operating Officer of Dat Dogs Enterprises at 3336 Magazine Street, New Orleans, Louisiana. In July 2018, Mr. DiPaola became the Chief Operating Officer at WOW Café and Wingery Franchising Account, LLC, at 4480 LA-22, Suite 2, Mandeville, Louisiana 70471 a position he currently holds.

Executive Vice President & Chief Development Officer: David Mesa Jr., CFE

From 2014 until June 2016, David Mesa, Jr. was an executive with Planet Beach Franchising Corporation at 5161 Taravella Road, Marrero, Louisiana, serving as their President of Franchise Operations. Since June 2016, Mr. Mesa has served as Executive Vice President and Chief Development Officer of WOW Café and Wingery Franchising Account, LLC at 4480 LA-22, Suite 2, Mandeville, Louisiana 70471.

Executive Vice President/Chief Marketing Officer: Leslie Monson

From 2014 to 2018, Leslie Monson served as a Marketing Leader for Churchill Downs Incorporated and the Fair Grounds Race Course & Slots, and OTB & Casinos at 1751 Gentilly Boulevard, New Orleans, Louisiana. In 2018, Ms. Monson was hired as the Executive Vice President/Chief Marketing Officer by WOW Café and Wingery Franchising Account, LLC, 4480 LA-22, Suite 2, Mandeville, Louisiana 70471.

Vice President of Operations: Patrick Shaheen, CFE

Since 2008, Patrick Shaheen has served as Vice President of Operations for WOW Café and Wingery Franchising Account, LLC at 4480 LA-22, Suite 2, Mandeville, Louisiana 70471, a position he currently holds.

Vice President of Franchise Development: Ryan J. Stansbury, CFE

In May 2010, Ryan Stansbury joined WOW Café and Wingery Franchising Account, LLC as the Franchise Development Director at 4480 LA-22, Suite 2, Mandeville, Louisiana 70471. In April of 2019, Mr. Stansbury was promoted to Vice President of Franchise Development.

Vice President of Brand Strategy: Reid Nolte

From 2008 to 2018, Reid Nolte has served as the Marketing Director of WOW Café and Wingery Franchising Account, LLC at 4480 LA-22, Suite 2, Mandeville, Louisiana 70471. In November 2018, Mr. Nolte was promoted to the Vice President of Brand Strategy, a position he currently holds.

Director of Location Development: Mark Verges

Since 2014 to September 2017, Mark Verges served as the Franchise Development Director for CC's Coffee Concepts at 9131 Amber Drive, Baton Rouge, Louisiana. Since October 2017 to December 2020, Mark Verges has served as the Location Development Manager of WOW Café & Wingery Franchising Account, LLC at 4480 LA-22, Suite 2, Mandeville, Louisiana 70471. In December 2020, Mr. Verges was promoted to Director of Location Development, a position he currently holds.

Franchise Development Manager: Victoria Bermond, CFE

From January 2015 to April 2018, Victoria Bermond served as the Marketing Assistant for LSU Sports Properties. From April 2018 to December 2020, Ms. Bermond served as Franchise Development Coordinator of New Orleans Brew, LLC at 4480 LA-22, Suite 2, Mandeville, Louisiana 70471. In January 2021, Ms. Bermond was promoted to Franchise Development Manager, a position she currently holds.

Area Developer: East Coast Wings, Inc.

East Coast Wings, Inc., acts as the Area Developer for the territory containing the States of Maryland, Virginia, and the District of Columbia. East Coast Wings, Inc., is an area representative for WOW Café and Wingery Franchising Account, LLC, and cannot enter into any franchise agreement on its own. Franchise Agreements may only be granted by WOW Café and Wingery Franchising Account, LLC. East Coast Wings has acted as area representative for WOW Café and Wingery Franchising Account, LLC, July 24, 2007.

Area Developer: Wing Time, Inc.

Wing Time, Inc., acts as the Area Developer for the territory containing the States of New Jersey, Pennsylvania, and Delaware. Wing Time, Inc., is an area representative for WOW Café and Wingery Franchising Account, LLC, and cannot enter into any franchise agreement on its own. Franchise Agreements may only be granted by WOW Café and Wingery Franchising Account, LLC. Wing Time, Inc., has acted as area representative for WOW Café and Wingery Franchising Account, LLC, January of 2006.

ITEM 3

LITIGATION

Pending Actions

Loetta Runions and Adam Runions v. WOW Café and Wingery Franchising Account, LLC, Griffin Hospitality, LLC and Scottsdale Insurance Company, 32nd Judicial District Court for the Parish of Terrebonne, State of Louisiana, Case No. 177021. This is a personal injury lawsuit arising from a trip and fall incident which is alleged to have occurred on or about May 12, 2015 at a WOW Café Franchise Unit located in Houma, Louisiana. All allegations to this suit have been denied by all defendants.

Concluded Actions

Spencer Franchise Services of Georgia, Inc. v. WOW Café & Wingery Franchising Account, LLC, Case No. 5:12-cv-470, United States District Court for the Middle District of Georgia. This case resulted from a dispute between WOW Café and an Area Developer in connection with the rights and obligations under an Area Development Agreement. This case was dismissed on Motion of WOW Café and the matter is closed.

Spencer Franchise Services of Georgia, Inc. v. WOW Café and Wingery Franchising Account, LLC, Case No. 14-31024, United States Court of Appeals for the Fifth Circuit. Area Developer, Spencer Franchise Services of Georgia, Inc., filed suit for breach of an Area Development Agreement and Addendum alleging that WOW failed to satisfy its obligations under the agreement including but not limited to failing to sell a certain number of franchises per year for several years, in accordance with a development schedule. Spencer's claim was dismissed, with prejudice, by the United States District Court for the Eastern District of Louisiana on WOW's Motion. The Court agreed with WOW that the contract in question contained a typographical error that warranted rescission of the contract. Spencer appealed the dismiss and the United States Fifth Circuit reversed and remanded back to the District Court level. After the matter was remanded back to the Federal District Court, the parties reach an amicable resolution and the matter was dismissed.

No other litigation is required to be disclosed in this Item.

ITEM 4

BANKRUPTCY

No bankruptcy is required to be disclosed in this Item.

ITEM 5

INITIAL FEES

Unit Franchise Fee: The initial unit franchise fee can range from $15,000 to $35,000 depending on the type of model chosen. The initial unit franchise fee is payable when the Franchisee signs the Franchise Agreement. The initial unit franchise fee is fully earned and non-refundable when paid, in consideration of the administrative and other expenses incurred by Franchisor entering into the Franchise Agreement, and for Franchisor's lost or deferred opportunity to enter into the Franchise Agreement with others. The initial unit franchise fee is based on the type of model chosen. Please review the following table to determine your initial franchise fee:

Type of Model	Description	Initial Franchise Fee
Traditional Fast Casual Model	Traditional Fast Casual Models generally range between 2,200-3,400 square feet featuring a full menu and bar.	$35,000.00
Non-traditional Quick Service Restaurant Model ("QSR Model")	Non-Traditional QSR Models generally range between 500-2,200 square feet and may feature a common eating area and/or possibly a common kitchen- i.e. (1) military bases or government facilities; (2) public transportation facilities; (3) sports facilities or arenas, including race tracks; (4) student unions or other similar buildings on college or university campuses; (5) amusement and theme parks; (6) community and special events; (7) hotels, casinos, and resorts; (8) airports; (9) hospitals; (10) shopping malls; or (11) corporate dining facilities. Non-Traditional QSR Models locations generally feature a condensed food and beverage menu.	$25,000.00
Special Contracts Traditional Fast Casual Model	Special Contracts Traditional Fast Casual Models generally range between restaurant between 2,200-3,400 square feet- i.e. Restaurant in/on hotels, university campuses, health care facilities, and government & military facilities.	$15,000.00
Special Contracts Non-Traditional QSR Model	Special Contracts Non-Traditional QSR Models generally range between 500-2,200 square feet and may feature a common eating area and/or possibly a common kitchen- i.e. (1) military bases or government facilities; (2) public transportation facilities; (3) sports facilities or arenas, including race tracks; (4) student unions or other similar buildings on college or university campuses; (5) amusement and theme parks; (6) community and special events; (7) hotels, casinos, and resorts; (8) airports; (9) hospitals; (10) shopping malls; or (11) corporate dining facilities. Special Contracts Non-traditional QSR model locations may feature a condensed food and beverage menu.	$15,000.00

ITEM 6

OTHER FEES

Type of Fee	Amount	Due Date	Remarks
Traditional Fast Casual Royalty Fee[FN1]	5% of net sales.	Automatically withdrawn 5 business days after prior week's end.	Payable to WOW AE; uniformly imposed; non-refundable.
Non-Traditional QSR Royalty Fee[FN1]	5% of net sales.	Automatically withdrawn 5 business days after prior week's end.	Payable to WOW AE; uniformly imposed; non-refundable.
Special Contracts Traditional Fast Casual Royalty Fee [FN1]	8% of net sales (depending on Franchisee experience). Generally, a Franchisee with more experience operating other PJ's Franchise Units or similar types of units within other systems will have a lower rate than Franchisees with less experience either in terms of time or with this particular type of business. The Royalty Fee will be determined prior to the franchisee signing the Franchise Agreement.	Automatically withdrawn 5 business days after prior week's end.	Payable to WOW AE; uniformly imposed; non-refundable.

Type of Fee	Amount	Due Date	Remarks
Special Contracts Non-Traditional QSR Model Royalty Fee [FN1]	8% of net sales (depending on Franchisee experience). Generally, a Franchisee with more experience operating other PJ's Franchise Units or similar types of units within other systems will have a lower rate than Franchisees with less experience either in terms of time or with this particular type of business. The Royalty Fee will be determined prior to the franchisee signing the Franchise Agreement.	Automatically withdrawn 5 business days after prior week's end.	Payable to WOW AE; uniformly imposed; non-refundable.
Traditional Fast Casual Marketing Fee (Marketing Fund)[FN2]	2% of net sales.	Automatically withdrawn 5 business days after prior week's end.	Payable to WOW AE; uniformly imposed; non-refundable.
Non-Traditional QSR Marketing Fee (Marketing Fund)[FN2]	2% of net sales.	Automatically withdrawn 5 business days after prior week's end.	Payable to WOW AE; uniformly imposed; non-refundable.
Special Contracts-Traditional Fast Casual Marketing Fee (Marketing Fund)[FN2]	0% - 1% of net sales.	Automatically withdrawn 5 business days after prior week's end.	Payable to WOW AE; uniformly imposed; non-refundable.
Special Contracts – Non-Traditional QSR Model Marketing Fee (Marketing Fund)[FN2]	0% - 1% of net sales.	Automatically withdrawn 5 business days after prior week's end.	Payable to WOW AE; uniformly imposed; non-refundable.
Advertising Cooperative Fee [FN3]	1% up to 3% of net sales	Established by cooperative.	As designated by Franchisee's cooperative; not uniformly imposed.

Type of Fee	Amount	Due Date	Remarks
Interest on Late Payments	Prime plus 2.5% per annum or the maximum rate allowed by the applicable federal and/or state law.	Immediately.	Payable to WOW AE; non-refundable.
Training Fees and Expenses[FN4]	No fee charged for initial training programs. Expenses relating to training could be between $2,500 and $8,000. After your first training program, additional training sessions may be either requested by the Franchisee or may be mandated by Franchisor. This fee could be between $1,500 and $4,000.	Expenses for initial training programs – as incurred before commencement of operation. Fee for additional training—as incurred.	Payable to WOW AE; uniformly imposed.
Initial Advertising Fee[FN5]	$10,000	Prior to Opening - See Item 7.	Payable to approved vendor.
Refurbishment Costs [FN6]	$5,000 - $45,000	After the first 5 years from opening of the Unit.	Payable to approved contractor/vendor; not uniformly imposed.
Audit Fees [FN7]	$2,500 - $10,000	After audit and net sales are determined to be understated by 5% or more.	To designated auditor; not uniformly imposed.
Transfer Fees[FN8]	$17,500	Payable at the time of transfer.	Payable to WOW AE when, and if, Fracnhisee transfers Franchisee's franchise; uniformly imposed; non-refundable.
Renewal Fee	$0	Not applicable	Not applicable
Renovation/Design Construction Plans [FN9]	$1,500 - $11,500	Approved/designated architecture firm upon renovation.	Payable to approved contractor/vendor; not uniformly imposed.
Returned Checks [FN10]	$30 for each occurrence.	As incurred.	Payable to WOW AE; uniformly imposed.

Type of Fee	Amount	Due Date	Remarks
Point of Sale (POS) Software License, Loyalty Program & Gift Card Program Fee	$300 monthly fee.	Monthly.	Payable to approved vendor.
Labor Management Program Fee[FN11]	$30 monthly fee.	Monthly.	Payable to approved vendor.
Mobile App Fee[FN11]	$175 monthly fee.	Monthly.	Payable to approved vendor.
Inventory Management Program Fee[FN11]	$100 monthly fee.	Monthly.	Payable to approved vendor.
QuickBooks Essentials[11]	$50 monthly fee.	Monthly.	Payable to approved vendor.
Replacement Fee for Manuals	$500 for Recipe Manual/Book; $250 for each other Manual	Upon replacement of manual for loss, theft or destruction	Payable to WOW AE; uniformly imposed.
Liquidated Damages	The average monthly Royalty and Marketing Fees during the preceding 12-month period multiplied by the lesser of the number of months remaining in the term of the franchise agreement or 36 months.	As incurred -- 30 days prior to the early closing of the store.	Franchisee must provide WOW AE with 90 days' written notice of the termination of your franchise agreement.
Costs for Inspection and Testing of Proposed Products/Suppliers	$500-$2,500	As incurred.	Payable to proposed supplier.
Financial Statement Penalty[FN12]	$100	As incurred.	Payable to WOW AE.

Notes:

General Comments:

All fees must be payable to WOW AE. Unless otherwise stated, these fees are non-refundable. During the term of the Franchise Agreement, WOW AE and/or its approved vendors may offer additional services not currently contemplated, for which WOW AE and/or its approved vendors may charge a fee. WOW AE will automatically withdraw all fees from your bank account on a weekly or monthly basis.

(1) Royalty Fee: You must pay the appropriate percentage of your weekly net sales to WOW AE beginning the date you open for business. This payment or withdrawal will be made within five business

days of week's end. The term "net sales" shall mean the amount of sales of any and all products and services sold in, on, about, from, or from such other place on behalf of your WOW AE Business, including, without limitation, concessions, off premises or catering or delivery by you, whether for cash or on a charge, credit or time basis, including the reasonable market value of any goods or services sold or traded in any barter or trade transaction, without reserve or deduction for inability or failure to collect, and including income of every kind and nature related to your WOW AE Business. "Net sales" shall not include the amount of any excise or sales tax levied on retail sales and payable over to the appropriate governmental authority. In computing net sales, you may deduct the amounts of over-rings, refunds, allowances, or discounts to customers (including coupon sales) provided that such amounts have been included in net sales and provided that you comply with the requirements, including time limits, established by WOW AE from time to time in writing, related to reporting and taking credits against net sales.

(2) Marketing Fee (Marketing Fund): You must pay the appropriate percentage of your weekly net sales to WOW AE beginning the date you open for business for a marketing fee. This payment or withdrawal will be made within five business days of week's end.

(3) Cooperative Fee: You may be required to participate in a marketing and promotional cooperative ("Cooperative") with other WOW AE franchisees. Upon becoming a member of a Cooperative, you must pay 1% up to 3% of your weekly net sales to the Cooperative.

(4) Training Fees: You must pay all personal expenses incurred by you or your employees in training programs, including costs and expenses of transportation, lodging, meals, and wages and employee benefits. WOW AE will not charge for the attendance by up to three persons representing you at the initial franchise management training program.

Additional training sessions are available at your request and expense, or at WOW AE's request and your expense. Your attendance at additional training sessions is mandatory if requested by WOW AE or if they are scheduled in your state. Additional training sessions will be conducted at either your WOW AE Business or another franchisee's WOW AE Business, if the participation of multiple franchisees is involved. We may not mandate more than two additional training sessions in a twelve (12) month period. We may require you to pay us an additional training fee for each additional training session, which fee shall not exceed $4,000. For additional training sessions, we will provide the instructors and instructional materials, but you must pay all personal expenses incurred by you or your employees in training programs, including costs and expenses of transportation, lodging, meals, and wages and employee benefits. Additional training sessions shall not extend beyond five (5) days. The content of additional training will include management and operations training.

(5) Initial Advertising Fee: Franchisee must pay $10,000 to an approved vendor for advertising associated with the Grand Opening. This spend must occur prior to opening. If the WOW Unit is more than 75 miles from an existing WOW Unit ("Pioneer Market"), Franchisor will spend an additional $5,000to promote the grand opening. Franchisor's Pioneer Market advertising spend will not be deducted from any national advertising fund.

(6) Refurbishment Costs: WOW AE may ask you to refurbish, remodel or modify your location at your expense after five (5) years from of opening of the WOW AE Unit to conform to the then-current building design, trade dress, equipment specifications, and color schemes. The cost of this refurbishment depends upon the extent and amount of work performed. These costs are estimated to range between $5,000 and $45,000.

(7) Audit Fees: WOW AE has the right to review the financial statements submitted by you. If it is determined by an independent certified public accountant that you provided false information and the

amount of net sales was understated by more than five percent, then you are responsible to pay any and all accountant's fees incurred by WOW AE The cost of this audit is estimated to be $2,500 - $8,000, but the cost will vary depending on the amount of work performed by the accountant.

(8) Transfer Fee: If the transfer of the WOW AE Unit results in a transfer of control, Franchisee must pay WOW AE $17,500.00.

(9) Renovation/Design Construction Plans: You must pay the fees and costs associated with obtaining the plans necessary to complete the refurbishment described in Note 5 above. The fees and costs associated with the renovation construction plans will vary. Franchisee must use a licensed and insured general contractor for all construction and remodeling on the interior or exterior of the franchised location. Costs are estimated to be between $1,500 - $11,500.

(10) Returned Checks: You must pay $30 to WOW AE for each check you issued to WOW AE that is returned by the bank due to insufficient funds, plus all other damages allowed by applicable statute.

(11) Labor Management and Inventory Management Programs; Mobile Application Platform; QuickBooks Essentials: Franchisee must utilize the labor management and inventory management program(s) designated by the Franchisor. Franchisee must pay fees associated with the labor management and inventory management programs separately. Franchisee must participate in Franchisor's mobile application designated by the Franchisor. Franchisee must pay fees associated with the mobile application. Franchisee must utilize QuickBooks Essentials to aid in the financial management of the Franchisee's WOW AE Unit.

(12) Financial Statement Penalty: Franchisee must pay $100 to Franchisor for failing to remit financial statements to Franchisor.

ITEM 7

ESTIMATED INITIAL INVESTMENT

The total investment necessary to begin operation of a WOW AE Unit ranges from $191,600 - $795,100. This total investment estimate includes the initial franchise fee of $15,000 - $35,000, as well as pre-opening costs for PJ's Products and proprietary items of $2,500 - $5,000, that must be paid to the Franchisor or affiliate.

YOUR ESTIMATED INITIAL INVESTMENT

Initial Investment Chart – Traditional Fast Casual Model				
Type of Expenditure	**Amount**	**Method of Payment**	**When Due**	**To Whom Payment is to be Made**
Initial Franchise Fee	$35,000 - $35,000	Lump Sum	Upon signing of franchise agreement	WOW Café & Wingery Franchising Account, LLC
Real Estate Lease for Premises[FN1]	$6,000 - $18,000	As arranged	Upon lease execution	Lessor
Fixtures and Equipment[FN2]	$45,000 - $220,000	As arranged	Before opening	Approved Suppliers
Opening advertising[FN3]	$10,000	As arranged	Within first month of opening	Advertising
Travel and living expenses while training [FN4]	$3,500 - $8,500	As arranged	Before opening	Airlines, hotels and restaurants
Insurance[FN5]	$2,400 - $5,000	As arranged	Before opening	Agent/company of your choice
Furniture	$6,000 - $25,000	As arranged	Before opening	Approved Suppliers
Other prepaid expenses, such as deposits, licenses and various permits[FN6]	$1,000 - $3,500	As arranged	Before opening	Suppliers and Government Agencies
Opening inventory[FN7]	$10,000 - $20,000	As arranged	Before opening	Approved Suppliers
Signage	$6,000 - $18,000	As arranged	Before opening	Approved Suppliers
Leasehold improvements[FN8]	$60,000 - $325,000	As arranged	As arranged	Approved General Contractor and Suppliers
Small wares	$6,000 - $18,000	As arranged	Before Opening	Approved Suppliers

Initial Investment Chart – Traditional Fast Casual Model				
Type of Expenditure	**Amount**	**Method of Payment**	**When Due**	**To Whom Payment is to be Made**
POS System & Back office Computer System	$21,200 - $21,600	As arranged	Before Opening	Approved Suppliers
Legal, accounting & organizational costs	$2,500 - $5,000	As arranged	As arranged	Government, Attorneys, Accountants
Additional funds-3 months[FN9]	$27,500	As arranged	As arranged	Suppliers. Employees
Construction Drawings [FN10]	$1,500 – $35,000	As arranged	As arranged	WOW Café and/or Approved Suppliers
TOTAL	**$243,600- $795,100**			

Initial Investment Chart – Non-traditional QSR model				
Type of Expenditure	**Amount**	**Method of Payment**	**When Due**	**To Whom Payment is to be Made**
Initial Franchise Fee	$25,000 - $25,000	Lump Sum	Upon signing of franchise agreement	WOW Café & Wingery Franchising Account, LLC
Real Estate Lease for Premises[FN1]	$2,000 - $5,000	As arranged	Upon lease execution	Lessor
Fixtures and Equipment[FN2]	$40,000 - $150,000	As arranged	Before opening	Approved Suppliers
Opening advertising[FN3]	$10,000	As arranged	Within first month of opening	Advertising
Travel and living expenses while training [FN4]	$3,500 - $8,500	As arranged	Before opening	Airlines, hotels and restaurants
Insurance[FN5]	$2,400 - $5,000	As arranged	Before opening	Agent/company of your choice
Furniture	$6,000 - $15,000	As arranged	Before opening	Approved Suppliers

Initial Investment Chart – Non-traditional QSR model				
Type of Expenditure	**Amount**	**Method of Payment**	**When Due**	**To Whom Payment is to be Made**
Other prepaid expenses, such as deposits, licenses and various permits[FN6]	$1,000 - $3,500	As arranged	Before opening	Suppliers and Government Agencies
Opening inventory[FN7]	$10,000 - $15,000	As arranged	Before opening	Approved Suppliers
Signage	$3,000 - $6,000	As arranged	Before opening	Approved Suppliers
Leasehold improvements[FN8]	$40,000 - $120,000	As arranged	As arranged	Approved General Contractor and Suppliers
Small wares	$6,000 - $18,000	As arranged	Before Opening	Approved Suppliers
POS System & Back office Computer System	$21,200 - $21,600	As arranged	Before Opening	Approved Suppliers
Legal, accounting & organizational costs	$2,500 - $5,000	As arranged	As arranged	Government, Attorneys, Accountants
Additional funds-3 months[FN9]	$27,500	As arranged	As arranged	Suppliers. Employees
Construction Drawings [FN10]	$1,500 – $5,000	As arranged	As arranged	WOW Café and/or Approved Suppliers
TOTAL	**$201,600 - $450,100**			

Initial Investment Chart – Traditional Fast Casual Special Contracts Model				
Type of Expenditure	**Amount**	**Method of Payment**	**When Due**	**To Whom Payment is to be Made**
Initial Franchise Fee	$15,000 - $15,000	Lump Sum	Upon signing of franchise agreement	WOW Café & Wingery Franchising Account, LLC
Real Estate Lease for Premises[FN1]	$6,000 - $18,000	As arranged	Upon lease execution	Lessor
Fixtures and Equipment[FN2]	$45,000 - $220,000	As arranged	Before opening	Approved Suppliers
Opening advertising[FN3]	$10,000	As arranged	Within first month of opening	Advertising
Travel and living expenses while training [FN4]	$3,500 - $8,500	As arranged	Before opening	Airlines, hotels and restaurants
Insurance[FN5]	$2,400 - $5,000	As arranged	Before opening	Agent/company of your choice
Furniture	$6,000 - $25,000	As arranged	Before opening	Approved Suppliers
Other prepaid expenses, such as deposits, licenses and various permits[FN6]	$1,000 - $3,500	As arranged	Before opening	Suppliers and Government Agencies
Opening inventory[FN7]	$10,000 - $20,000	As arranged	Before opening	Approved Suppliers
Signage	$6,000 - $18,000	As arranged	Before opening	Approved Suppliers
Leasehold improvements[FN8]	$60,000 - $325,000	As arranged	As arranged	Approved General Contractor and Suppliers
Small wares	$6,000 - $18,000	As arranged	Before Opening	Approved Suppliers
POS System & Back office Computer System	$21,200 - $21,600	As arranged	Before Opening	Approved Suppliers

Initial Investment Chart – Traditional Fast Casual Special Contracts Model				
Type of Expenditure	**Amount**	**Method of Payment**	**When Due**	**To Whom Payment is to be Made**
Legal, accounting & organizational costs	$2,500 - $5,000	As arranged	As arranged	Government, Attorneys, Accountants
Additional funds-3 months[FN9]	$27,500	As arranged	As arranged	Suppliers. Employees
Construction Drawings [FN10]	$1,500 – $35,000	As arranged	As arranged	WOW Café and/or Approved Suppliers
TOTAL	**$223,600 - $775,100**			

Initial Investment Chart – Non-traditional QSR Special Contracts Model				
Type of Expenditure	**Amount**	**Method of Payment**	**When Due**	**To Whom Payment is to be Made**
Initial Franchise Fee	$15,000 - $15,000	Lump Sum	Upon signing of franchise agreement	WOW Café & Wingery Franchising Account, LLC
Real Estate Lease for Premises[FN1]	$2,000 - $5,000	As arranged	Upon lease execution	Lessor
Fixtures and Equipment[FN2]	$40,000 - $150,000	As arranged	Before opening	Approved Suppliers
Opening advertising[FN3]	$10,000	As arranged	Within first month of opening	Advertising
Travel and living expenses while training [FN4]	$3,500 - $8,500	As arranged	Before opening	Airlines, hotels and restaurants
Insurance[FN5]	$2,400 - $5,000	As arranged	Before opening	Agent/company of your choice
Furniture	$6,000 - $15,000	As arranged	Before opening	Approved Suppliers
Other prepaid expenses, such as deposits, licenses and various permits[FN6]	$1,000 - $3,500	As arranged	Before opening	Suppliers and Government Agencies

Initial Investment Chart – Non-traditional QSR Special Contracts Model				
Type of Expenditure	**Amount**	**Method of Payment**	**When Due**	**To Whom Payment is to be Made**
Opening inventory[FN7]	$10,000 - $15,000	As arranged	Before opening	Approved Suppliers
Signage	$3,000 - $6,000	As arranged	Before opening	Approved Suppliers
Leasehold improvements[FN8]	$40,000 - $120,000	As arranged	As arranged	Approved General Contractor and Suppliers
Small wares	$6,000 - $18,000	As arranged	Before Opening	Approved Suppliers
POS System & Back office Computer System	$21,200 - $21,600	As arranged	Before Opening	Approved Suppliers
Legal, accounting & organizational costs	$2,500 - $5,000	As arranged	As arranged	Government, Attorneys, Accountants
Additional funds-3 months[FN9]	$27,500	As arranged	As arranged	Suppliers. Employees
Construction Drawings [FN10]	$1,500 – $15,000	As arranged	As arranged	WOW Café and/or Approved Suppliers
TOTAL	**$191,600 – 440,100**			

General Comments. The above figures are estimates of the complete investment in establishing your WOW AE Business and it is possible to significantly exceed these costs in any of the areas listed above. Your actual investment will depend upon many different factors like location, amount of space leased, amount of leasehold improvements, and your ability to efficiently manage and coordinate the construction and opening of your Business. The amounts paid to WOW AE are non-refundable unless otherwise stated. The refund ability of amounts paid to third parties depends upon your negotiations with these parties. The following notes are integral to the understanding of the financial commitment required to successfully establish and operate your WOW AE Business. You should review the notes thoroughly.

Total investment. WOW AE relied on its prior experience in this business to compile these estimates.

Financing. WOW AE does not offer, either directly or indirectly, financing to you for any items.

(1) Real Estate Lease for WOW AE Premises. Locations for WOW AE Businesses are typically within shopping centers and suburban shopping areas. Typically, you would lease an existing location in a strip center or other commercial shopping center and remodel the location to conform to the current design specifications of WOW AE Businesses. You may also lease the land and an existing facility and convert the facility to your WOW AE Business or enter into a build-to-suit lease under which lease the landlord

agrees to construct a structure which is used as your WOW AE Business and lease the land and the building back to you. You may also purchase the land and build the facility yourself. The cost of land may vary dramatically depending upon a multitude of factors and it varies by city and region. WOW AE has not included costs for land acquisition. You must perform a thorough investigation in your local area concerning land, site, leasehold and construction costs. These costs may vary significantly from location to location and are dependent upon factors like the general cost, location and availability of commercial real estate in your market area and the amount of space desired.

Lease payments vary considerably depending upon regional and local factors and the type of lease negotiated by you. For a traditional WOW AE Business, you must lease approximately 2,200 to 3,400 square feet of space. Lease payments for a traditional WOW AE Business usually range from $1,500 to $10,000 per month ($18,000 to $120,000 per year) depending upon the size, location and market demand for the property. The rate may be higher for regional mall sites or locations in high demand. WOW AE estimates that the range given will cover a deposit and first three month's rent.

(2) Fixtures and Equipment. WOW AE will provide a complete list of equipment needs and specifications. WOW AE estimates that the range given will also be enough to purchase the initial decor package and other miscellaneous equipment. The decor package and equipment must comply exactly with the designer and/or architectural plans specified by WOW AE.

(3) Opening advertising. Franchisee is required to spend $10,000.00 on the grand opening advertisement. If the WOW AE Unit is more than 75 miles from an existing WOW AE Unit, (rederred to herein as a "Pioneer Market"), Franchisor will spend an additional $5,000.00 to promote the grand opening. Franchisor's Pioneer Market advertising spend will not be deducted from any national advertising fund.

(4) Travel and living expenses while training. These costs will depend on the distance you must travel, the type of accommodations, the number of attendees and any wages paid by you to the associates attending training. The costs listed include estimates for reasonably priced transportation, lodging and meals for three people. The costs do not include wages paid for associates or employees attending training, local restaurants or other attractions in New Orleans, which can significantly increase your costs and affect the quality of your training.

(5) Insurance. You must procure comprehensive liability, property and other types of insurance coverages as provided in your Franchise Agreement, lease and as required by law. The estimate given in the chart is for the initial payment for the first year's premium for a customary comprehensive general liability policy in the amount of $1 Million Dollars (minimum) per occurrence, business interruption insurance, and $1 Million Dollars (minimum) aggregate with full replacement value of business contents coverage. You also must list WOW AE as an additional insured.

(6) Other prepaid expenses. These costs include installation charges and deposits for a business telephone line, utilities, occupational licensing, health and other permits, and, in some areas, zoning fees.

(7) Opening inventory. WOW AE estimates that the range given will be sufficient to cover a supply of, food, beverages for the opening of your WOW AE Business.

(8) Leasehold improvements. The cost of the improvements will vary depending upon the condition and type of building leased and the willingness of the lessor to contribute to the construction or remodeling of your Business. Costs could exceed the estimates provided if remodeling is extensive and the lessor does not contribute significantly to the costs of remodeling your Business. WOW AE will provide a complete list of improvements and design and decor criteria for your Business.

(9) Additional funds. This amount reflects the minimum suggested amount of additional funds you will need for the first three months to operate your WOW AE Business. This amount includes the following items: salaries and wages, payroll taxes, advertising, product purchases, payment of royalties, uniforms, utility bills, ongoing professional fees, freight and other miscellaneous administrative and operating expenses.

(10) Construction Drawings. You must obtain construction drawings and make certain improvements and modifications to the particular building you lease to conform to the decor and design of other WOW AE Businesses. The cost of the construction drawings typically ranges from $1,500 to $35,000, depending upon the project scope, size of the project and requirements of the city and/or state in which you are building. WOW AE may offer the service of preparing pre-construction drawings to aid the preparation of the complete construction drawing set. The pre-construction drawings may include existing and proposed floor plan, reflected ceiling plan, equipment and furniture plan, finishes and details, and typical elevations plan. The fee for the pre-construction drawings prepared by WOW AE ranges from $500 to $2,500.

ITEM 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Designated Suppliers and Specifications: To maintain the reputation, goodwill, high standards, quality and uniformity of our System, franchisees must purchase services, products and supplies which meet certain specifications. These specifications may include minimum standards for building size, leasehold improvements, zoning, lease provisions, location criteria, qualifications of architects or contractors, signs, equipment, quality, quantity, delivery, performance, design, appearance, durability, style and other related restrictions. You must also use only the standard forms approved by WOW AE and use and display sales, marketing and promotional material provided in the manner and for the time periods designated by WOW AE. You must ensure that all items and printed materials used in your WOW AE Business bear the Proprietary Marks in the manner required by WOW AE. WOW AE considers these specifications to be of critical importance to the success of the System. These specifications are listed in the Manuals or are otherwise provided to you in writing. These specifications may be revised by WOW AE from time to time. If a supplier does not meet our specifications stated in the Manuals or as provided to you in other written materials, we may require you to stop using that supplier.

Purchases from Designated and Approved Suppliers: You must purchase certain proprietary and confidential mixes manufactured for WOW AE from approved companies designated by WOW AE. WOW AE's authorized national distribution companies allow for the distribution of uniform product lines throughout the system and the ability to obtain discounts on volume purchasing from manufacturer sources. WOW AE considers your use of the designated products essential to the success of the System. WOW AE may, at any time, change the source of these designated products.

You must purchase or lease all other equipment, inventory, supplies, products, services, and materials required for the operation of your WOW AE Business in accordance with specifications set by WOW AE and from approved suppliers, except for general office supplies, office equipment and other general business items. These items may be purchased from any supplier. WOW AE estimates that the required purchases and leases to be made by the franchisee in establishing the business will be approximately 40% to 50% of all purchases and leases to be made by the franchisee. WOW AE estimates that the required purchases and leases to be made by the franchisee in operating the business will be approximately 36% to 43% of the purchases and leases needed to the operation of the business. For your benefit, WOW AE negotiates purchase arrangements, including favorable price terms, with approved suppliers. You do not receive any material benefits from WOW AE if you use designated or approved suppliers. However, purchasing or leasing from unapproved suppliers or using products that do not meet WOW AE's

specifications is a default of your Franchise Agreement, and WOW AE may terminate your Franchise Agreement and/or pursue its other remedies available to it under the Franchise Agreement. A default under your Franchise Agreement may also be cause for WOW AE to not renew your Franchise Agreement or disqualify you from opening additional franchises. WOW AE does not provide any goods to you.

WOW AE is not an approved supplier of any product or service. All approved suppliers are listed in WOW AE's Operations Manual or are otherwise provided to you in writing.

WOW AE's affiliate, New Orleans Roast, LLC, is an approved wholesaler of coffee and tea products. Our owners, Paul Ballard, Steven Ballard, and John "Scott" Ballard, own an interest in New Orleans Roast, LLC. New Orleans Roast, LLC sells coffee and tea products to certain approved suppliers who supply coffee and tea products to WOW AE franchisees. The prices charged by approved suppliers of coffee and tea products to WOW AE franchisees are retail market prices.

You should be aware that there might be price increases in any or all of the items you must purchase from suppliers and other third parties. Costs of goods from approved suppliers may fluctuate from month to month. The volume of purchases, usage, vendor minimums, inventory turns, ingredient costs, market demand and other similar factors determines prices charged to you. Additionally, freight charges may not be uniform for all locations. Freight charges will depend upon the location of your Business from supplier's warehouse and the number of other WOW AE Businesses in your area. When entering new markets you should be aware that your freight costs may be higher than WOW AE franchises in other markets and adjust your cost projections accordingly. WOW AE does not know of any pending price increases, but WOW AE cannot guarantee that increases will not occur.

Revenues from Franchisee Purchases: We receive, directly or indirectly, revenue from suppliers based on purchases by WOW AE's franchisees to cover our expenses, overhead and profit. The revenue may be based on volume or per unit sales for purchase of food, beverages, seasonings, kitchen machinery, sanitation supplies, and other products ("Rebate Products"). During our last fiscal year, that ended December 26, 2021, our revenue from suppliers based on purchases of Rebate Products by WOW AE franchisees was approximately $597,416 or 37% of our total revenue of approximately $1,612,886 based on our audited financial statements for our last fiscal year.

WOW AE also receives revenue in the form of Royalties and Franchise. For the 2021 Fiscal Year, WOW AE received revenues of $972,940 from Royalties, $42,530 from Franchise Fees, and $597,416 from vendor incentives, for a total revenue of $1,931,568.

In the year ending December 27, 2020, New Orleans Roast, LLC's revenues from the sale of coffee and tea products to WOW AE franchisees was $7,062. This information was obtained from New Orleans Roast, LLC's purchasing records. The purchase of coffee and tea products will represent approximately 3.5% of your total purchases during the operation of your WOW AE Business. New Orleans Roast, LLC pays us a 15% rebate on all coffee and tea products purchased by WOW AE franchisees.

Compliance with Specifications and Approval of Alternative Suppliers/Third Party Providers: If you desire to purchase items from an unapproved supplier who you believe meets the specifications of WOW AE, you and the supplier must submit to WOW AE a written request for approval. WOW AE must advise you within a reasonable time whether these items meet its specifications. The time for approval may vary depending upon the amount of research, testing, cooperation from suppliers, and other factors involved in approving the items. WOW AE's approval shall not be unreasonably withheld. WOW AE may require that its representatives be permitted to inspect the supplier's facilities and that samples from the supplier be delivered to WOW AE or its designee for testing. WOW AE may impose a charge not to exceed the reasonable actual costs of inspection and testing, which must be paid by the supplier. WOW AE will approve or deny the request no later than 90 days after the inspection is complete. WOW AE reserves the

right to re-inspect the facilities and products of any previously approved supplier and to revoke its approval upon the supplier's failure to continue to meet any of WOW AE's standards and specifications.

If you obtain services from third-party providers, WOW AE will have the right to review the terms and conditions of your arrangements and require additional information about the business background and qualifications of the providers, including personal interviews with individuals providing the services. If any third party may obtain access to confidential information, WOW AE may require, as a condition of approval of the provider, the signing of confidentiality and non-competition agreements in a form satisfactory to WOW AE. WOW AE may disapprove any provider, upon written notice to you, who does not demonstrate an ability to comply with the standards established for the System and to meet your needs promptly and reliably. WOW AE considers the following general criteria in determining whether a supplier will be approved: ability to produce or deliver the products, services, supplies or equipment in accordance with WOW AE's standards and specifications for quality and uniformity; production and delivery capabilities and ability to meet supply commitments; integrity of ownership (to insure that the supplier's association with WOW AE would not be inconsistent with WOW AE's image or damage WOW AE's goodwill); financial stability; meets minimum standards of licensing, insurance and regulatory requirements; and the negotiation of a mutually satisfactory agreement to protect WOW AE's intellectual property. WOW AE's criteria for specific types of suppliers are either made available to you in the Manuals or will be made available to you upon written request.

WOW AE maintains a written list of approved services, supplies (generally identified by brand name) and suppliers, which is updated and issued to you on a regular basis. WOW AE does not provide confidential specifications to you or suppliers, except on a limited basis; however, if a product, equipment or other item does not meet WOW AE's specifications, WOW AE will provide a written explanation within a reasonable amount of time, depending upon the testing involved as described above, as to why the product or equipment does not meet WOW AE's specifications. WOW AE formulates and modifies specifications and standards by periodically performing tests on its products and equipment in relation to new products and equipment.

Cooperatives.

Franchisor does not have any purchasing or distribution cooperatives.

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

Obligation	Section in Franchise Agreement	Disclosure Document Item
a. Site selection and acquisition/lease	Articles 1.2, 1.3 and 1.4	Item 11
b. Pre-opening purchases/leases	Articles 8.2, and 8.4	Items 6, 7 and 8
c. Site development and other pre-opening requirements	Articles 2, 3, 4, 16.1 and 18.2	Items 6, 7, 8 and 11

Obligation	Section in Franchise Agreement	Disclosure Document Item
d. Initial and ongoing training	Articles 3 and 13.2	Items 6, 7 and 11
e. Opening	Articles 1.2 and 2	Items 7, 8 and 11
f. Fees	Articles 6, 9.1 and 14.7	Items 5, 6, and 7
g. Compliance with standards and policies/Operating Manual	Articles 4 and 5.2	Items 8, 9, 16 and 17
h. Trademarks and proprietary information	Article 7	Items 13 and 14
i. Restrictions on products/services offered	Articles 4.5, 4.6, 5.1 and 5.2	Items 8 and 16
j. Warranty and customer service requirements	Articles 4.5 and 5.2	Not applicable
k. Territorial development and sales quotas	Article 1	Item 12
l. Ongoing product/service purchases	Article 8	Items 8 and 16
m. Maintenance, appearance and remodeling requirements	Articles 4.4 and 5.4	Items 6, 8 and 11
n. Insurance	Article 16	Items 6 and 7
o. Advertising	Article 6	Items 6 and 11
p. Indemnification	Articles 7.4 and 19.1	Items 6 and 13
q. Owner's participation/management/ staffing	Article 3.2	Item 15
r. Records and reports	Article 9.2	Items 8 and 17
s. Inspections and audits	Articles 4.7, 5.6, 9.2 and 18	Items 6 and 11
t. Transfer	Article 13	Item 17
u. Renewal	Article 14	Item 17
v. Post-termination obligations	Article 15	Item 17
w. Non-competition covenants	Articles 10	Item 17
x. Dispute resolution	Article 20	Item 17
y. Personal Guaranty of all obligations of agreement	Articles 1.1, 13.1 and Exhibit C	Item 15

ITEM 10

FINANCING

WOW AE does not offer direct or indirect financing. WOW AE does not guarantee your note, lease or obligation.

ITEM 11

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

Except as listed below, WOW AE is not required to provide you with any assistance.

Pre-Opening Obligations

Before you open your WOW AE franchise, WOW AE will:

(1) Financial Assistance. The Franchisor does not provide its Franchisees with any direct lending. However, the Franchisor will provide the Franchisee with a business plan template along with a proforma template to aid the Franchisee with planning for the opening of a PJ's Unit and provide to financial institutions, as required, in the effort of securing lending for the initial investment. The Franchisor may also suggest financial institutions that the Franchisee may utilize as a potential lending source.

(2) Site Identification and Evaluation Assistance and Approval: WOW AE will provide you with general site selection criteria and guidance in the identification of an acceptable site. You, along with the assistance of a real estate broker, must locate an acceptable site for your WOW AE Business. WOW AE will evaluate and accept the location for your Business if it meets WOW AE's minimum site and lease requirements (Franchise Agreement - Article 1.4). WOW AE does not own any of the location premises currently leased and has no present intention to do so.

(2) Review of Lease: WOW AE will review the lease for the location of your WOW AE Business to ensure that provisions required by WOW AE are included in the lease and that the terms of the lease are generally acceptable to WOW AE. You alone must negotiate the business and financial terms of your lease (Franchise Agreement - Article 1.4). WOW AE recommends that you have your own legal counsel review your lease.

(3) Approved Plans and Specifications: WOW AE will provide you with the specifications and layouts for the structures, equipment, furnishings, decor and signs identified with WOW AE Businesses and a list of approved suppliers and specifications for products, services and supplies (Franchise Agreement – Articles 2, 8, 17.1). WOW AE may provide or deliver some of these items directly to you. You alone must hire an architect approved by WOW AE for the preparation of your construction plans and specifications

(4) Review of Final Site and Construction Plans: WOW AE will review your final site plans and approve the decor and layout for conformity to the construction standards and specifications of the System (Franchise Agreement - Articles 1.4, 17.1).

(5) Manuals: WOW AE will loan to you one copy of the WOW AE Confidential Operations and other manuals that WOW AE makes available to all franchisees, if any (Franchise Agreement - Article 17.1).

(6) Training: WOW AE will train your personnel to operate your WOW AE Business (Franchise Agreement - Articles 3, 17.1). This training is described in detail later in this Item.

Post-Opening Obligations

During the operation of your WOW AE unit franchise, WOW AE will provide:

(1) On-Site Assistance: WOW AE and/or our Area Developer will provide you with on-site assistance upon the opening of your WOW AE Business. During the opening of your Business, WOW AE, at its expense, will provide at least one WOW AE representative to you at your Business location to facilitate the opening of your Business. The number of days of this on-site visit may vary, but a WOW AE representative will normally be on-site seven to fourteen days (Franchise Agreement – Article 17.1).

(2) Marketing and Advertising Guidance and Approval: WOW AE will provide you with materials and advice to support your marketing and advertising efforts (Franchise Agreement - Article 6). WOW AE will also approve or disapprove all advertising and promotional materials you propose to use. Advertising is explained in more detail below.

(3) Consultation: You may contact WOW AE, its representatives and/or your Area Developer on a periodic or as-needed basis to receive consultation and guidance concerning the operation of your Business (Franchise Agreement - Article 17.1). WOW AE will also provide information to you about changes and modifications to the System and Manuals, advertising and marketing activities, and provide you with forms for required reports you must submit to WOW AE (Franchise Agreement – Articles 4.2, 17.1). WOW AE will periodically, as it considers necessary, inspect your supplies, merchandise, methods of service and merchandising and speak with you and your employees to ensure you are complying with your agreements, Manuals and the standards established for the System (Franchise Agreement - Article 4.7). WOW AE will not provide any legal or accounting services or advice at any time.

(4) Advanced Training: WOW AE will periodically, as it considers necessary, provide you with advanced training in operating your WOW AE Business (Franchise Agreement - Article 3).

(5) New Products and Services: WOW AE will evaluate and consider for approval the products or services you submit for approval for use in your Business (Franchise Agreement - Articles 8.2, 8.3).

Site Selection and Time for Opening

The Unit franchise is granted for a location to be approved by WOW AE. You must locate a site for your WOW AE Business that must be accepted by WOW AE. WOW AE's acceptance will not be unreasonably withheld. WOW AE will evaluate your proposed locations as soon as reasonably possible in accordance with the procedures in the WOW AE Operations Manual or as may be provided in other writings by WOW AE. Factors considered by WOW AE in reviewing and accepting proposed sites include population density, demographics, size of the space, rent, available parking, traffic count and patterns, ease of access, economic and population growth trends, WOW AE market penetration and proximity to other businesses, including other WOW AE Businesses. WOW AE also considers whether the lessor will agree to the WOW AE permitted use language and other required lease provisions. If WOW AE determines that the location is not acceptable at that time or is too close to another WOW AE Business, the site will not be accepted and you must locate a new site for your business. Failure to acquire a site acceptable to WOW AE for your business and open the business within one year of the Effective Date of your Franchise Agreement will be considered a default of your franchise agreement and is grounds for termination. (Franchise Agreement – Articles 1.3).

WOW AE offers franchises in both traditional and non-traditional locations. Traditional locations may include stand alone buildings, strip centers and store fronts. Non-traditional locations are not necessarily determined by size and may or may not carry a full line of WOW AE products. Examples of non-traditional locations may include enclosed mall spaces, mall food courts, airports, hotels, universities, health care facilities, government & military facilities and other locations with street access or high population density in the trade area.

The typical length of time between the signing of the Franchise Agreement or the first payment of any consideration for the franchise and the opening of a WOW AE Business is three to eight months. Factors affecting this length of time include identification of a satisfactory site, lease negotiations, financing, zoning, building and other permits, construction delays (weather, labor, materials), and delivery and installation of equipment and signs. Problems or delays caused by any of these factors could delay the opening of the business beyond eight months.

Marketing

Marketing Fund: Franchisees are required to pay their appropriate percentage of their weekly net sales to WOW AE's system marketing fund ("Marketing Fund") (Franchise Agreement- Article 6.1). Because of market conditions and location, certain franchise and license agreements with major food service organizations or atypical locations may or may not require a contribution or the same amount of contribution to the Marketing Fund. Outside vendors and suppliers may contribute to the Marketing Fund or a Cooperative in exchange for promoting their products or using their services. These Agreements are negotiated on an individual basis as the opportunity arises by WOW AE or a representative of the Marketing Fund or Cooperative.

The Marketing Fund will be maintained and administered by WOW AE or a third party designated by WOW AE. WOW AE will direct all advertising, promotional and marketing programs with sole discretion over the concepts, materials, and media used in the related programs and their placement allocation media purchases. The funds collected are intended to maximize general public recognition and acceptance of the Proprietary Marks and the overall WOW AE Brand Awareness for the benefit of all WOW AE franchises, and WOW AE is not obligated in administering the funds to make expenditures for you which are equivalent or proportionate to your contribution, or to ensure that you or any particular franchisee or Cooperative benefits directly or is prorated from expenditures by the Marketing Fund. WOW AE does not have to spend any amount on advertising in your area.

The Marketing Fund will be used to meet costs of administering and preparing advertising, promotional and marketing activities. These costs may include creating, producing, placing, and conducting television, radio, and print advertising campaigns; creating, producing and distributing promotional materials for use in the WOW AE, like signs and posters, direct mail, promotional brochures, and outdoor billboard advertising; marketing surveys and research; public relations activities; and employing advertising agencies and consultants. The coverage of the media is local, regional and national in scope. WOW AE engages outside marketing, advertising and graphic design companies to perform and coordinate most of the marketing and advertising activities listed above for WOW AE. The Marketing Fund was established in August 2004. Each year WOW AE has used a majority of the Marketing Fund for advertising, promotional and marketing activities. All funds not spent are kept for use the following year. During the fiscal year which ended on December 26, 2021, the Marketing Fund spent approximately seventy-five percent (75%) of its funds on the production of advertisements and other promotional materials, and approximately twenty percent (25%) for general expenses, overhead expenses and administrative expenses.

All sums paid by you into the Marketing Fund shall be kept in accounts separate from the other monies of WOW AE and may be used to defray any reasonable general cost, administrative costs and overhead as WOW AE may incur in activities reasonably included in the administration and direction of the Marketing Fund and advertising programs for you and the System. WOW AE or its designees shall maintain separate bookkeeping accounts for the Marketing Fund.

A statement of the operations of the Marketing Fund as shown on its books will be prepared annually and will be made available to you upon written request. An audited statement will not be prepared.

Although the Marketing Fund is intended to be of perpetual duration, WOW AE maintains the right to terminate the Marketing Fund. The Marketing Fund will not be terminated until all monies in the Marketing Fund have been expended for the purpose described above or returned to contributors on a prorated basis of their contributions. Currently there are no Franchisor-owned WOW AE Units. An affiliate of Franchisor owns one (1) WOW Unit. All affiliate-owned WOW Units contribute to the Marketing Fund on the same basis as other Franchisees. If Franchisor owns WOW Units in the future, all Franchisor-owned WOW Units will contribute to the Marketing Fund on the same basis as other Franchisees.

Local Advertising Cooperatives: WOW AE may, in its sole discretion, establish local marketing cooperatives for the common benefit of all WOW AE franchisees. WOW AE has the right, in its sole discretion, to designate any geographical area for purposes of establishing a regional marketing and promotional cooperative ("Cooperative"), and to determine whether you must participate in a Cooperative. If a Cooperative has been established applicable to your WOW AE Business at the time you begin operating, you must immediately become a member of that Cooperative. If a Cooperative applicable to your WOW AE Business is established at any time during the term of your franchise agreement, you must become a member of that Cooperative no later than 30 days after the date on which the Cooperative begins operation. If the WOW AE Restaurant is within fifty (50) miles of more than one Cooperative, you are required to be a member of only one such Cooperative. The following provisions will apply to each Cooperative:

(a) Each member of the Cooperative must contribute one (1%) percent up to three (3%) percent of its weekly net sales for each and every week of its operations to the Cooperative ("Cooperative Fee");

(b) Each Cooperative will be organized and governed in a form and manner, and will commence operation on a date, approved in advance by WOW AE;

(c) Each Cooperative will be organized for the exclusive purpose of administering regional marketing and advertising programs and developing, subject to WOW AE's approval, standardized marketing materials for use by the members in local marking;

(d) All activities and contributions to the Cooperative shall be determined by a majority vote of the members in the Cooperatives; and

(e) No promotional or advertising plans or materials may be used by a Cooperative or furnished to its members without WOW AE's prior written approval. All such plans and materials shall be submitted to: WOW AE's Chief Development Officer, , 4480 LA-22, Suite 2, Mandeville, Louisiana 70471. If you do not receive written disapproval within 30 business days after the date of receipt by WOW AE, your advertising plans and materials will be deemed approved.

If a Cooperative ceases its functioning and the Cooperative elects to forego all or a portion of its funds, WOW AE may elect to receive all or a portion of the Cooperative's fund. If WOW AE elects to do so, then WOW AE shall deposit these funds into the Marketing Fund and reserves the right to exercise sole decision-making power over the marketing funds.

Affiliates of WOW AE that operate WOW AE franchised businesses must contribute to the Cooperative on the same basis as other members. Because of market conditions and location, certain franchise and license agreements with franchisees or licensees with major food service organizations or atypical locations may or may not require a contribution or the same amount of contribution to the Cooperative.

It is anticipated that all contributions to and earnings of the Marketing Fund and Cooperatives will be expending during the taxable year in which the contributions and earnings are received. If excess amounts remain in the Marketing Fund or any Cooperative at the end of the taxable year, all expenditures in the following taxable year shall be made first out of accumulated earnings from previous years, next out of earnings in the current year, and finally from contributions. (Franchise Agreement – Article 6.3).

At the time of the issuance of this FDD, there is no established advertising council composed of franchisees.

Local Advertising: For the grand opening of your WOW AE Business, you must spend a minimum of $10,000 in local advertising, marketing and brand building depending on the geographical location of the WOW AE Unit. (Franchise Agreement – Article 6.5). If the WOW AE Unit ("Pioneer Market"), Franchisor will spend an additional $5,000to promote the grand opening. Franchisor's Pioneer Market advertising spend will not be deducted from any national advertising fund.

All advertising, promotional and marketing activities conducted by you in your local market area will be subject to the prior approval of WOW AE. You must submit to WOW AE (by personal delivery, facsimile or certified mail, return receipt requested) all local advertising, promotional and marketing plans and samples of all local advertising materials not prepared or previously approved by WOW AE. If you do not receive written disapproval within 30 business days after the date of receipt by WOW AE, your plans and materials will be deemed approved. If any plans or materials previously approved by WOW AE are later disapproved, you must discontinue their use promptly upon notice from WOW AE.

Gift Cards and Promotional Program: You must participate in WOW AE's program for gift cards and gift certificates ("Gift Cards"). You must offer Gift Cards to your customers and honor all Gift Cards presented to you as payment for products, regardless of whether the Gift Card was issued by your or another WOW AE restaurant. You must sell, issue, and redeem Gift Cards in the manner described in the Manual or otherwise in writing, including those relating to procedures for obtaining reimbursement for Gift Cards issued by other WOW AE restaurants and for making timely payment to us, other WOW AE restaurants, or a third-party service provider. All funds from sales of Gift Cards must be retained in the selling franchisee's account until a monthly reconciliation of all Gift Cards sales among all franchisees is performed, at which time each franchisee's account will be debited or credited, as applicable, to account for sales and redemptions of Gift Cards. Unless state law specifies otherwise, upon the expiration of any Gift Card all unused funds shall become the property of Franchisor. (Franchise Agreement – Article 6.6).

You must pay the monthly fees that may be required by the vendor of the Gift Card system. The current fees are described in Item 6 and may be periodically revised. You may not sell, issue, or redeem gift certificates other than gift cards approved by us in writing.

Customer Loyalty Program(s): Franchisee must participate in Franchisor customer loyalty program(s) designated by the Franchisor. Franchisee must pay fees associated with the loyalty program(s).

Labor Management and Inventory Management Program(s): Franchisee must utilize the labor management and inventory management program(s) designated by the Franchisor. Franchisee must pay fees associated with the labor management and inventory management programs separately.

Mobile Application Platform: Franchisee must participate in Franchisor's mobile application designated by the Franchisor. Franchisee must pay fees associated with the mobile application.

Financial Management Program: Franchisee must utilize the financial management program designated by the Franchisor. Franchisee must pay fees associated with the financial management program.

Computer Requirements

Computer Hardware & Software: You must purchase the POS system currently approved by WOW AE, or other POS system that WOW AE may require in the future. (Franchise Agreement-18.2). The POS system must be purchased from a WOW AE approved supplier. Various manufacturers provide reasonably equivalent POS systems that perform the same functions; however, the use of any other POS system must be approved in advance by WOW AE. The POS System and network must be secure and PCI compliant to protect customer credit card information. Optional equipment upgrades are also available for additional fees. WOW AE will have unlimited independent access to your POS system data, including receipts, reports, and sales information (Franchise Agreement—Article 18.3). You will be provided with specifications and initial training in WOW AE's POS system, but WOW AE is under no obligation to assist you in obtaining the above items. If the POS system must be upgraded or updated, you agree to pay all reasonable and necessary expenses, fees and costs (Franchise Agreement—Article 18.4). The estimated cost for upgrades or updates to the POS system is $5,000 - $10,000. You must purchase or lease all equipment necessary to accept designated credit or debit cards. The estimated cost for a register system is $20,000. This price may decrease or increase depending on the model chosen. POS system training is mandatory and is included in the system price. You may be required to purchase a back-office computer system including a network switch and laser printer. The estimate for the back-office computer system is $1,200 - $1,600. Franchisee may be required to purchase a video monitor. The estimated cost of the video monitor is $1,000 - $6,000.

Electronic Funds Transfer: You are required to pay all fees due under the Franchise Agreement by automated bank draft. You must sign the Direct Debit Authorization form (Exhibit D) before opening for WOW AE Business. This form allows WOW Café to draft royalty payments, Marketing Fees, training fees or other fees due under WOW AE's Franchise Agreement directly from WOW AE's bank account.

Manuals

WOW AE will loan you a copy of our Operating Manual and any other publications ("Manuals") that contain mandatory and suggested specifications, standards, and procedures. These Manuals are confidential and remain our property. WOW AE will modify the Manuals, but the modification will not alter your status and rights under the Franchise Agreement (Franchise Agreement—Article 4.2) The tables of contents of all Manuals are attached to this Disclosure Document as Exhibit G. The revision dates reflected in the respective Manuals are the most recent at the time of issuance of the Disclosure Document.

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-the-job Training	Location
Management Training	20-40	60-80	Greater Metro New Orleans, Louisiana
Field Training	0	80-120	Your Franchise Location

Our training programs are under the direction of Mr. Patrick Shaheen. Mr. Shaheen has over 20 years of operations training experience. Mr. Shaheen's employment background is described in Item 2 of this Disclosure Document

The instructional materials for our training programs include videos, handouts, the Operations Manual, and test that we may require you and your managers and employees to take.

You must attend and complete, to WOW AE's exclusive satisfaction, the initial management-training program in the greater metro New Orleans, Louisiana area before you open your Business. (Franchise Agreement – Article 3.1, 3.2). WOW AE's initial management training program is mandatory and conducted monthly or bi-monthly, depending upon the number of attendees. You will be scheduled to attend the program after you complete site selection and within a reasonable time before your scheduled opening date. The initial management-training course is approximately two (2) to three (3) weeks, depending upon the size of the class and rate of material covered, of hands-on training and classes averaging eight hours per day plus additional homework assignments. Instructional materials will include written training modules, the WOW AE Confidential Operations Manual and actual products, books, and equipment.

Field Training: WOW AE will send one to two WOW AE representatives to your unit franchise location, at no cost to you, for on-site training and assistance when you open your WOW AE unit franchise. (Franchise Agreement – Article 3.5, 17.1). The length of time the representative is on-site may vary, but it is expected to be seven (7) to ten (10) days for QSR models and fourteen (14) to twenty-one (21) days for Fast Casual models. On-Site training and assistance includes additional food preparation training, consultation and training on hiring of personnel, training of personnel, purchasing and inventory management, product promotion and merchandising, bookkeeping and reporting management, analysis of sales and product mix and other matters necessary to the opening and operation of your WOW AE Business. If your unit location is in an Area Developer's Territory, then the Developer will be responsible for completing Field Training.

WOW AE may require any of your principals or employees who become actively involved in the management of your WOW AE Business to attend and satisfactorily complete the required training programs. (Franchise Agreement – Article 3.2).

WOW AE also offers additional optional management training programs, including both advanced and refresher training, for you and your employees. WOW AE may designate certain additional training courses for you or your employees as mandatory (Franchise Agreement – Article 3.5).

As discussed in Item 6, you must pay all personal expenses incurred by you or your employees attending training programs, including costs and expenses of transportation, lodging, meals, wages and employee benefits, and any training materials. (Franchise Agreement – Article 3). This applies for both mandatory and optional training programs. At the present time, WOW AE provides the materials and reserves the right to charge a reasonable fee for any mandatory or optional training program offered after your Business opens.

ITEM 12

TERRITORY

You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control. We retain the right, in our sole discretion, and without compensating you or seeking your approval, to: (i) own, acquire, establish and/or operate, and license others to establish and operate, businesses using the Proprietary Marks,

the System or any variation of the Proprietary Marks and the System, at any location other than your Unit on any terms and conditions that we deem appropriate; (ii) sell or distribute, at retail or wholesale, directly or indirectly, or license others to sell or distribute, at any location, any products which bear any proprietary marks, through any distribution channel or venue we deem appropriate; and (iii) to take any other action that we are not expressly prohibited from taking under the Franchise Agreement.

You shall operate your WOW AE Business only from a specified location approved by WOW AE. WOW AE will designate a general geographic area, such as a city or sector of a city ("General Area") solely for the purpose of limiting the area within which you may seek a site location for your WOW AE Business. Under the Franchise Agreement, you may sell proprietary products and services to retail customers who live anywhere but who choose to use your WOW AE Business. Without prior approval by WOW AE, you may not engage in any promotional activities or sell proprietary products or similar products or services, whether directly or indirectly, through or on the Internet, the World Wide Web, or any other similar proprietary or common carrier electronic delivery system; through catalogs or other mail order devices sent or directed to customers or prospective customers located anywhere; or by telecopy or other telephonic or electronic communications, directed to or received from customers or prospective customers located anywhere. You must obtain the prior approval of WOW AE for all advertising, promotional and marketing activities conducted by you in your local market area.

The Franchise Agreement does not provide for any franchisee options, rights of first refusals, or other similar rights to acquire additional franchises. However, WOW AE reserves the right to negotiate franchisee options, rights of first refusal, and other similar rights to acquire additional franchises upon request by a franchisee. If you desire to obtain expansion rights to an area, you should consider applying to WOW AE for the rights to that area. WOW AE will consider a franchisee's request for the establishment of additional franchised outlets as long as franchisee is not in default of its current franchise agreement and WOW AE determines that it is in its best interest to do so.

Relocation of your WOW AE Business requires the prior written approval of WOW AE. WOW AE will approve the relocation of your Business only if you lose the right to do business at your location through no fault of your own or WOW AE determines that it is in its best interest to allow the Business to be relocated. You must enter into a new franchise agreement to establish additional WOW AE Businesses.

ITEM 13

TRADEMARKS

WOW AE identifies its System by means of certain trade names, service marks, trademarks, and logos ("Proprietary Marks"). The Franchise Agreement grants you the non-exclusive right to use the Proprietary Marks and any other Proprietary Marks that we may use during the term of the Franchise Agreement in operation the System. Your use of the Proprietary Marks is limited solely to the operation of the WOW AE Business at its approved location and only in accordance with the System.

We own the following service marks on the Principal Register of the United States Patent and Trademark Office (USPTO):

Mark	Registration Number	Logo	Class	Status	Date	Renewed
WOW Café American Grill & Wingery	85521507	Yes	100, 101	Registered	9/18/12	n/a
WOW Café	76700533	No	100, 101	Registered	6/22/10	n/a
WOW Café	85563955	Yes	100, 101	Registered	11/13/12	n/a
WOW American Eats	Pending	No	100, 101	Pending	n/a	n/a
WOW Café & Wingery	3465075	No	100, 101, 102	Registered	7/15/10	n/a
WOW World of Wings Café & Wingery	76475198	Yes	100, 101	Registered	2/24/04	Yes
Wingery	2848926	No	100, 101	Registered	6/1/04	Yes
World of Wings	2812468	No	100, 101	Registered	2/10/04	Yes
WOW! What a place!	74577197	No	100, 101	Registered	1/21/97	Yes
New Orleans Inspired, Globally Desired	3165784	No	100, 101	Registered	10/31/06	n/a

All required affidavits have been filed for the Proprietary Marks.

The following Proprietary Marks have been renewed: WOW World of Wings Café & Wingery (Reg. No. 76475198); Wingery (Reg. No. 2848926); World of Wings (Reg. No. 2812468); and WOW! What a place! (Reg. No. 74577197).

WOW AE also claims common law rights to all of its Proprietary Marks on the basis that these marks have been used in interstate commerce.

There are currently no effective material determinations of the United States Patent and Trademark Office, Trademark Trial and Appeal Board, the Trademark Administrator of any state or any court and there is no pending interference opposition or cancellation proceeding or any material litigation involving the Proprietary marks listed in this Item which are relevant to their use in your WOW AE Business.

There are currently no agreements in effect, which significantly limit the rights of WOW AE to use or license the use of its Proprietary Marks in any manner material to your WOW AE Business.

WOW AE will defend and hold you harmless from any claims of trademark infringement for the use of the Proprietary Marks if you promptly give written notice to WOW AE and tender the full defense of the claims against you to WOW AE. WOW AE shall have complete control of the legal action and may settle the claims at any time without providing notice to you. WOW AE has taken and will take all steps reasonably necessary to preserve and protect the ownership and validity of the Proprietary Marks. You must sign any documents deemed necessary by WOW AE or its counsel to obtain protection for the Proprietary marks or to maintain their continued validity and enforceability. You may not contest the validity or ownership of the Proprietary Marks. If litigation involving the Proprietary marks is instituted or threatened against you, you must promptly notify WOW AE and must cooperate fully with WOW AE in defending or settling the litigation.

WOW AE does not warrant or guarantee that it has the exclusive right to use the mark WOW AE or any other of its Proprietary marks. If for any reason it becomes necessary or desirable for WOW AE to quit using the Proprietary Marks, WOW AE may substitute different proprietary marks. WOW AE and you may then operate under these other proprietary marks. WOW AE is not obligated to provide you with any other remedy. WOW AE does not actually know of any superior prior rights or of any infringing uses that could materially affect your use of the Proprietary Marks in any state.

ITEM 14

PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

There are no pending patents that are material to the franchise. Additionally, there are no patents that are material to the Franchise. WOW AE claims ownership of copyrights in the following manuals: the WOW AE Confidential Pre-Opening Manual, Operations Manual, and WOW AE intends to claim ownership of copyright in any future manuals that are developed. Copyright applications have not been filed for any of the Manuals. The information contained in the Manuals is confidential and proprietary. There are no other copyrights that are material to the franchise.

The Manuals and other materials WOW AE possesses contain WOW AE's confidential information. This information includes recipes for formulas, methods of preparation, product content, specifications, standards, suppliers, systems, procedures, operational, sales and marketing methods, plans and other trade secrets of WOW AE. You may not use WOW AE's confidential information in an unauthorized manner either during or after the term of the Franchise and must take reasonable steps to prevent its disclosure to others. For example, you may not duplicate any part of the recipe or other Manuals, remove them from your Business location or fail to return them to WOW AE when the term of your Franchise Agreement is over. Information or techniques developed by you or your employees under the System or the operation of your WOW AE Business is deemed a part of WOW AE's confidential information protected under your Agreements. You must obtain signed confidentiality agreements from all of your employees or agents who may have access to confidential information in a form satisfactory to WOW AE.

There are currently no effective determinations of the Copyright Office (Library of Congress) or any court regarding any of the copyrighted materials. There are no agreements currently in effect, which significantly limit WOW AE's right to use or authorize others to use the copyrighted materials. There are no infringing suits actually known to WOW AE that could materially affect the use of the copyrighted materials in any state. WOW AE is not required by any agreement to protect or defend copyrights or confidential information, although it intends to do so when it is in WOW AE's best interests. WOW AE may control any litigation that it participates in. You should notify WOW AE of any claims or infringing uses of the copyrights or unauthorized use of confidential information. WOW AE may modify the Manuals at any time. WOW AE may require you to discontinue use of the information in the Manuals at any time as long as it provides you with alternative information or techniques if this information is critical to your Business operations.

You must not, during or after the term of your Franchise Agreement, communicate, divulge, or use for the benefit of anyone else any confidential information, knowledge or know-how concerning our method of operation of a WOW AE Business or the System that may be communicated to you, or of which you may have knowledge through performance of the System. Any and all confidential information, information, matters, knowledge, know-how and techniques which we designate as confidential will be deemed confidential for the purposes of the franchise, unless and until you demonstrate that the information has become public knowledge.

You and any employee having access to confidential information must sign a Confidentiality Agreement, that will maintain the confidentially of information received during the term of the Franchise Agreement, and/or the term of employment. A copy of the Confidentiality Agreement is attached to this Disclosure Document as Exhibit B.

ITEM 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

Participation in Business: As an owner of your WOW AE Business, you do not have to conduct on-premises supervision or to personally participate in the direct operation of your business. However, WOW AE recommends that you are actively involved in the operation of your business. You or your designated manager must devote full-time to the development of your WOW AE Business, unless otherwise approved in writing by WOW AE. Your WOW AE Business must at all times be under the direct, full-time, on-location supervision of you or a trained and competent employee acting as a full-time manager who has satisfactorily completed WOW AE's initial management training program. Your manager must sign a confidentiality agreement to maintain the confidentiality of the information described in Item 14, and may have to sign an agreement that conforms with the covenants not to compete described in Item 17. If you are a business entity, your manager need not have an ownership interest. Any person holding an ownership interest in your business entity will have to sign a confidentiality agreement and non-compete as described in Items 14 and 17.

Other Written Agreements: If you are a business entity, each individual holding in excess of 15% of the total voting power of your ownership interests (including each individual holding in excess of 20% of the total voting power of any business entity having a controlling interest in you) must personally guarantee your obligations under your Franchise Agreement. If you have personally signed the Franchise Agreement and wish to transfer your Agreement to a business entity, you must enter into a Guaranty Agreement regardless of your ownership interest in the business entity. If your spouse is not affiliated with the business entity, your spouse is not required to enter into a Guaranty Agreement. The Guaranty Agreement is attached to this Disclosure Document as Exhibit C. Any person holding an ownership interest in your business entity will have to sign a Confidentiality Agreement as described in Items 14 and 17. The Confidentiality Agreement is attached to this Disclosure Document at Exhibit B.

ITEM 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must offer and sell only those goods and services that WOW AE has approved.

You must offer all goods and services at retail that WOW AE designates as required for all WOW AE locations, including new products or services that WOW AE develops in the future. There are no limits on WOW AE's right to change the types of goods and services or add new products and services. You may not offer or sell any other products or services without the prior written consent of WOW AE. You must discontinue offering any products or services, whether or not previously authorized by WOW AE, promptly upon written notice from WOW AE. You must provide for equipment or other items reasonably necessary to support new products or services introduced to enhance the value of the System. You are not restricted as to customers to whom you may offer goods and services.

All WOW AE Businesses must offer WOW AE's proprietary food products line as designated in the Manuals or in other writings. WOW AE designates the retail product lines and brands making up your initial inventory upon opening your Business.

ITEM 17

RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION THE FRANCHISE RELATIONSHIP

This table lists certain important provisions of the Franchise Agreement ("FA"). You should read these provisions in the Franchise Agreement which is attached to this Disclosure Document.

Provision	Section in FA Agreement	Summary
a. Length of the franchise term	FA: Article 14.1	Ten (10) years from date Business opens.
b. Renewal or extension of the term	FA: Article 14.1	Three (3) additional terms of ten (10) years each. Note: You must sign our then-current franchise agreement for the renewal term and this new agreement may have different terms and conditions (excluding royalty fees – said fees will remain the same) from the agreement that covered your original term.
c. Requirements for franchisee to renew or extend	FA: Article 14.1	You must have a good record of compliance with the Manuals and be in compliance with the Franchise Agreement; satisfy all monetary obligations to WOW AE; give written notice; remodel Business; attend training; sign release; and sign new franchise agreement. You must sign a new franchise agreement with materially different terms and conditions from the original contract.
d. Termination by franchisee	None	Not applicable
e. Termination by franchisor without cause	None	Not applicable

Provision	Section in FA Agreement	Summary
f. Termination by franchisor with cause	FA: Article 14	WOW AE can terminate only if you default.
g. "Cause" defined – curable defaults	FA: Article 14.3	Curable defaults: you have 10 days after WOW AE's written notice to cure: failure, refusal or neglect to promptly pay any monies owed to WOW AE; failure to submit financial or other information as required to WOW AE; failure to maintain standards specified by WOW AE or manuals; failure, refusal or neglect to obtain required prior written approval or consent; misuse or unauthorized use of Proprietary Marks or other impairment of the goodwill associated therewith or WOW AE's rights therein; commencement or conducting of other business operation, marketing of other products, under a name or mark which, in WOW AE's reasonable opinion, is confusingly similar to Proprietary Marks; default, without cure after the applicable grace period, under any lease, sublease, sub-sublease, mortgage or deed of trust covering the location; failure to procure or maintain the required insurance; default in the performance of any term, condition or obligation in payment of indebtedness to landlord or sublandlord, distributors or suppliers or others arising out of the purchase of inventory, supplies or purchase of lease of equipment and if any such default is not cured within 30 days after written notice from WOW AE.

Provision	Section in FA Agreement	Summary
h. "Cause" defined – non-curable defaults	FA: Article 14.2	Non-curable defaults: You knowingly or intentionally maintain false books or records, or submit any false report or payment to WOW AE; your conduct is so contrary to the agreement and the Manuals as to constitute an imminent danger to the public health or selling regularly unauthorized products to the public after notice of default and continuing to sell such products whether or not you have cured the default after one or more notices; the conviction of a felony, or a crime involving moral turpitude, or any other crime or offense that is reasonably likely, in the sole reasonable opinion of WOW AE, to have an adverse effect on the System, Proprietary Marks or the goodwill associated with WOW AE's interest in each of them by you, or your controlling or operating shareholders or members if you are a limited liability company; intentional disclosure or use of the contents of the Manuals, trade secrets or confidential or proprietary information, excluding acts of independent employees or others not under your control; repeatedly committing defaults under any provisions of this Agreement 5 or more occasions in any 12-month period, or 10 or more occasions in any consecutive 24-month period, even if you cured each such prior default, and even if you would otherwise be given an opportunity to cure the current default; ceasing to operate or otherwise abandoning your business without consent or, upon destruction of your business, failure to rebuild and resume operation within a reasonable time, unless excused in Agreement.
i. Franchisee's obligations on termination/non-renewal	FA: Article 15	Obligations include immediately ceasing to operate your Business; discontinue use of Proprietary Marks; return Manuals, other materials and confidential information; assign telephone numbers if requested; payment of amounts due; assign lease if requested; de-identify Business; maintain confidentiality of information; payment of Liquidated Damages if franchisee ceases to operate or otherwise abandons its WOW AE Business before the franchise agreement expires without franchisor's prior written consent
j. Assignment of contract by franchisor	FA: Article 13.1	No restriction on Franchisor's right to assign.

Provision	Section in FA Agreement	Summary
k. "Transfer" by franchisee – defined	FA: Article 13.1	Includes transfer of contract, assets or ownership interest.
l. Franchisor approval of transfer franchisee	FA: Article 13.1	WOW AE has the right to approve all transfers, except a transfer to an heir or beneficiary after your death or mental incapacity, but will not unreasonably withhold approval as long as certain conditions are satisfied.
m. Conditions for franchisor approval of transfer	FA: Articles 13.1 and 13.2	You may transfer your interest to a corporation or other legal entity as long as you retain ownership of a majority of the total voting power; you may transfer to a third party if: WOW AE does not exercise its right of first refusal; fifteen (15) days prior to each direct or indirect transfer of an interest in this Agreement or in you, or upon WOW AE's request, furnish WOW AE with an estoppel agreement indicating any and all causes of action, if any, that you may have against WOW AE or if none exist and a list of all shareholders or partners having an interest in this Agreement or in your business, the percentage interest of each shareholder or partner, and a list of all officers and directors; you are not in default; all of your then-due monetary obligations have been paid in full and other obligations met; you and your shareholders or members have executed a general release under seal of any and all claims against WOW AE; you satisfy all WOW AE's then-current requirements for new Franchisees or holders of an interest in a franchise; you have assumed the Agreement in a written assumption agreement approved by WOW AE, or have agreed to at closing; you, your manager or other employees responsible for the operation of the franchise have satisfactorily completed WOW AE's training program; you execute other documents as WOW AE may require, including franchise agreement.
n. Franchisor's right of first refusal to acquire franchisee's business	FA: Article 13.2	WOW AE can match any offer for your Business.

Provision	Section in FA Agreement	Summary
o. Franchisor's option to purchase franchisee's business	Not applicable	Not applicable.
p. Death or disability of franchisee	FA: Article 10	Your estate may transfer your interest to your heirs or beneficiaries, or a third party approved by WOW AE.
q. Non-competition covenants during the term of the franchise	FA: Articles 10 and 11	No involvement in similar business anywhere; cannot divert business to a competitor; you shall not employ or seek to employ, directly or indirectly, any person serving in an executive, managerial or operational position who is at the time or was at any time during the prior 6 months employed by WOW AE, without WOW AE's prior written consent.
r. Non-competition covenants after the franchise is terminated or expires	FA: Article 10	No involvement in similar business for 24 months at a site within a radius of 50 miles of any of your former businesses or within 20 miles of any other WOW AE business or Distribution Point then existing, unless WOW AE gives its prior written consent; no competing with or soliciting customers of WOW AE or other Business location.
s. Modification of the agreement	FA: Article 22	No modifications generally but standards, specifications, Manuals, products and services, Proprietary Marks and other items specified in the Franchise Agreement are subject to change.
t. Integration/merger clause	FA: Article 22	Only the terms of your Franchise Agreement and other related agreements are binding (subject to state law). Any representations or promises outside of the disclosure document and franchise agreement may not be enforceable.

Provision	Section in FA Agreement	Summary
u. Dispute resolution by arbitration or mediation	FA: Article 20	You and WOW AE resolve disputes or disagreements in a non-judicial alternative dispute resolution format through arbitration.
v. Choice of forum	FA: Article 20	Arbitration must be in Louisiana, unless individual state law directs otherwise, as set forth in Exhibit J.
w. Choice of law	FA: Article 20	Louisiana law applies, unless individual state law directs otherwise, as set forth in Exhibit J.

ITEM 18

PUBLIC FIGURES

WOW AE does not use any public figures to promote its franchise.

ITEM 19

FINANCIAL PERFORMANCE REPRESENTATIONS

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

We do not make any representations about a franchisee's future performance or past financial performance of company-owned or franchised outlets. We also do not authorize employees or representatives to make any such representations either orally or in writing. If you receive any other financial performance information or projections of your future income, you should report it to the Franchisor by contacting our Chief Development Officer, WOW Café & Wingery Franchising Account, LLC, 4480 LA-22, Suite 2, Mandeville, Louisiana 70471, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20

LOCATIONS AND FRANCHISEE INFORMATION

Table No. 1

Systemwide Location Summary
For years 2019 to 2021

Outlet Type	Year	Locations at the Start of the Year	Locations at the End of the Year	Net Change
Franchised	2019	53	48	-5
	2020	48	47	-1
	2021	47	46	-1
Affiliate Owned	2019	1	2	+1
	2020	2	1	-1
	2021	1	1	0
TOTAL OUTLETS	2019	54	50	-4
	2020	50	48	-2
	2021	48	47	-1

Explanatory Notes.

Note 1. The numbers in this table are as of December 31, 2021.

Table No. 2

Transfers of Locations From Franchisees to New Owners (Other Than the Franchisor or an Affiliate) For years 2019 to 2021

State	Year	Number of Transfers
TOTALS	2019	**0**
	2020	**0**
	2021	**0**

Explanatory Notes.

Note 1. The numbers in this table are as of December 31, 2021.

Table No. 3

Status of Franchised Locations
For years 2019 to 2021

State	Year	Locations at start of year	Locations Opened	Termi-nations	Non-Renewals	Reacquired By Franchisor	Ceased Opera-tions Other Reasons	Locations at End of the Year
Alabama	2019	4	0	0	0	0	0	4
	2020	4	0	0	0	0	0	4
	2021	4	0	0	0	0	0	4
Arizona	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
Arkansas	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
California	2019	5	0	0	0	0	0	5
	2020	5	0	0	0	0	1	4
	2021	4	0	0	0	0	1	3
Colorado	2019	2	0	0	0	0	0	2
	2020	2	0	0	0	0	1	1
	2021	1	0	0	0	0	0	1
Connecticut	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
D.C.	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
Florida	2019	0	0	0	0	0	0	0
	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
Georgia	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
Illinois	2019	2	0	0	0	0	1	1
	2020	1	0	0	0	0	1	0
	2021	0	0	0	0	0	0	0
Kentucky	2019	1	0	0	0	0	0	1
	2020	1	1	0	0	0	0	2
	2021	2	0	0	0	0	0	2
Louisiana	2019	9	1	0	0	0	1	9
	2020	9	0	0	0	0	2	7
	2021	7	1	0	0	0	0	8
Massachusetts	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1

	2021	1	0	0	0	0	1	0
Maryland	2019	2	0	0	0	0	1	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
Michigan	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
Minnesota	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
Mississippi	2019	0	1	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
Missouri	2019	2	0	0	0	0	0	2
	2020	2	0	0	0	0	0	2
	2021	2	0	0	0	0	0	2
Montana	2019	0	0	0	0	0	0	0
	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
New Mexico	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
New York	2019	1	0	0	0	0	0	1
	2020	1	1	0	0	0	0	2
	2021	2	1	0	0	0	2	1
New Jersey	2019	0	0	0	0	0	0	0
	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
N. Carolina	2019	3	0	0	0	0	1	2
	2020	2	0	0	0	0	0	2
	2021	2	0	0	0	0	0	2
Ohio	2019	2	0	0	0	0	0	2
	2020	2	0	0	0	0	0	2
	2021	2	0	0	0	0	0	2
Oklahoma	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
Pennsylvania	2019	1	0	0	0	0	1	0
	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
S. Carolina	2019	2	0	0	0	0	0	2
	2020	2	1	0	0	0	0	3
	2021	3	1	0	0	0	0	4

Tennessee	2019	0	0	0	0	0	0	0
	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
Texas	2019	2	0	0	0	0	0	2
	2020	2	0	0	0	0	0	2
	2021	2	0	0	0	0	0	2
Virginia	2019	3	0	0	0	0	1	2
	2020	2	0	0	0	0	0	2
	2021	2	0	0	0	0	0	2
Vermont	2019	0	0	0	0	0	0	0
	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
W. Virginia	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
Wisconsin	2019	2	0	0	0	0	0	2
	2020	2	0	0	0	0	0	2
	2021	2	0	0	0	0	0	2
TOTAL OUTLETS	2019	**54**	**2**	**0**	**0**	**0**	**6**	**50**
	2020	**50**	**3**	**0**	**0**	**0**	**5**	**48**
	2021	**48**	**3**	**0**	**0**	**0**	**4**	**47**

Explanatory Notes.

Note 1. The numbers in this table are as of December 31, 2021.

Note 2. The name, business address, and business telephone number of each current Franchisee as of December 31, 2021, and the name, last known address, and telephone number of every Franchisee who had a WOW AE Unit terminated, cancelled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the Franchise Agreement during the most recent completed fiscal year or has not communicated with Franchisor within ten weeks of December 26, 2021 is attached is Exhibit J.

If Franchisee buys this Franchise, Franchisee's contact information may be disclosed to other buyers when Franchisee leaves the franchise system.

Note 3. In some instances, current and former Franchisees sign provisions restricting their ability to speak openly about their experience with Franchisor. Franchisee may wish to speak with current and former Franchisees but beware that not all Franchisees will be able to communicate with Franchisee.

Table No. 4

Status of Company-Owned Locations
For Years 2019-2021

State	Year	Locations at Start of the Year	Locations Opened	Locations Reacquired from Franchisee	Locations Closed	Locations Sold to Franchisee	Locations at End of the Year
TOTALS	2019	1	1	0	0	0	2
	2020	2	0	0	1	0	1
	2021	1	0	0	0	0	1

Explanatory Notes.

Note 1. The numbers in this table are as of December 31, 2021. The company-owned outlets are located in Louisiana.

Our fiscal year end is December 26, 2021.

Table No. 5

Projected Openings as of January 1, 2022

State	Franchise Agreements Signed but Outlet Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected Company-Owned Openings in Next Fiscal Year
Alabama	0	0	0
Arizona	0	0	0
California	0	0	0
Colorado	0	0	0
Connecticut	0	0	0
Florida	0	0	0
Georgia	0	0	0
Illinois	0	0	0
Iowa	1	0	0
Louisiana	1	1	0
Maryland	0	0	0
Massachusetts	0	0	0
Michigan	0	0	0
Mississippi	0	1	0
North Carolina	0	0	0
New Jersey	0	0	0
New Mexico	0	0	0
New York	0	0	0
Ohio	0	0	0

State	Franchise Agreements Signed but Outlet Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected Company-Owned Openings in Next Fiscal Year
Oklahoma	0	0	0
Pennsylvania	0	0	0
South Carolina	0	1	0
Tennessee	0	0	0
Texas	0	0	0
Virginia	0	0	0
Washington	0	0	0
Wisconsin	0	0	0
TOTALS	**2**	**3**	**0**

LIST OF EXISTING FRANCHISEES

As of January 1, 2022

State	City	Address	Active Owners	Phone	E-mail
AL	Birmingham	University of AL Birmingham 1000 14th St South	Sodexo	205-975-5914	Alan.Bergman@Sodexo.com
AL	Jacksonville	Jacksonville State 700 Pelham Rd. North	Sodexo	256-365-0117	saul.lomax@sodexo.com
AL	Huntsville	University of Alabama Huntsville 4750 Holmes Drive	Sodexo	256-824-3582	joe.fox@sodexo.com
AR	Little Rock	Univ. of Arkansas Little Rock 3101 S. Taylor Street	Sodexo	501-366-6286	Douglas.Britt@Sodexo.com
AZ	Prescott	Embry-Riddle Aeronautical Univ. 3700 Willow Creak Road	Sodexo	760-219-4751	julie.jensen@sodexo.com
CA	Camp Pendleton	Camp Pendleton Military Base West Mess 2204	Sodexo	760-575-700	terrance.mason@sodexo.com
CA	San Bernardino	CSU San Bernardino 5500 University Pkwy.	Sodexo	909-537-3540	dave.janosky@sodexo.com
CA	Walnut	Mt. San Antonio College 1100 N. Grand Ave.	Sodexo	951-488-4868	hector.castillo@sodexo.com
CA	San Marcos	CSU San Marcos 595 Campus View Drive	Sodexo	760-750-4764	donna.provost@sodexo.com
CO	Golden	Colorado School of Mines 1200 16th St.	Sodexo	303-384-2528	john.montano@sodexo.com
CT	West Haven	University of New Haven 300 Boston Post Road	Sodexo	203-479-4212	brittany.claiborne@sodexo.com
DC	Washington	Howard Univ. 2400 6th St. NW	Sodexo	202-617-4329	eric.brown@sodexo.com
GA	Augusta	Georgia Regents Univ. 1120 15th St.	Sodexo	706-830-3964	maureen.foster@sodexo.com

KY	Louisville	Bellarmine U. / 2001 Newburg Rd. Louisville, KY 40205	Sodexo	502-314-0280	Richard.Neuman@sodexo.com
KY	Frankfort	Kentucky State University 400 E Main Street	Sodexo	502-316-8516	Brian.Thompson@sodexo.com
LA	Chalmette	1720 East Judge Perez, Ste. C, Chalmette, LA 70043	Shane Songy & Shawn Breaud	504-271-8317	shane@wingery.com
LA	New Orleans	Tulane U. / 31 McAllister Dr. New Orleans, LA 70118	Sodexo	504-214-4937	jason.fibble@sodexo.com
LA	New Orleans	Tulane Univ. / Yulman Stadium / Audubon Boulevard	Sodexo	504-214-4937	jason.fibble@sodexo.com
LA	New Orleans	1415 Tulane Ave / Tulane Med Ctr. New Orleans, LA 70112	Cups and Mugs Kip Olsen	504-419-5019	dlentine@msginc.net
LA	Jefferson	Ochsner Hospital 1514 Jefferson Hwy	Morrisons	504-842-3425	kennynezat@iammorrison.com
LA	Shreveport	LSU Health & Medical School 1501 Kings Hwy	Sodexo	318-840-3778	james.galambos@sodexo.com
LA	Baton Rouge	Baton Rouge Regional Airport 9340 Jackie Cochran Drive	SSP America	504-352-5402	robert.cotton@ballardbrandsllc.com
LA	Covington	13130 LA-1085 Covington, LA 70433	WOW Copperstil	985-276-4978	scottc@ballardbrands.com
LA	New Orleans	Dillard University 2601 Gentilly Blvd. New Orleans, LA 70122	Sodexo	504-283-8822	kimberly.rosenmeier@sodexo.com
MD	Baltimore	Greater Baltimore Medical Center / 6701 N. Charles Street	Sodexo		Kelly.Bechtel@Sodexo.com
MI	Adrian	Adrian College 110 S. Madison St.	Sodexo	517-265-5161	tim.mclaughlin@sodexo.com
MN	Moorhead	Minnesota State University Moorhead / 1104 7th Ave South	Sodexo	218-979-9332	wade.eddy@sodexo.com
MO	St. Louis	Webster University / St. Louis, Missouri 63119	Sodexo	314-575-0925	brad.woodroffe@sodexo.com
MO	St. Louis	Univ. of Missouri St. Louis 1 University Blvd.	Sodexo	314-516-7365	antonio.mancarella@sodexo.com
MS	Lorman	Alcorn State University 1000 Asu Drive, Lorman, MS 39096	Sodexo	504-415-9626	kimberly.rosenmeier@sodexo.com
NC	Boiling Springs	Gardner Webb Univ. 110 S. Main St.	Sodexo	803-553-9995	william.weeks@sodexo.com
NC	Wesleyan	NC Wesleyan College 3400 N Wesleyan Blvd.	Sodexo	949-350-2064	armando.chacon@sodexo.com
NM	Portales	ENMU University Station 51 1500 S. Ave.	Sodexo	505-562-2110	Dustin.davis@enmu.edu
NY	Platz	SUNY New Platz 1 Hawk Drive, New Platz, NY 12561	Sodexo	845-257-7869	kimberly.rosenmeier@sodexo.com
OH	Wilberforce	Central State University 1400 Brush Row Road	Sodexo	937-376-6020	jeff.ervin@sodexo.com

OH	Ada	Ohio Northern Univ. 525 S. Main Street	Sodexo	304-590-3093	Dwight.Blankenship@Sodexo.com
OK	Tahlequah	Northeast State U. 600 N. Grand	Sodexo	918-456-5511	Mark.Graver@sodexo.com
SC	Orangeburg	South Carolina State 300 College St NE	Sodexo	803-536-8467	arthur.pinckney@sodexo.com
SC	Hartsville	Coker College 300 East College Ave.	Sodexo	920-369-6387	rick.gant@sodexo.com
SC	Spartanburg	University of South Carolina Upstate 800 University Way	Sodexo	864-503-5515	Jim.Shecter@sodexo.com
TX	El Paso	UTEP 500 W University Ave.	Sodexo	915-202-8316	Dwayne.Wisniewski@sodexo.com
TX	Sequine	Texas Lutheran Univ. 1000 West Court St.	Sodexo	830-372-8176	christopher.wright@sodexo.com
VA	Emory	Emory & Henry Univ. 1 Garnard Dr.	Sodexo	276-944-6586	treva.watson@sodexo.com
VA	Springfield	NGA 2700 Geoint Drive	Sodexo	703-913-5446	tiffany.sims@sodexo.com
WI	Kenisha	Carthage College 2001 Alford Park Dr.	Sodexo	262-515-1816	brian.smoko@sodexo.com
WI	Milwaukee	Marquette Univ. 804 N. 16th St.	Sodexo	414-750-2541	joseph.maiorelle@mu.edu
WV	West Liberty	West Liberty University 208 University Dr.	Sodexo	724-678-2422	Douglas.Orr@Sodexo.com

LIST OF FRANCHISEES WHO SIGNED A FRANCHISE AGREEMENT BUT WHO HAVE NOT YET OPENED AN OUTLET

As of January 1, 2022

State	City	Address	Franchisee	Phone	E-mail
IA	(Outlet Not Yet Opened)	403 Eastview Rd. Marshalltown, IA 50158	Kevin Vaughn	641-753-6280	
LA	(Outlet Not Yet Opened)	3421 N. Causeway Blvd., Ste. 301 Metairie, LA 70002	Bay-WOW Franchise 2	504-655-9410	

LIST OF FRANCHISEES WHO HAVE LEFT THE SYSTEM

As of January 1, 2022

State	City	Address	Exited Franchisee	Phone	E-mail
CA	Seaside	CSU Montery Bay 100 Campus Ctr. Bldg 14	Sodexo	931-582-5007	jeffrey.shaffer@sodexo.com
MA	Dudley	Nichols College 124 Center Rd.	Sodexo	508-213-2251	josh.fasano@nichols.edu
NY	Albany	University of Albany 1400 Washington Ave.	Sodexo	518-810-7648	Jeff.Kurto@Sodexo.com
NY	West Babylon	753 Sunrise Hwy., West Babylon, NY 11704	Vable, LLC	917-900-6973	zhuyi0908@gmail.com

Note 1: The name, business address, and business telephone number of each current franchisee as of January 1, 2021 is attached to this Disclosure Document as Exhibit J. The name, last known address, and telephone number of every franchisee as of January 1, 2021, who has had a Restaurant terminated, cancelled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the Franchise Agreement during the most recently completed fiscal year or has not communicated with us within 10 weeks of the Disclosure Document issuance date is attached as Exhibit J. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

Note 2: In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with WOW Café & Wingery Franchising Account, LLC. 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.

Note 3: There are no trademark specific franchisee associations associated with the franchise system being offered in this Franchise Disclosure Document.

Note 4: These franchisees have executed a Multi-Unit Option Agreement.

Our fiscal year end is December 26, 2021.

ITEM 21

FINANCIAL STATEMENTS

The audited financial statements for the periods ending December 29, 2019, December 27, 2020, and December 26, 2021are attached to this Disclosure Document as Exhibit F, together with the auditor's consent and reports.

ITEM 22

CONTRACTS

The following agreements are attached as Exhibits to this disclosure document:

Exhibit A	Franchise Agreement
Exhibit B	Confidentiality Agreement
Exhibit C	Guaranty Agreement
Exhibit D	Direct Deposit Authorization Form
Exhibit E	Agents for Process of Services
Exhibit F	Financial Statements
Exhibit G	Operations Manual Table of Contents
Exhibit H	State Administrators
Exhibit I	Franchise Disclosure Acknowledgement Statement
Exhibit J	List of Franchisees
Exhibit K	General Release Agreement
Exhibit L	Contingent Assignment of Lease Agreement
Exhibit M	State Specific Addenda
Exhibit N	Multi-Unit Option Agreement
Exhibit O	Receipt

ITEM 23

RECEIPT

Exhibit O of this Disclosure Document contains two receipt pages by which you acknowledge your receipt of this Disclosure Document. One of the copies is for your records and one must be signed, dated and returned to us.

EXHIBIT A

FRANCHISE AGREEMENT

WOW AMERICAN EATS

FRANCHISE AGREEMENT DATA SHEET

1. Name of Franchisee: _____
2. Guarantor Name: _____

   SSN: _____ Driver's License State/Number: _____
3. Guarantor Name: _____

   SSN: _____ Driver's License State/Number: _____
4. Franchisee's Address: _____
5. Franchisee's Telephone Number: _____
6. Franchisee's Email Address: _____
7. Franchisee's Initial Franchise Fee: _____
8. Franchisee's Royalty Fee: _____
9. Franchisee's Marketing Fund Fee: _____
10. Agreement Effective Date: _____
11. Franchise Licensing Representative:_____
12. Exceptions to the Agreement: _____

The information contained in the Data Sheet is incorporated by reference into the WOW American Eats Franchise Agreement.

FRANCHISEE:	**FRANCHISOR:**
_____	_____
Print Name:	Print Name:
_____	_____
Title	Title
_____	_____
Date	Date

WOW AMERICAN EATS FRANCHISE AGREEMENT

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WOW AMERICAN EATS FRANCHISE AGREEMENT

THIS AGREEMENT made this _____ day of _____, 20____, by and between WOW Café & Wingery Franchising Account, L.L.C. d/b/a WOW American Eats, a Louisiana limited liability company located at: 4480 LA-22, Suite 2, Mandeville, Louisiana 70471 (the "Franchisor" or "WOW AE"), and _____ with a mailing address of: _____ (the "Franchisee"):

DEFINITIONS

In this Agreement the following capitalized terms shall have the meanings set forth below, unless the context otherwise requires:

(i) A WOW AE Branded Product is any product now existing or developed in the future that bears Franchisor's Marks and is sold by some or all WOW AE Franchisees or Franchisor or other entities such as supermarkets, grocery stores or convenience stores.

(ii) A WOW AE Distribution Point or Distribution Point is any system other than a WOW AE Restaurant, where Authorized WOW AE Branded Products using Franchisor's Marks are sold, such as carts, kiosks, vending machines or other product distribution systems developed now or in the future and authorized by Franchisor.

(iii) A WOW AE Restaurant is a restaurant or other outlet, whether a Traditional Restaurant or a Nontraditional Restaurant, that specializes in the sale of Authorized WOW AE Products, as defined below, is operated under Franchisor's Marks, as defined below, and is authorized by a Franchise or License Agreement made or approved by Franchisor.

(iv) A Nontraditional Restaurant is a WOW AE Restaurant located within another primary business or in conjunction with other businesses, some of which may be other fast-food type operations. A Nontraditional WOW AE Restaurant will likely be installed within other primary businesses or within a multi-branded facility where other branded or nonbranded restaurants share common space. A Nontraditional Restaurant shall include, but not be limited to, the following: WOW AE Restaurants located and operated within university, college, or high school campuses, airports, or military installations/bases. A Nontraditional Restaurant is also sometimes referred to as Quick Service Restaurant, Special Contracts Full Service, or Special Contracts Quick Service Restaurant.

(v) A Traditional Restaurant is a business premises that exists primarily as a WOW AE Restaurant. However, such Traditional Restaurant may also have other types of businesses located in it, but in such case the WOW AE Restaurant is the primary business.

(vi) A Unit is a WOW AE Restaurant from which WOW AE Authorized Products are sold for on-premises and off-premises consumption and from which Authorized WOW AE Products may be delivered for off-premises consumption.

(vii) Authorized Products or Franchise WOW AE Products are products approved or authorized by Franchisor in accordance with Article 6 or 9 of this Agreement.

(viii) Location shall mean a location approved by Franchisor in accordance with Section 1.4 of this Agreement.

RECITALS:

WHEREAS, Franchisor is the owner of certain marks and other intellectual property, which have been filed and or registered with the United States Patent and Trademark Office of the United States of America, and may, in the future become the owner, licensee and or authorized distributor for other trademarks, including logos and designs, related or unrelated to Franchisor's Marks (referred to in this Agreement as "Franchisor's Marks"); and

WHEREAS, Franchisor has developed and continues to develop a system for merchandising WOW AE Authorized Products, which system includes distinctive signs, food recipes, uniforms, and various trade secrets and other confidential information, and in some cases also includes architectural designs, equipment specifications, layout plans, inventory, record-keeping and marketing techniques (the "System") which are materially reflected in Franchisor's Operations Manual, Pre-Opening Manual, and any other future manuals developed (collectively, the "Manuals"). Franchisor identifies the System by Franchisor's Marks, and such other Trademarks, service marks, trade names, logos and designs as may be designated by Franchisor in writing as being authorized for use in the System. Franchisor's Marks identify for the public the source of the services rendered in accordance with the standards and specifications established by Franchisor; and

WHEREAS, the System as used in existing Traditional and Nontraditional WOW AE Restaurants and WOW AE Distribution Points have established or will establish a reputation for quality, cleanliness, appearance and service, and through such operations and continued marketing and advertising efforts, have created demand and goodwill for the authorized WOW AE food products sold as a result of which the System has acquired valuable goodwill and a favorable reputation; and

WHEREAS, Franchisee desires to enjoy the benefits of: (i) operating under the System and using Franchisor's Marks; and (ii) being authorized and licensed to operate one Unit as set forth below within the System in strict accordance with the standards and specifications established by Franchisor; and

WHEREAS, Franchisor is willing to grant Franchisee a license under Franchisor's Marks and the System, subject to Franchisee's strict compliance with the terms and conditions of this Agreement.

NOW, THEREFORE, the parties agree as follows:

ARTICLE 1. FRANCHISE RIGHT GRANTED, LOCATION.

1.1. GRANT.

In consideration of the issuance of the franchise granted herein, Franchisee shall pay to Franchisor the non-refundable sum of the appropriate amount as stated on the Data Sheet of the Franchise Agreement (the "Initial Fee"). In exchange, Franchisor hereby awards Franchisee the right to open and operate, under the terms of this Agreement, one Unit specializing in selling high quality limited and specific food items as specified by Franchisor in Franchisor's Operations Manual, or subsequently added in accordance with Operations Manual amendments. The Initial Fee shall be deemed fully earned by Franchisor upon the completion of all pre-opening obligations by Franchisor and Franchisee and shall not be refunded, in whole or in part, upon any termination of this Agreement, or at any other time or under any other circumstances. If Franchisee is a business entity, each individual holding in excess of 15% of the total voting power of Franchisee's ownership interest (including each individual holding in excess of 20% of the total voting power of any business entity having a controlling interest in Franchisee) must execute the Guarantee Agreement and Confidentiality Agreement attached as Attachment A and Attachment B respectively.

1.2. LICENSE.

Franchisor hereby grants and awards to Franchisee, for the term set forth in this Agreement, and any renewal term, beginning on the date of this Agreement, the right and license, and Franchisee hereby undertakes the obligation, to operate the business described in this Agreement under Franchisor's Marks and such other of Franchisor's Marks as may be designated by Franchisor, to operate such business solely in accordance with the System and this Agreement, and only at the specific location to be agreed upon by Franchisor and Franchisee in writing (the "Location").

1.3. LOCATION.

With Franchisor's acceptance, Franchisee will locate, lease and open, within a twelve (12) month period, a Unit in _____ (the "General Area"). The General Area is described solely for the purpose of limiting the area within which Franchisee may seek a site location for the Unit. If Franchisee is unable to secure an approved site and open a Unit in the General Area within this twelve (12) month period, Franchisee must notify Franchisor in writing within sixty (60) days prior to the expiration of the aforementioned period. Upon receipt of any such notice, shall extend the twelve-month period mentioned in this Section 1.3 for an additional ninety (90) days. Upon Franchisor granting and extending the initial twelve (12) month period, Franchisee shall secure and open a Unit within said ninety (90) day extension. If Franchisee ceases to actively secure and open a PJ's Unit during the initial 12-month period or the 90-day extended period, Franchisor has the right to terminate this Agreement without any further action on the part of Franchisor. In the event Franchisor elects to terminate this Agreement, it shall be entitled to the fee paid in accordance with Section 1.1 hereof.

Franchisor may establish, operate or grant a franchise or license to others to operate a WOW AE or any other business using the Marks, the System or any variation of the Marks and the System, in any location other than your Restaurant on any terms and conditions that we deem appropriate. Additionally, Franchisor may license or sell, at both wholesale and retail, produce or service lines that are being sold in WOW AE Businesses, including your WOW AE Business, under the same or similar Proprietary Marks or any other proprietary marks, at any location or distribution point without providing any rights to Franchisee.

1.4. LOCATION SELECTION AND ACCEPTANCE

In order to obtain Franchisor's acceptance of a Location from which Franchisee is authorized to operate its Unit, he/she/they must first:

(i) Submit for Franchisor's evaluation a summary of the lease terms available for each site. Franchisee must also give any proposed landlord a copy of the then current Contingent Assignment of Lease or any other Lease Rider then being used by Franchisor in connection with its site approval for Units, and obtain written verification that each landlord is willing to include the provisions of the Contingent Assignment or any other Rider's provisions in its Lease. After Franchisee provides the required documentation, Franchisor will evaluate and critique the information on each site and lease summary in consultation with Franchisee. Franchisor may, but will not be required to, visit and inspect the sites that Franchisee proposes at the Franchisor's expense.

(ii) If and when Franchisor is satisfied with any one of the sites and the lease summaries are reasonably acceptable, Franchisor will give Franchisee verbal authorization to proceed with preliminary lease negotiations. Franchisor's authorization to negotiate a lease will not be unreasonably withheld. Franchisor reserves the right to reject any site or lease proposal Franchisee submits and to require that Franchisee obtain information on alternative sites.

(iii) After receiving Franchisor's authorization to negotiate, Franchisee must negotiate the lease to Franchisor's satisfaction and submit a final, unsigned copy of the lease to Franchisor for its verification that the Contingent Assignment (or other then used Lease Rider) is included. Franchisor may withhold authorization for Franchisee to sign a lease that omits Franchisor's Contingent Assignment (or other then used Lease Rider) in substantially the same form in use by Franchisor at the time the lease is executed, or contains provisions Franchisor considers excessively onerous or restrictive.

(iv) FRANCHISEE ACKNOWLEDGES THAT FRANCHISOR WILL HAVE NO RESPONSIBILITY FOR EVALUATING OR ADVISING FRANCHISEE WITH RESPECT TO ANY BUSINESS OR LEGAL ASPECTS OF THE LEASE, AND THAT FRANCHISOR EXPRESSLY ADVISES FRANCHISEE TO OBTAIN INDEPENDENT ADVICE OF COUNSEL WITH REGARD TO ANY LEASE TERMS. FRANCHISEE FURTHER ACKNOWLEDGES THAT FRANCHISOR'S ACCEPTANCE OF A LOCATION IS IN NO WAY A WARRANTY OR REPRESENTATION BY FRANCHISOR THAT FRANCHISEE'S UNIT WILL BE PROFITABLE OR SUCCESSFUL FROM THAT LOCATION.

FRANCHISEE'S ACKNOWLEDGMENT: INITIALS_____

(v) When Franchisor is satisfied with the lease, Franchisor will give Franchisee written authorization to sign it. After receiving Franchisor's authorization to sign the lease, Franchisee must sign and furnish Franchisor a photocopy of the executed lease, including all exhibits, attachments and addenda. When Franchisor verifies that the executed lease contains no variances from the form Franchisor accepted, it will notify Franchisee that the location is finally accepted pursuant to the terms of this Agreement.

ARTICLE 2. INSTALLATION AND COMMENCEMENT OF BUSINESS.

Franchisee, at its own expense, shall: (i) renovate the Location into a Unit; (ii) obtain all necessary governmental permits and licenses prior to beginning the renovation of its Location into a Unit and Franchisee shall fully complete the renovation, construction and equipping within a reasonable time thereafter. Franchisee shall commence operation of each Unit no later than thirty (30) days following the completion of the renovation, installation of furniture, fixtures, and equipment, the franchisees receipt of a certificate of occupancy from the local municipality and upon completing all Franchisor's pre-opening requirements. Franchisee must employ an architect approved by the Franchisor, in its sole discretion, for the preparation of all construction plans and specifications. Franchisee must use a licensed and insured general contractor for all construction and remodeling on the interior or exterior of the franchised location. In no event shall Franchisee construct or remodel the interior or exterior of any Unit or make any improvements which vary from the then-current standards, plans, and specifications approved by Franchisor, without first obtaining Franchisor's prior written approval. Franchisee, at its own expense, shall obtain all municipal and state licenses necessary to operate Franchisee's Unit prior to commencing business at its Unit and shall maintain all licenses in full force and effect during the term of this Agreement.

ARTICLE 3. TRAINING.

3.1. Franchisee will designate individuals (up to 3 persons) as trainee(s) to attend Franchisor's training school in the greater metro New Orleans, Louisiana area (the "Training School") or at another training location selected by Franchisor. Franchisor will offer initial training programs for Franchisee and its management employees at times selected by Franchisor. Franchisor will bear the costs of providing training programs, including the overhead costs of training, staff salaries, materials, and all technical training tools. Franchisee shall pay all traveling, living, compensation, and other expenses incurred by Franchisee and/or Franchisee's employees in connection with attendance at training programs. The training program and manner of conducting such program shall be at Franchisor's sole discretion and control.

3.2. Franchisee will not allow any Unit to be opened or managed by any person who has not attended and successfully completed the management training course designated by Franchisor. If Franchisee is an individual, and does not manage its Unit on a day-to-day basis, and in the event its designated Unit manager resigns or is terminated, Franchisee must arrange to have the successor restaurant manager: (i) begin the required training course within forty-five (45) days of first assuming the duties of a restaurant manager; and (ii) successfully complete the course. Provided Franchisee successfully completes the training program, the required training course conducted at Franchisor's facilities will not extend beyond three (3) weeks.

3.3. If at any time the trainee voluntarily withdraws from, or is unable to complete its training, or fails to demonstrate an aptitude, spirit or ability to comprehend and carry out the course of study to the reasonable satisfaction of Franchisor, then Franchisor shall have the right to require Franchisee's trainee to attend other training class(es) or to perform additional operational training until Franchisor is reasonably satisfied that Franchisee's trainee has satisfactorily completed the training course. Franchisee may not open its Unit until training is completed to Franchisor's reasonable satisfaction.

3.4. In the event of a sale to a third party of Franchisee's Unit after opening, the Franchisor may require the transferee to be trained in the Training School as a condition of Franchisor's consent to such transfer. All tuition costs for such training shall be deemed paid upon receipt by Franchisor of the $17,500 fee due in accordance with Article 13 herein. In the event of an approved non-sale transfer to a third party of Franchisee's Unit, the Franchisor may require the transferee toattend the Training School and pay to Franchisor the training fee, which fee shall not exceed $8,000.00. No Unit shall open or re-open until the Training School certifies that the transferee is approved to operate the respective Unit.

3.5. Franchisor will facilitate initial training at Franchisee's Unit at the time of its opening. Franchisee's attendance and participation at initial training is mandatory. Additional training sessions are available at Franchisee's request and expense, or at Franchisor's request and Franchisee's expense, except for the initial training course itself. Franchisee's attendance at additional training sessions is mandatory if requested by the Franchisor or if they are scheduled in Franchisee's state. Additional training sessions will be conducted at either Franchisee's Unit or another franchisee's WOW AE Unit, if the participation of multiple franchisees is involved. Franchisor may not mandate more than two additional training sessions in a twelve (12) month period. Franchisor may require Franchisee to pay an additional training fee to Franchisor for each additional training session, which fee shall not exceed $4,000. For additional training sessions, Franchisor will provide the instructors and instructional materials, but Franchisee shall pay all traveling, living, compensation, and other expenses incurred by Franchisee and/or Franchisee's employees in connection with attendance at additional training programs. Additional training sessions shall not extend beyond five (5) days. Additionally, Franchisee must attend regional meetings when and if established by Franchisor, must attend annual national conventions when and if scheduled and must pay the registration fee.

ARTICLE 4. MANUALS AND STANDARDS OF FRANCHISEE QUALITY, CLEANLINESS, AND SERVICE.

4.1. STANDARDS.

In order to promote the value and goodwill of Franchisor's Marks and the System and to protect Franchisor's Marks and the other WOW AE franchisees who comprise the franchise system, Franchisee agrees to conduct its business in accordance with the standards promulgated by Franchisor as follows:

4.2. MANUALS.

(i) In the Manuals and other publications, Franchisor will list authorized products to be sold by Franchisee, and promulgate standards of operation for Units, including standards of quality, cleanliness, and service for all food, beverages, furnishings, interior and exterior decor, supplies, fixtures, and equipment used in connection with each Unit. Franchisee agrees to operate its Unit in accordance with the standards, specifications and procedures set forth in the Manuals, this Agreement and the lease for the Location. Franchisee further agrees that changes in the menu, or the standards, specifications and procedures may become necessary from time to time and agrees to accept as reasonable all modifications, revisions and additions to the Manuals as authorized by Franchisor. The sale of any product or service at the Franchisee's Location, without Franchisor's prior written approval shall constitute a material violation of this Agreement.

(ii) The Manuals and all amendments to the Manuals (and copies thereof) are copyrighted and remain Franchisor's property. They are loaned to Franchisee for the term of the Agreement, and must be returned to Franchisor upon the Agreement's termination, expiration or nonrenewal. The Manuals are highly confidential documents which contain certain trade secrets of Franchisor, and Franchisee shall never reveal, and shall take all reasonable precautions, both during and after the term of this Agreement, to assure that its employees or any other party under Franchisee's control, shall never reveal any of the contents of the Manuals or any other publication, recipe or secret provided by Franchisor, except as is necessary for the operation of Franchisee's Unit. If Franchisee is not involved in the management of Franchisee's Unit, the manager must execute a Confidentiality Agreement, a copy of which is attached hereto as Attachment B. If Franchisee loses a Manual, Franchisee shall pay Franchisor $500.00 to replace any recipe Manual and $250.00 to replace any other Manual.

4.3. HOURS.

Franchisor and Franchisee agree that the hours of operation of Franchisee's Unit are at a minimum, 7:00 a.m. to 9:00 p.m. if breakfast is being served and 11:00 a.m. to 9:00 p.m. if breakfast is not being served, seven (7) days per week, and Franchisee agrees to operate its Unit during such hours. If the Location is in a mall or shopping center, the hours of the mall or shopping center shall control. Franchisee shall diligently and efficiently exercise its best efforts to achieve the maximum net sales possible from its location, and will be open for business not less than ten hours per day, seven (7) days per week, unless additional opening hours are reasonably required to maximize operations and sales. If such hours are incorrect in relation to the sales potential of Franchisee's Unit, then Franchisor and Franchisee shall reasonably adjust such hours by jointly establishing new hours of operation. It is acknowledged that the hours of other Franchisees will vary in relation to each respective location, and local legal restrictions, if any.

4.4. APPEARANCE.

From time to time, Franchisee's Unit may need a cosmetic improvement or equipment change or addition in order to comply with the Manuals and or to maintain proper operations and an aesthetic appearance and professional image. Accordingly, Franchisor may require remodeling and renovation, and modifications to existing equipment and improvements as is reasonably necessary. Franchisor shall not require any such work at a particular Unit less than five (5) years after the opening of the Unit except: (i) for additional equipment if new food preparation methods or products are developed and authorized by Franchisor; (ii) if repairs or repainting are necessary to maintain the appearance of the interior and exterior of the Location in a clean and orderly condition satisfactory to Franchisor; or (iii) upon the sale of the Franchisee's Unit. Within thirty (30) days after receipt of written notice, Franchisee shall commence such changes to its Unit operating under this Agreement. Franchisee shall have 90 days after commencement to fully complete such changes. However, If the commencement of improvements or equipment changes or

additions require the Franchisee to obtain a permit from the local municipality, the Franchisee shall have 90 days to fully complete such changes to its Unit following the issuance of the permit from the local municipality.

4.5. PRODUCT LINE AND SERVICE.

Franchisee agrees to only serve the approved limited product line items specified by Franchisor in this Agreement or in the Manuals and to follow all specifications and formulas of Franchisor as to specifications, contents, weight and quality of products served to its customers from Franchisee's Unit.

4.6. CONTAINERS, FIXTURES AND OTHER GOODS.

(i) Franchisee agrees that all food and drink items will be served in containers bearing accurate reproductions of Franchisor's Marks. All containers, napkins, bags, cups, matches, menus and other packaging and like articles used in connection with Franchisee's Unit shall conform to Franchisor's specifications, shall be imprinted with Franchisor's Marks and shall be purchased by Franchisee from a distributor or manufacturer approved in writing by Franchisor, as provided in Article 8, which approval will not be unreasonably withheld.

(ii) No item of merchandise, furnishings, interior and exterior decor items, supplies, fixtures, equipment or utensils bearing any of Franchisor's Marks shall be used in or upon any Unit unless the same shall have been first submitted to and approved in writing by Franchisor.

4.7 INSPECTION.

Franchisee agrees to be subject to inspections conducted by Franchisor to insure Franchisee is conducting business in accordance with the standards promulgated by Franchisor.

ARTICLE 5. MENU, UNIFORMS, INSPECTIONS, SIGNS.

5.1. MENU.

(i) Franchisee shall not manufacture, advertise for sale, sell or give away any product unless such product has been approved in the Manuals as an authorized product for sale in Franchisee's Unit and not thereafter disapproved in writing by Franchisor. All approved products shall be distributed under the specific name designated by Franchisor. Franchisee shall establish all menu prices in its sole discretion. Franchisee shall offer for sale in its Unit only those food products which Franchisor designates as "approved and authorized" or which Franchisor has made available as a "regionalized" menu or has otherwise specifically approved in writing (each, "Authorized Product"). No standard product will be removed from the menu unless Franchisee is so instructed by Franchisor.

(ii) Such Authorized Products shall be marketed by approved menu formats to be utilized in Franchisee's Unit. The approved and authorized menu and menu format(s) may include, in Franchisor's discretion, requirements concerning organization, graphics, product descriptions, illustrations, and any other matters (except prices) related to the menu, whether or not similar to those listed. In Franchisor's discretion, the menu and or menu format(s) may vary depending upon region, market size, and other factors. Franchisor may change the menu and or menu format(s) from time to time or region to region or authorize tests from region to region or authorize non-uniform regions or non-uniform Unit(s) within regions, in which case Franchisee will be given a reasonable time (not longer than thirty (30) days) to discontinue use of any old menu format(s) and implement use of the new menu format(s).

(iii) Franchisee shall, upon receipt of notice from Franchisor, add any Authorized Product to its menu according to the instructions contained in the notice. Franchisee shall have a minimum of thirty (30) days after receipt of written notice in which to fully implement any such change. Franchisee shall cease selling any previously approved product within thirty (30) days after receipt of notice that the product is no longer approved.

(iv) The Authorized Products sold by Franchisee shall be of the highest quality, and the ingredients, composition, specifications, and preparation of such food products shall comply with the instructions and recipes provided by Franchisor or contained in Franchisor's Operations Manual, and with the further requirements of Franchisor as they are communicated to Franchisee from time to time.

5.2. COMPLIANCE.

Franchisee shall operate its Units as a clean, orderly, legal and respectable place of business in accordance with Franchisor's business standards and merchandising policies, and shall comply with all applicable ordinances, laws, statutes and regulations governing the operation of such premises, including all disability, food and drug laws and regulations. Franchisee shall not allow any Location or part of a Location to be used for any immoral or illegal purpose.

5.3. SIGNS, DESIGNS AND FORMS OF PUBLICITY.

(i) Franchisee shall maintain suitable signs or awnings at, on, or near the front of the Location, identifying the Location as a "WOW American Eats." Such signs and awnings shall conform in all respects to Franchisor's requirements and in accordance with the layout and design plan approved for the Location, except to the extent prohibited by local legal restrictions, and shall be purchased from an approved supplier

(ii) No exterior or interior sign or any design, advertisement, internet address, "web page" (including, but not limited to, social network mediums) or world wide web home page, sign, or form of publicity, including form, color, number, location, and size, shall be used by Franchisee or any Association (as defined below) unless first submitted to Franchisor and approved in writing (except with respect to prices). Any request by Franchisee for such approval shall be properly submitted to: (i) Franchisor's Franchising Division, Attention: Chief Development Officer, 4480 LA-22, Suite 2, Mandeville, Louisiana 70471. If you do not receive written approval within thirty (30) business days after the date of receipt by Franchisor, your advertising plans and materials will be deemed denied. Whenever Franchisee elects to utilize, in the form supplied, advertising supplied by Franchisor or any promotional item specifically approved by Franchisor, no further approval for use of such material is required. Upon written notice from Franchisor, Franchisee shall discontinue and or remove any objectionable advertising materials or any other materials not suitable for display, in Franchisor's sole discretion.

5.4. UNIFORMS AND EMPLOYEE APPEARANCE.

Franchisee shall cause all employees, while working in Units, to: (i) wear uniforms of such color, design, and other specifications as Franchisor may designate from time to time; and (ii) present a neat and clean appearance. If the type of uniform utilized by Franchisee is removed from the list of approved uniforms, Franchisee shall have sixty (60) days from receipt of written notice of such removal to discontinue use of its existing inventory of uniforms and implement the approved type of uniform.

5.5. VENDING OR OTHER MACHINES.

Franchisee shall not permit vending, video gaming devices or game machines or any other mechanical device to be installed or maintained in its Location without Franchisor's prior written approval. Franchisee agrees to purchase, install and maintain a continuous music unit, approved by Franchisor, in its Location. The music selections may controlled by Franchisor.

5.6. INSPECTION.

(i) Franchisor's authorized representatives shall have the right to enter upon the entire main floor and basement of Franchisee's Unit during business hours, without disrupting Franchisee's business operations, for the purposes of examining same, conferring with Franchisee's employees, inspecting and checking operations, food, beverages, furnishings, interior and exterior decor, supplies, fixtures, and equipment, and determining whether the business is being conducted in accordance with this Agreement and the System and the Manuals.

(ii) In the event any such inspection indicates any deficiency or unsatisfactory condition with respect to any matter required under this Agreement or the Manuals, including but not limited to quality, cleanliness, service, health and authorized product line, Franchisor will notify Franchisee in writing of Franchisee's non-compliance with the Manuals, the System, or this Agreement. Franchisee shall have twenty-four (24) hours after receipt of such notice, or such other greater time period as Franchisor in its sole discretion may provide, to correct or repair such deficiency or unsatisfactory condition, if it can be corrected or repaired within such period of time. If not, Franchisee shall within such time period commence such correction or repair and thereafter diligently pursue it to completion.

ARTICLE 6. ADVERTISING, FRANCHISEE CO-OPERATIVES, AND OTHER FEES.

6.1. Franchisee and Franchisor acknowledge the value of marketing and advertising. Franchisor agrees to provide Franchisee with materials and advice to support Franchisee's marketing and advertising efforts. Franchisee agrees to pay appropriate percentage as stated on the Data Sheet of the Franchise Agreement of its net sales for each and every week of its operations to Franchisor (the "Marketing Fee" or "Marketing Fund"). These funds will be deposited, at Franchisor's sole discretion, into a segregated System account (with other advertising collections) controlled by Franchisor. System payments will then be spent for marketing and advertising to benefit Franchisee and/or all regional Franchisees of Units. The Marketing Fee shall be paid in accordance with the procedure described in Article 9.

6.2. Franchisor, in its sole discretion, may spend the collected fees directly, or may authorize payment of the advertising collections for media time, production of media materials, whether for radio, television, newspapers, social, web or store level materials such as flyers, or posters, or for any other type of advertising or marketing use. Franchisor is not, under any circumstances, obligated to contribute to any national or local advertising fund, program, cooperative, or other organization any advertising fees or contributions.

6.3. Franchisor may, in its sole discretion, establish local marketing cooperatives for the common benefit of all WOW AE Franchisees. Franchisor has the right, in its sole discretion, to designate any geographical area for purposes of establishing a regional marketing and promotions cooperative ("Cooperative"), and to determine whether you must participate in a Cooperative. If a Cooperative has been established applicable to the WOW AE Restaurant at the time you begin operating under this Agreement, you must immediately become a member of such Cooperative. If a Cooperative applicable to the WOW AE is established at any time during the term of this Agreement, you must become a member of such Cooperative no later than thirty (30) days after the date on which the Cooperative begins operation. Franchisor has the right to change, combine or dissolve cooperatives. If the WOW AE Restaurant is within fifty (50) miles of more than one Cooperative, you are required to be a member of only one such

Cooperative. The following provisions will apply to each Cooperative:

(a) Each member of the Cooperative must contribute one (1%) percent up to three (3%) percent of its weekly net sales for each and every week of its operations to the Cooperative ("Cooperative Fee");

(b) Each Cooperative will be organized and governed in a form and manner, and will commence operation on a date, approved in advance by Franchisor;

(c) Each Cooperative will be organized for the exclusive purpose of administering regional marketing and advertising programs and developing, subject to Franchisor's approval, standardized marketing materials for use by the members in local marking;

(d) All activities and contributions to the Cooperative shall be determined by a majority vote of the members in the Cooperatives; and

(e) No promotional or advertising plans or materials may be used by a Cooperative or furnished to its members without Franchisor's prior written approval. All such plans and materials shall be submitted to: Franchising Division, Attention: Chief Development Officer, 4480 LA-22, Suite 2, Mandeville, Louisiana 70471. If you do not receive written disapproval within thirty (30) business days after the date of receipt by Franchisor, your advertising plans and materials will be deemed approved.

6.4. If a Cooperative ceases its functioning and the Cooperative elects to forego all or a portion of its funds, the Franchisor may elect to receive all or a portion of a Cooperative's funds. If the Franchisor elects to do so, then the Franchisor shall deposit these funds into the Marketing Fund and reserves the right to exercise sole decision-making power over the advertising funds.

6.5. In addition to the Marketing Fee and Cooperative Fee, Franchisee agrees to spend a minimum of 10,000 for its "Grand Opening" promotion as designated by Franchisor. If the WOW AE Unit is more than 75 miles from an existing WOW AE Unit ("Pioneer Market"), Franchisor will spend an additional $5,000to promote the grand opening. Franchisor's Pioneer Market advertising spend will not be deducted from any national advertising fund. The "Grand Opening" event is required for all Franchisees and functions to introduce Franchisee's Unit to the public. The application and use of the "Grand Opening" funds shall be controlled by Franchisor's marketing department.

6.6. Franchisee shall sell or otherwise issue gift cards or certificates (together "Gift Cards") that have been prepared utilizing the standard form of Gift Card provided or designated by Franchisor, and only in the manner specified by Franchisor in the Manual or otherwise in writing. Franchisee shall fully honor all Gift Cards that are in the form provided or approved by Franchisor regardless of whether a Gift Card was issued by Franchisee or another WOW AE franchisee. Franchisee shall sell, issue, and redeem Gift Cards in accordance with procedures and policies specified by Franchisor in the Manual or otherwise in writing, including those relating to procedures by which Franchisee shall request reimbursement for Gift Card issued by other WOW AE franchisees and for making timely payment to Franchisor, other WOW franchisees, or a third-party service provider for Gift Cards. All funds from the sales of Gift Cards shall be retained in the selling franchisee's account until Franchisor performs a monthly reconciliation of all Gift Card sales among all franchisees. During the reconciliation, each franchisee's account will be debited or credited, as applicable, to account for sales and redemptions of Gift Cards.

You must pay the monthly fees that may be required by the vendor of the Gift Card system. You may not sell, issue, or redeem gift certificates other than gift cards approved by Franchisor in writing by a third-party service provider.

Unless otherwise directed by certain state law, Franchisee acknowledges and understands that upon the expiration of any Gift Card all unused funds shall become the property of Franchisor and at the Franchisors discretion, unused funds may be distributed to participating Franchisees.

6.7 Franchisee shall participate in WOW AE's customer loyalty program(s) designated by the Franchisor. Franchise shall pay fees associated with the loyalty program(s).

6.8 Franchisee shall utilize the labor management and inventory management program(s) designated by the Franchisor. Franchisee must pay fees associated with the labor management and inventory management programs separately.

6.9 Franchisee shall utilize the mobile application platform designated by the Franchisor. Franchisee must pay fees associated with the mobile application platform.

ARTICLE 7. COMPANY MARKS AND ADDITIONAL MARKS.

7.1. The license and related rights to use the System, the Manuals, Franchisor's Marks and any other proprietary products granted by this Agreement are applicable only with respect to Franchisee's Unit at the Location, and not elsewhere, except in the event of a relocation approved in writing by Franchisor. This Agreement does not authorize the use of mobile vending vehicles, carts, kiosks or any other non-traditional delivery systems.

7.2. Franchisee shall not interfere in any manner with, or attempt to prohibit, the use of Franchisor's Marks by any other Franchisee of Franchisor or in connection with Nontraditional Franchise Name Restaurants, distribution points or any other system used to distribute Franchise Name authorized or branded products.

7.3. Franchisor may, from time to time, in Franchisor's sole discretion, obtain additional trademark and or service mark rights in words and or designs. In the event of any of these occurrences, Franchisor may license Franchisee to use those trademarks or service marks by giving written notification to Franchisee that such marks now form part of Franchisor's Marks. The term of such license will be coextensive with the term of this Agreement or as otherwise established by Franchisor, and will be subject to all restrictions with respect to the use of those rights as set forth in this Agreement and in the notice granting Franchisee the license.

7.4 In the event that litigation involving the Franchisor's Marks is instituted or threatened against Franchisee, who is still in good standing with Franchisor and is still authorized to use the Franchisor's Marks, Franchisee shall promptly notify Franchisor and shall cooperate fully with Franchisor in defending or settling such litigation. Franchisor shall defend and hold Franchisee harmless from any claims of trademark infringement for the use of the Franchisor's Marks, provided that Franchisee promptly gives written notice to Franchisor and tenders the full defense of such claim to Franchisor. Franchisor shall have the complete control and direction of any such legal action, including the settlement thereof, without providing notice to Franchisee and shall bear all cost of defense of any such claim or suit.

7.5 Franchisee may not use all or any portion of Franchisor's Proprietary Marks as part of Franchisee's company name and, without Franchisor's prior written consent, as part of Franchisee's trade name or "d/b/a". Franchisee may not modify the Proprietary Marks with words, designs or symbols, except

those that Franchisor licenses to Franchisee. Franchisee may not use Franchisor's Proprietary Marks in connection with the sale of an unauthorized product or service or in a manner not authorized in writing by Franchisor. During the term of the Franchise Agreement and continuing after the expiration or termination of the Franchise Agreement, neither Franchisee nor any of Franchisee's managers will, directly or indirectly, contest, challenge or assist in the contesting or challenging of, our right, title, ownership, or interest in Franchisor's Proprietary Marks, trade secrets, methods, procedures, and advertising techniques that are part of Franchisor's franchise System, or contest Franchisor's sole right to register, use, or license others to use, our Proprietary Marks, trade secrets, methods, procedures, advertising techniques, and any other mark or name that incorporates the words "WOW", "WOW AE", "WOW American Eats" or any similar word(s).

7.6 Franchisee must modify or discontinue using any of the Proprietary Marks, and add new names, designs, logos or commercial symbols to the Proprietary Marks as Franchisor instruct. Franchisor may, at Franchisor's sole discretion, impose changes whenever Franchisor believes the change is advisable. Franchisor does not have to compensate Franchisee for any costs Franchisee incurs to make the changes Franchisor requires. Franchisee will receive written notice of any change, and will be given a reasonable time to conform to Franchisor's directions (including changing signage, marketing displays, trade dress and other advertising), at Franchisee's sole expense.

ARTICLE 8. DISTRIBUTION AND PURCHASE OF EQUIPMENT, SUPPLIES, AND OTHER PRODUCTS.

Franchisee agrees to use only Franchisor's approved products and portion control formulas in the preparation of Authorized Products. Franchisee further agrees to only buy Raw Materials, as defined below, manufactured in accordance with Franchisor's specifications from approved manufacturers, distributed by approved distributors, and sold to Franchisee as follows:

8.1. DEFINITIONS.

For the purpose of this Agreement, "distributor" is defined as any entity, except a manufacturer, that directly or indirectly delivers raw materials to the Franchisee. A "manufacturer" is defined as the entity that manufactures and or sells the Raw Materials to a distributor. Raw Materials mean all of the products purchased from distributors, and or manufactured or sold by manufacturers or production entities which are used in the creation of Authorized Products. Raw Materials include, but are not limited to printed paper goods, meats, cheeses, produce, seafood, bakery products, clothing (collectively, the "Raw Materials"). "Authorized" means approved by Franchisor in accordance with the procedures established in this Agreement.

8.2. DISTRIBUTORS.

(i) Franchisee acknowledges that it is generally unrealistic from a cost and service basis to have more than one distributor in the market area of Franchisee's Unit, and that to obtain the lowest distribution costs, all regional Franchisees should only purchase from one authorized Franchise Name distributor. Franchisee agrees to only purchase all equipment, supplies, Raw Materials and other products and materials necessary for the operation of its Unit solely from Authorized distributors, and other authorized sources who demonstrate, to the continuing reasonable satisfaction of Franchisor, the ability to meet Franchisor's then-current standards and specifications for such items; who possess adequate quality controls and capacity to supply Franchisee and all other System Franchisees needs promptly and reliably; who demonstrate the ability and willingness to work with Franchisor to provide the assistance needed by the those Franchisees in the region and all other System Franchisees; who agree to distribute all authorized Franchise Name products; who comply with Franchisor's reasonable requirements; and who have been

approved in writing by Franchisor and not thereafter disapproved.

(ii) If Franchisee desires to purchase any items from an unapproved distributor, whom Franchisee desires to become an Authorized distributor, Franchisee shall first submit a written request for such approval to Franchisor's Franchising Division, Attention: Chief Development Officer, 4480 LA-22, Suite 2, Mandeville, Louisiana 70471, accompanied by a similar written request for approval from the proposed distributor. Franchisor shall have the right to require that the proposed distributor provide reasonable financial, operational and economic information regarding its business and that Franchisor's representatives be permitted to inspect the proposed distributor's facilities and establish economic terms, delivery, service and other requirements consistent with other distribution relationships for other Units. The proposed distributor shall pay to Franchisor in advance all of Franchisor's reasonable costs in review of the application of the distributor to service the Franchisee as well as all current and future reasonable costs related to inspecting and reinspecting the distributor's facilities, equipment, Raw Materials in the distributor's possession at any time. Franchisor may revoke its approval upon the distributor's failure to continue to meet any of Franchisor's criteria. Nothing in this article shall require Franchisor to approve any distributor. Upon the receipt by Franchisor of Franchisee and the proposed distributor's request for approval in full compliance of this article, Franchisor will notify Franchisee of its decision within ninety (90) days after completion of such application and inspection. In the event an alternate approved distributor to the recommended distributor is used by Franchisee, as a condition thereof Franchisee and all other Franchisees shall authorize the alternate distributor to provide to Franchisor duplicate purchase invoices for Franchisor's records and inspection purposes and to otherwise comply with Franchisor's reasonable requests.

8.3. MANUFACTURERS.

(i) The parties agree that Franchisor's product specifications and portion control system are highly confidential information and are trade secrets of Franchisor. In order to: (i) achieve appropriate pricing; (ii) obtain the specially formulated Franchise Name authorized Raw Materials for Franchisee and all of Franchisor's Units; and (iii) establish consistent uniformity of Franchise Name products, Franchisee acknowledges that purchasing by all System or regional Franchisees from approved manufacturers is a necessity. Because of the importance of quality and uniformity of product and the significance of product specifications and portion control in the preparation of Authorized Products to achieve and maintain such quality and uniformity, it is to the mutual benefit of the parties that Franchisor closely control the production and distribution of the Raw Materials used to produce authorized products sold by Franchisee. Similar considerations may also apply to other products which Franchisor may develop in the future. Franchisee therefore agrees to purchase only Raw Materials manufactured in accordance with Franchisor's specifications and quality standards by approved manufacturers who demonstrate, to the continuing reasonable satisfaction of Franchisor, the ability to meet Franchisor's then-current standards and specifications for such items; who possess adequate quality controls and capacity to meet the needs of Franchisee and all other WOW AE Franchisees in a given region promptly and reliably; who demonstrate the ability and willingness to work with Franchisor and to provide the assistance needed by the Franchise Name System and who have been approved in writing by Franchisor and not thereafter disapproved.

(ii) If Franchisee desires to purchase any items from an unapproved manufacturer, who Franchisee desires to become an Authorized manufacturer, Franchisee shall first submit a written request for such approval to Franchisor's Franchising Division, Attention: Chief Development Officer, 4480 LA-22, Suite 2, Mandeville, Louisiana 70471; accompanied by a similar written request for approval from the proposed manufacturer. Franchisor shall have the right to require that the proposed manufacturer provide reasonable financial, operational and economic information regarding its business and that Franchisor's representatives be permitted to inspect the proposed distributor's facilities and establish economic terms, delivery, service and other requirements consistent with other with other manufacturing relationships for

other system units. The proposed manufacturer shall pay to Franchisor in advance all of Franchisor's reasonable costs in review of the application of the manufacturer to service the Franchisee as well as all current and future reasonable costs related to inspecting and reinspecting the manufacturer's facilities, equipment and Raw Materials at any time. Franchisor may revoke its approval upon the manufacturer's failure to continue to meet any of Franchisor's criteria. Nothing in this article shall require Franchisor to approve any manufacturer. Upon the receipt by Franchisor of Franchisee and the proposed manufacturer's request for approval in full compliance of this article and the completion of all of the inspections needed by Franchisor to evaluate the manufacturer, Franchisor will notify Franchisee of its decision within ninety (90) days after completion of such application and inspections. If an alternate approved manufacturer to the recommended manufacturer is used by Franchisee, as a condition thereof Franchisee and all other Franchisees shall authorize the alternate manufacturer to provide to Franchisor duplicate purchase invoices for Franchisor's records and inspection purposes and to otherwise comply with Franchisor's reasonable requests.

8.4. PURCHASE OBLIGATIONS.

Franchisee agrees to purchase the following items from the Franchisor or an approved distributor and manufacturer designated by Franchisor:

(i) All WOW AE Branded Products that bear Franchisor's Mark; Franchisor has a long-term strategic plan to create another profit center for Franchisee and itself by the sale of Franchise Name branded products in Units, supermarkets, grocery stores, etc. To accomplish this goal, Franchisor intends to develop such products. To effectuate this long-term strategy, Franchisee agrees to cooperate with Franchisor with respect to the purchase, display and sale of any WOW AE Branded Products authorized for sale by Franchisor. Franchisee consents to the receipt by Franchisor of licensing fees from manufacturers who manufacture WOW AE Branded Products which will compensate Franchisor for such use of Franchisor's Marks.

(ii) Certain WOW AE standard exterior and interior signs; these signs require the prior fabrication of sign molds or advance production in quantity to be either affordable or promptly available. If Franchisor has entered into an agreement with approved sign manufacturer(s), granting rights to use Franchisor's Marks in connection with the signs and to sell such signs to WOW AE franchisees, Franchisee agrees to purchase its signs from the authorized sign manufacturer(s).

(iii) Franchisee agrees that at such times that Franchisor establishes a regional or national purchasing program for any of the Raw Materials, which may benefit Franchisee by reduced price, lower labor costs, production of improved Authorized Product(s), increased reliability in supply, improved distribution, Raw Material cost control (establishment of consistent pricing for reasonable periods to avoid market fluctuations), improved operations by Franchisee or other tangible benefits to Franchisee, Franchisee will participate in such purchasing program in accordance with the terms of such program.

(iv) WOW AE may elect to prepare pre-construction drawings which are designed to aid an architectural/engineering firm in the preparation of the complete construction drawing set for the Unit. The pre-construction drawings may include the following: existing and proposed floor plan, reflected ceiling plan, equipment and furniture plan, finishes and details and typical elevations plan. Should Franchisor elect to offer this service, Franchisee agrees to purchase pre-construction drawings from Franchisor. The fee for the pre-construction drawings will vary depending on the project scope and size of the Unit. Said fee can range from $500 to $2,500 per Unit.

ARTICLE 9. CONTINUING FRANCHISE FEES, REPORTS, BOOKS AND RECORDS.

9.1. CONTINUING ROYALTY FEES.

(i) Franchisee shall pay to Franchisor weekly during the term of this Agreement and any renewals or extensions thereof, appropriate percentage as stated on the Data Sheet of the Franchise Agreement of the weekly gross sales of Franchisee's Unit ("Royalty Fee"). For the purposes of this Agreement, "net sales," means net revenues (excluding price discounts and allowances) received by Franchisee as payment, whether in cash or for credit (and, if for credit, whether or not payment is received therefor), for all beverages, food, and other goods, services, and supplies including all sales from approved co-brands as described in Article 22 sold in or from each of Franchisee's Unit, and net revenues received by Franchisee from any other business (including, but not limited to, all revenues from any mechanical or other device, such as vending, video gaming or game machines installed at the Location) operated at the Location, excluding sales taxes.

(ii) At Franchisor's request, Franchisee shall promptly execute or re-execute within five (5) days after Franchisor's request, and deliver to Franchisor appropriate pre-authorized check forms or such other instruments or drafts required by Franchisor's bank, payable against Franchisee's bank account, to enable Franchisor to electronically (draft on Franchisee's account by electronic withdrawal), collect the continuing Royalty Fee (see Article 9.1(i)) and Marketing Fee (see Article 6) of net sales payable under the terms of this Agreement. At Franchisor's request, Franchisee shall, within five (5) days from such request, promptly perform such acts as to enable Franchisor or its designee to connect its computers to Franchisee's computer(s) or Franchisee's POS System so that Franchisor or its designee may electronically obtain statistical information regarding Franchisee's WOW AE Unit that Franchisor may in its sole discretion request. Franchisee agrees to not disconnect Franchisor or its designee from such connection or phone line at any time, for any reason, without Franchisor's prior written approval. Franchisee specifically authorizes Franchisor to either "upload" or "download" information in and from or to its computers, cash registers or other such devices as allowed by law, as it relates to the Unit Operation by internet, intranet, and other networks or other means as they become available.

(iii) Franchisee shall report its net sales by the designated computer system within two (2) days after the end of each business week (currently Sunday) or at such other times as are established by Franchisor in its sole discretion. Franchisee shall submit written weekly summaries showing results of its operations by the following Sunday. If Franchisee fails to report its sales on a timely basis, Franchisor may estimate the amount of Franchisee's sales. Franchisor will then deposit or transfer the reported, or in the absence of a report, the estimated, amounts due into its own account, using ACH or other instruments. If any draft, electronic or otherwise, is unpaid because of insufficient funds or otherwise, then Franchisee shall pay Franchisor interest on the unpaid sum at a rate of prime plus 2.5% per annum or the maximum rate allowed by the applicable Federal and/or state law in addition to Franchisor's expenses arising from such non-payment, including bank fees in the amount of at least $50.00, hourly staff charges arising from such default, and any other related expenses incurred by Franchisor. By the fifth day of each month Franchisee shall pay to Franchisor any sums unpaid for the prior month to adjust for sales owed for any partial week or sales that were unpaid, improperly recorded or not credited on Franchisees books and records. Franchisee hereby agrees to pay any sales, use or other tax now or hereinafter imposed on franchise fees, advertising fees or any additional rental collected under the sublease for the Location, imposed by any Federal, state or local governmental authorities. Franchisor, at its sole discretion, may collect the taxes in the same manner as franchise fees are collected herein and if Franchisor collects such taxes, Franchisor shall promptly pay the tax collections to the appropriate governmental authority.

9.2. REPORTS AND INSPECTION OF RECORDS.

(i) Franchisee shall submit to Franchisor a monthly Profit and Loss Statement no later than fifteen (15) calendar days following the end of each month, signed and certified by Franchisee, with respect

to Franchisee's Unit. If Franchisee fails to supply Franchisor with monthly Profit and Loss Statements within twenty (20) calendar days following the end of the month, without reasonable cause, Franchisor may assess a $100 fine. In addition, Franchisee shall submit to Franchisor an annual Profit and Loss Statement prepared by an accountant, in accordance with generally accepted accounting principles. If Franchisee fails to supply Franchisor with an annual Profit and Loss Statement within thirty (30) calendar days following the end of the fiscal year, without reasonable cause, Franchisor may assess a $100 fine. Franchisee shall also provide Franchisor with copies of signed original sales and use tax forms contemporaneously with their filing with the appropriate state or local authority. Franchisor reserves the right to require such further information concerning Franchisee's Unit as Franchisor may from time to time reasonably request.

(ii) Upon ten (10) days' prior written notice, Franchisor, its agents or representatives may audit Franchisee's books and records in accordance with generally accepted accounting principles. In connection with such audit(s) or other operational visits, Franchisee agrees to keep its reports, cash receipts records, weekly and monthly control forms, accounts payable records including all payments to Franchisee's suppliers in its Unit or at its business office for three (3)years after their due date, which records shall be available for examination by Franchisor or its representative(s), at Franchisor's request. Without any prior written notice, Franchisor, its agents or representatives may inspect Franchisee's entire Unit and Franchisee's daily, weekly and monthly statistical information. Franchisee shall make such information available for such inspections in recognition that an operational inspection cannot succeed without review of essential statistical information.

(iii) If any audit or other investigation reveals an under-reporting or under-recording error of five percent (5%) or more, then in addition to any other sums due, the expenses of the audit/inspection shall be borne and paid by Franchisee upon billing by Franchisor, plus interest at the highest compound rate authorized by the state in which the Unit is located.

(iv) Franchisee acknowledges that Franchisor's Operations Department regularly reviews ongoing operations at Units to ensure consistency of products and service and compliance with the Manuals and this Agreement. Franchisee therefore agrees to promptly complete and submit all forms requested by Franchisor's Operations Department, whether on a daily, weekly or monthly basis. Non-compliance with this obligation constitutes a material violation of this Agreement.

ARTICLE 10. COVENANT REGARDING OTHER BUSINESS INTERESTS.

10.1. For purposes of this Article only, "Franchisee" shall mean and include the individual Franchisee; Franchisee's spouse and minor children; Franchisee's shareholders, officers, and directors, if Franchisee is a corporation; and any one or more partners or participants in Franchisee, if Franchisee is a partnership or joint venture, or members, if Franchisee is an LLC.

10.2. Franchisee acknowledges that the System is unique and distinctive and has been developed by Franchisor at great effort, time, and expense, and that Franchisee has regular and continuing access to valuable and confidential information, training, and trade secrets regarding the System. Franchisee recognizes its obligations to keep confidential such information as set forth herein. Franchisee therefore agrees as follows:

(i) During the term of this Agreement, except with Franchisor's prior written consent, Franchisee shall not, in any capacity whatsoever, either directly or indirectly, individually or as a member of any business organization, engage in the production or sale at retail or wholesale of any chicken wings, chicken tenders, wraps or hamburger type food products or any other main course item authorized by Franchisor, now or in the future approved by Franchisor for use in Franchisee's Unit, or have any

employment or interest in any firm engaged in the production or sale of such products.

(ii) Upon the termination, expiration or nonrenewal of this Agreement, or if Franchisee assigns or transfers its interest herein to any person or business entity, or if any person identified in the first paragraph of this Article terminates its relationship with Franchisee, then for a period of twenty four (24) months thereafter such Franchisee shall not, in any capacity whatsoever, either directly or indirectly, individually or as a member of any business organization, engage in the production or sale at retail of any chicken wings, chicken tenders, wraps or hamburger type food product, or have any employment or interest in any firm engaged in the production or sale at retail or wholesale of any such products, at a site within a radius of fifty (50) miles of any of Franchisee's former Units or within twenty (20) miles of any other Unit or Distribution Point then existing, unless Franchisor gives its prior written consent. If Franchisee violates the terms of this paragraph, Franchisee shall pay to Franchisor, as liquidated damages, an amount equal to FIFTEEN HUNDRED DOLLARS ($1,500.00) per month for each month this covenant is violated, plus seven percent (7%) of the net sales achieved at the site during the continuation of such violation.

(iii) In the event any portion of the above covenants violates laws affecting Franchisee or is held invalid or unenforceable in a final judgment to which Franchisor and Franchisee are parties, then the maximum legally allowable restriction permitted by law shall control and bind Franchisee. Franchisor may at any time unilaterally reduce the scope of any part of the above covenants, and Franchisee shall comply with any such reduced covenant upon receipt of written notice.

10.3. The provisions of this Article shall not limit, restrain or otherwise affect any right or cause of action which may accrue to Franchisor for any infringement of, violation of, or interference with, this Agreement, or Franchisor's Marks, System, trade secrets, or any other proprietary aspects of Franchisor's business.

ARTICLE 11. INTERFERENCE WITH EMPLOYMENT RELATIONS.

Without Franchisor's prior written consent, during the term of this Agreement, Franchisee shall not employ or seek to employ, directly or indirectly, any person serving in an executive, managerial or operational position who is at the time or was at any time during the prior six (6) months employed by Franchisor. Request for Franchisor's consent shall be sent in duplicate and addressed in writing to Franchisor's Franchising Division, Attention: Chief Development Officer, 4480 LA-22, Suite 2, Mandeville, Louisiana 70471.

ARTICLE 12. SUBFRANCHISORS, SALESMEN.

Inasmuch as this Agreement has not been executed by the Franchisee at the office of Franchisor, Franchisor requires certain assurances that this Agreement has been sold in accordance with applicable laws, rules and regulations. Accordingly, in order to induce Franchisor to execute this Agreement, Franchisee agrees to execute a Franchise Disclosure Acknowledgement Statement to this Agreement that acknowledges that Franchisor is relying upon the acknowledgments, representations and commitments of Franchisee that no other salesman, staff member, entity, or associate of Franchisor has met Franchisee regarding this franchise sale or the offer and acceptance thereof other than those set forth therein. The statement shall identify all sales persons involved in the sales, negotiation and execution of this Agreement and shall identify any subfranchisor. Franchisor shall be entitled to rely on the Franchise Disclosure Acknowledgement Statement, and Franchisee shall be bound by its contents.

ARTICLE 13. NATURE OF INTEREST, AND TRANSFER.

13.1. GENERAL PROVISIONS.

(i) This Agreement shall inure to the benefit of the successors and assigns of Franchisor. Franchisor shall have the right to transfer or assign this Agreement to any person or legal entity who assumes its terms and agrees to comply with Franchisor's obligations contained herein. Franchisor shall have no liability for the performance of any obligations contained in this Agreement after the effective date of such transfer or assignment.

(ii) The rights and duties created by this Agreement are personal to Franchisee. Accordingly, except as otherwise permitted herein, neither Franchisee nor any person with an interest in Franchisee shall, without Franchisor's prior written consent, directly or indirectly sell, assign, transfer, convey, give away, pledge, mortgage, or otherwise encumber any direct or indirect interest in this Agreement or, if Franchisee is a partnership, joint venture, LLC or corporation, any direct or indirect interest in Franchisee. Any such purported assignment occurring by operation of law or otherwise without Franchisor's prior written consent shall constitute a default of this Agreement by Franchisee, and shall be null and void. Except in the instance of Franchisee advertising to sell its Unit pursuant to the terms hereof, Franchisee shall not, without Franchisor's prior written consent, offer for sale or transfer at public or private auction or advertise publicly for sale or transfer, the furnishings, interior and exterior decor items, supplies, fixtures, equipment, Franchisee's sublease or the real or personal property used in connection with Franchisee's Unit.

(iii) Upon immediate completion of Franchisee's sale transaction, Franchisee shall pay to Franchisor an administrative/transfer fee of SEVENTEEN THOUSAND AND FIVE HUNDRED DOLLARS ($17,500.00) to cover Franchisor's training expenses and additional cost associated with the transfer. This administrative transfer fee will not be due with respect to any transfer that (together with all other related previous, simultaneous, or proposed transfers) does not result in the transfer of control of Franchisee.

(iv) Franchisee's rights may pass to Franchisee's next of kin or legatee if they assume Franchisee's obligations and attend and complete Franchisor's training program. Upon Franchisee's disability, Franchisee may sell the franchise or keep it, if operated by trained personnel.

(v) Franchisor's consent to a transfer shall not constitute a waiver of any claims it may have against the transferring party arising out of this Agreement or otherwise.

(vi) If Franchisee is an individual, Franchisor hereby consents to the assignment of this Agreement and any and all obligations referable thereto without any fee charged by Franchisor to a corporation, or other entity, principally owned by Franchisee within ninety (90) days from the date hereof. Upon such assignment and assumption by the corporation, or other entity, along with delivery of executed originals of same to Franchisor, Franchisee/Transferee must enter into a Personal Guarantee, attached hereto as Attachment A, regardless of your ownership in the business entity.

(vii) During the term of the Agreement, Franchisee may elect to assign the rights under this Agreement to an immediate family member, subject to Franchisor's prior approval. "Immediate family member" shall be defined as a spouse or child of the Franchisee. Upon assignment and assumption of this Agreement, Franchisor may require the assignee of this Agreement to attend and complete Franchisor's training program, which fee shall not exceed $8,000. Said assignment shall not be subject to the administrative/transfer fee of $17,500 set forth in this Section 13.

13.2. CONSENT TO TRANSFER.

For all proposed transfers or assignments of this Agreement, and transfers of more than 51% of the outstanding and issued stock of Franchisee by one or more transfers or any transfer which, directly or indirectly, effectively changes management control of Franchisee, Franchisor will not unreasonably withhold its consent to any transfer or assignment which is subject to the restrictions of this Article, provided however, Franchisor shall not be required to give its consent unless all of the following conditions are met prior to the effective date of assignment:

(i) Upon the execution of this Agreement and upon each direct or indirect transfer of an interest in this Agreement or in Franchisee and at any other time upon Franchisor's request, Franchisee shall, within five (5) days prior to such transfer or at any other time at Franchisor's request, furnish Franchisor with an estoppel agreement indicating any and all causes of action, if any, that Franchisee may have against Franchisor or if none exist and a list of all shareholders or partners having an interest in this Agreement or in Franchisee, the percentage interest of each shareholder or partner, and a list of all officers and directors, in such form as Franchisor may require.

(ii) Franchisee's written request for transfer of either a partial or whole interest in this Agreement or Franchisee's Unit must be accompanied by an offer to Franchisor of a right of first refusal at the same price offered by any bona fide buyer. Franchisor shall have the right and option, exercisable within fifteen (15) days after receipt of such written notification, to send written notice to Franchisee or such person that Franchisor or its third-party designee, intends to purchase the interest which is proposed to be transferred, on the same terms and conditions offered by the third party. If Franchisor accepts such offer, the transfer/administrative fee due by Franchisee shall be waived by Franchisor. Any material change in the terms of an offer prior to closing shall cause it to be deemed a new offer, subject to the same right of first refusal by Franchisor, or its third-party designee, as in the case of the initial offer. Franchisor's failure to exercise such option shall not constitute a waiver of any other provision of this Agreement, including any of the requirements of this Article with respect to the proposed transfer.

(iii) The Franchisee is not in default under the terms of this Agreement or any other agreement with Franchisor, the Manuals or any other obligations owed Franchisor, and all of its then-due monetary obligations to Franchisor have been paid in full.

(iv) The Franchisee and its shareholders or members, if the Franchisee is a corporation or limited liability company, have executed a general release under seal, in a form prescribed by Franchisor, of any and all claims against Franchisor, its shareholders, directors, officers, subfranchisors, and employees.

(v) The transferee/assignee has demonstrated to Franchisor's satisfaction that it meets all of Franchisor's then-current requirements for new Franchisees or for holders of an interest in a franchise, including, without limitation, possession of good moral character and reputation, satisfactory credit ratings, acceptable business qualifications, and the ability to fully comply with the terms of this Agreement.

(vi) The transferee/assignee, its manager or other employees responsible for the operation of the Unit have satisfactorily completed Franchisor's training program.

(vii) The transferee/assignee executes such other documents as Franchisor may require. This will include a replacement franchise agreement on the then-current franchise agreement and any other forms used by Franchisor

ARTICLE 14. TERM, DEFAULT AND TERMINATION.

14.1. TERM.

(i) Provided Franchisee is not in default of the terms and conditions contained in its Location lease and this Agreement, this Agreement shall continue for a period of ten (10) years commencing upon the Franchisee opening the Unit.

(ii) Franchisee may renew the rights granted by this Agreement for two (2) additional terms of ten (10) years each, subject to the following conditions:

(a) Franchisee gives Franchisor written notice of Franchisee's election to renew not less than six and not more than twenty-four (24) months before the end of the then current term;

(b) Franchisee is not in default of any provision of this Agreement or any amendments to this Agreement, the Location lease, the Manuals or any monetary obligation owed to Franchisor; and

(c) At Franchisor's request, Franchisee shall undertake and complete the reasonable renovation or modernization of its Unit.

(d) Franchisee shall execute Franchisor's then-current franchise agreement and related agreements. Notwithstanding the execution of the Franchisor's then-current franchise agreement upon renewal under this Section, Franchisee shall not be required to pay the initial franchise fee called for therein nor shall the Franchisee be subject to an y increase int eh royalty fees set forth in the then-current franchise agreement.

14.2. DEFAULTS WITHOUT OPPORTUNITY TO CURE.

Franchisee shall be in default and Franchisor may, at its option, upon thirty (30) days written notice to Franchisee, terminate this Agreement and all rights granted by it, without affording Franchisee any opportunity to cure the default, upon the occurrence of any of the following events:

(i) Franchisee's knowingly or intentionally maintaining false books or records, or submitting any false report or payment to Franchisor;

(ii) Franchisee's conduct of the Unit licensed pursuant to this Agreement is so contrary to this Agreement, the System and the Manuals as to constitute an imminent danger to the public health (for example, selling spoiled food knowing that the food products are spoiled or allowing a dangerous condition arising from a lack of security for customers to continue despite Franchisee's knowledge of such condition), or selling regularly unauthorized products to the public after notice of default and continuing to sell such products whether or not Franchisee has cured the default after one or more notices;

(iii) The conviction of a felony, or a crime involving moral turpitude, or any other crime or offense that is reasonably likely, in the sole reasonable opinion of Franchisor, to adversely affect the System, Franchisor's Marks; the goodwill associated with the System or Franchisor's interest in each of them by Franchisee's, or its controlling or operating shareholders or members if Franchisee is a limited liability company.

(iv) Franchisee's intentional disclosure or use of the contents of the Manual, trade secrets or confidential or proprietary information provided to Franchisee by Franchisor in violation of this Agreement, excluding acts of independent employees or others not under Franchisee's control; or

(v) If Franchisee repeatedly commits defaults under any provisions of this Agreement or any other agreement with the Franchisor on three (3) or more occasions in any twelve (12) month period,

or six (6) or more occasions in any consecutive twenty-four (24) month period, even if Franchisee cured each such prior default, and even if Franchisee would otherwise be given an opportunity to cure the current default.

(vi) Franchisee, without Franchisor's consent, ceasing to operate or otherwise abandoning its Unit or any other Units or, upon destruction of its Unit, failure to rebuild and resume operation within a reasonable time. Cessation of the business shall not constitute a default under this Agreement if caused by condemnation, expiration of a Location lease pursuant to its terms at execution, natural, governmental or supplier related causes out of Franchisee's control, or when failure to rebuild following destruction of the Unit is prohibited by law or the Location lease. In the event of termination pursuant to this subsection, the written notice period shall commence five (5) days from the date Franchisor sends written notice to Franchisee. At the expiration of this time period, this Agreement shall be deemed terminated. For purposes of this article, ceasing to operate or otherwise abandoning its Unit shall be defined as Franchisee's failure to open its Franchise Name Restaurant for business for five (5) consecutive days.

14.3. DEFAULTS WITH OPPORTUNITY TO CURE.

(i) Except as otherwise provided in this Agreement, Franchisee shall have ten (10) days after Franchisor's written notice of default within which to remedy any default under this Section 14.3, and to provide evidence of such remedy to Franchisor. If any such default is not cured within that time period, or such longer time period as applicable law may require, Franchisor may, at its option, terminate this Agreement and all rights granted by it, by sending a five (5) day written notice of cancellation of this Agreement to Franchisee. Upon the expiration of such five (5) day period, this Agreement shall end and expire as if it were the day fixed for termination of this Agreement.

(ii) Franchisee shall be in material default under this Article for any failure to comply with any of the requirements imposed by this Agreement. Such material defaults shall include, without limitation, the occurrence of any of the following events:

(a) Franchisee's failure, refusal, or neglect to promptly pay any monies owed to Franchisor when due, or to submit the financial or other information required by Franchisor under this Agreement.

(b) Franchisee's failure to maintain the standards specified by Franchisor in the Manual or otherwise.

(c) Franchisee's failure, refusal or neglect to obtain Franchisor's prior written approval or consent as required by this Agreement.

(d) Franchisee's misuse or unauthorized use of Franchisor's Marks or other material impairment of the goodwill associated therewith or Franchisor's rights therein.

(e) Franchisee's commencement or conducting of any business operation, or marketing of any product, under a name or mark which, in Franchisor's reasonable opinion, is confusingly similar to Franchisor's Marks.

(f) Franchisee's default, without cure after the applicable grace period, under any lease, sublease, sub-sublease, mortgage, or deed of trust covering the Location.

(g) Franchisee's failure to procure or maintain the insurance required by this Agreement or in the lease and sublease for the Location.

(h) Franchisee's default in the performance of any term, condition or obligation in payment of any indebtedness to its landlord or sublandlord, distributors or suppliers or others arising out of the purchase of inventory, supplies or purchase or lease of equipment for operation of its Unit, and if any such default is not cured within thirty (30) days after written notice by Franchisor to Franchisee, unless Franchisee is determined by a court of competent jurisdiction to be not in default.

14.4. In the event of a default by Franchisee, all of Franchisor's costs and expenses arising from such default, including reasonable legal fees and reasonable hourly charges of Franchisor's administrative employees shall be paid to Franchisor by Franchisee within five (5) days after cure.

14.5. Notwithstanding the obligations of Franchisee and Franchisor to arbitrate all disputes and other conflicts, Franchisee and Franchisor acknowledge that certain defaults require immediate action to protect the appropriate party. Accordingly, Franchisor and Franchisee each hereby consent to and authorize the other party to apply to any court of competent jurisdiction for judicial assistance in restraining and enjoining violations of this Agreement. Both Franchisor and Franchisee are entitled to an injunction restraining Franchisor or Franchisee from committing or continuing to commit any default, breach or threatened breach of this Agreement, without showing or proving any actual damage sustained by the party seeking such relief.

14.6. Non-enforcement by Franchisor of any violation of the terms of this Agreement by Franchisee shall not constitute a waiver of such violation by Franchisor nor shall Franchisor be deemed to have waived any of its rights to enforce compliance by Franchisee of such breach or any other breach of this Agreement.

14.7. LIQUIDATED DAMAGES.

In addition, If Franchisee ceases to operate or otherwise abandons its Unit before this Agreement expires without Franchisor's prior written consent, Franchisee must pay Franchisor liquidated damages ("Liquidated Damages") for breaching this Agreement. However, if the Franchisee ceases to operate its WOW AE QSR Unit for failing to achieve at least $250,000 in net sales (or at least $450,000 for a fast-casual model) over a consecutive twelve-month period despite the Franchisee's best efforts, Franchisee shall not be required to pay Franchisor Liquidated Damages. The amount of the Liquidated Damages is calculated as follows:

(i) Compute the average monthly Royalty and Marketing Fees paid during the twelve (12) month period immediately preceding the date Franchisor receives notification of the closure, or, if the store has been open for less than twelve (12) months, the average monthly Royalty and Marketing Fees paid since the opening of the restaurant; and

(ii) Multiply the average monthly Royalty and Marketing Fees calculated in (i) above by the the lesser of the number of months remaining in the term of the Franchise Agreement or 36 months;

For example purposes only: If the average monthly Royalty and Marketing Fees were $1,000 and there were two (2) years (24 months) remaining in the term of the Franchise Agreement, the Liquidated Damages would be $24,000, calculated as follows: $1,000 x 24 months = $24,000.

If Franchisee unilaterally terminates this Agreement prior to the end of the term of this Agreement, Franchisee must give Franchisor ninety (90) days prior written notice of the early termination (the "Early Termination Notice"). Within ten (10) days of Franchisor's receipt of Franchisee's Early Termination Notice, Franchisor will calculate the Liquidated Damages, which will be due and payable thirty (30) days

prior to the closure of the Unit covered by this Agreement. In the event that Franchisee does not (i) provide Franchisor with the Early Termination Notice at least ninety (90) days prior to the early termination of the Unit and this Agreement; (ii) remain open for at least ninety (90) days after providing Franchisor with the Early Termination Notice; and (iii) pay the Liquidated Damages in full at least thirty (30) days prior to closing the Unit covered by this Agreement, the Liquidated Damages due will be increased as follows: it will be calculated by multiplying the average monthly Royalty and Marketing Fees by the number of months remaining in the term of the this Agreement, and the Liquidated Damages will increase by ten percent (10%).

If Franchisee has not paid its Royalty and Marketing Fees for any period(s) within the twelve (12) months prior to notifying Franchisor of its early termination, or if Franchisee has not reported its net sales for any period(s) within the twelve (12) months prior to notifying Franchisor of Franchisee's intended early termination, Franchisor will estimate the Royalty and Marketing Fees based upon prior reports to calculate the average monthly Royalty and Marketing Fees.

ARTICLE 15. RIGHTS AND OBLIGATIONS UPON TERMINATION.

Upon the termination of Franchisee's rights granted under this Agreement, (whether during the term of the Agreement or at its conclusion) the following shall apply:

15.1. Upon termination of this Agreement by lapse of time or by default, Franchisee's right to use Franchisor's Marks, or any other mark distributed by Franchisor or insignia or slogan used in connection therewith, or any confusingly similar trademark, service mark, trade name or insignia shall cease. Franchisee shall immediately discontinue use of Franchisor's Marks, System, and color scheme. Franchisee shall at its own cost, make cosmetic changes to Franchisee's Unit from Franchisor's proprietary designs including, but not limited to, the removal of all WOW AE identifying materials and distinctive Franchise Name cosmetic finishes, tile walls, interior wall coverings and colors, exterior finishes and colors, signage and WOW AE point of sale system (which shall be deemed proprietary to Franchisor) from the Location as Franchisor may reasonably direct.

15.2. Franchisor may retain all fees paid pursuant to this Agreement.

15.3. Any and all obligations of Franchisor to Franchisee under this Agreement shall immediately cease and terminate.

15.4. Any and all rights of Franchisee under this Agreement shall immediately cease and terminate.

15.5. In no event shall a termination or expiration of this Agreement affect Franchisee's obligations to take or abstain from taking any action in accordance with this Agreement. The provisions of this Agreement which constitute post-termination covenants and agreements including the obligation of Franchisor and Franchisee to arbitrate any and all disputes shall survive the termination or expiration of this Agreement.

15.6. Franchisee acknowledges and agrees that rights in and to Franchisor's Marks and the use thereof shall be and remain the property of Franchisor.

15.7. If Franchisee has registered any of Franchisor's Marks or the name "WOW American Eats" as part of Franchisee's assumed, fictitious or corporate name, Franchisee shall promptly amend such registration to delete Franchisor's Marks therefrom.

15.8. In addition to the Liquidated Damages set forth in Article 14, Franchisee shall immediately pay any and all amounts owing to Franchisor.

15.9. Franchisor shall have the option, exercisable by written notice within thirty (30) days after the termination of this Agreement, to take an assignment of all telephone numbers (and associated listings) for Franchisee's Unit. Franchisee is not entitled to any compensation from Franchisor if Franchisor exercises this option.

ARTICLE 16. INSURANCE.

16.1. Franchisee shall obtain and maintain insurance coverage which shall in each instance designate Franchisor as an additional named insured, with an insurance company approved by Franchisor, which approval shall not be unreasonably withheld as follows:

(i) Comprehensive general liability insurance (including products liability and sexual harassment coverage) with coverage of at least $1,000,000 per occurrence, and $1,000,000 aggregate with full replacement value of business contents property coverage. WOW Café and Wingery Franchising Account, LLC must be listed as an additional insured.

(ii) Business interruption insurance, including Location rentals and Additional Rentals for twelve (12) months after casualty, in amounts equal to at least $100,000. The business interruption insurance shall include an endorsement providing coverage for off-premise power failure or utility interruption caused by any covered cause of loss as stated in the policy, if available.

(iii) Workers' compensation insurance as required by applicable law.

(iv) Fire, and extended coverage insurance, insuring the construction of improvements and completed Unit operated by Franchisee, for the full replacement value thereof.

(v) If Franchisee establishes a delivery service for Authorized Products, Franchisee shall obtain separate non-owned auto coverage insurance. Franchisee may not directly or indirectly deliver any Authorized Products until such insurance is obtained and Franchisor named as additional insured therein.

16.2. In the event of damage to the Unit covered by insurance, the proceeds of any such insurance shall be used to restore the Unit to its original condition as soon as possible, unless such restoration is prohibited by the Location lease or Franchisor has otherwise consented to in writing. Upon obtaining such insurance, Franchisee shall promptly provide to Franchisor proof of such insurance coverage and or at such other times upon the request of Franchisor.

16.3. Franchisee shall, prior to opening its Unit, file with Franchisor, certificates of such insurance and shall promptly pay all premiums on the policies as they become due. In addition, the policies shall contain a provision requiring thirty (30) days prior written notice to Franchisor of any proposed cancellation, modification, or termination of insurance. If Franchisee fails to obtain and maintain the required insurance, Franchisor may, at its option, in addition to any other rights it may have, procure such insurance for Franchisee without notice and Franchisee shall pay, upon demand, the premiums and Franchisor's costs in taking such action.

ARTICLE 17. SOLE OBLIGATIONS OF FRANCHISOR.

17.1. As described in Franchisor's Franchise Disclosure Document (the "FDD"), received by

Franchisee at least fourteen (14) business days prior to the execution , unless otherwise directed by certain state law, of this Agreement, Franchisor has obligated itself to provide specific services to Franchisee. Franchisor also provides other voluntary services at its sole discretion. Franchisor and Franchisee agree that the following are the only required obligations of Franchisor:

(i) To reasonably assist Franchisee with any operational or financial problem encountered by Franchisee, provide notice to Franchisor's Franchising Division, Attention: Chief Development Officer, 4480 LA-22, Suite 2, Mandeville, Louisiana 70471, by certified mail (return receipt requested) or at any subsequent addresses established by Franchisor, of Franchisee's problem and the type of assistance needed. At no time shall reasonable assistance be interpreted to require Franchisor to pay any money to Franchisee. Franchisor, in its sole discretion, may provide any assistance at Franchisor's designated office or where Franchisee is located, at a time to be determined by Franchisor.

(ii) To reasonably administer the advertising program. Franchisee acknowledges that pursuant to the advice of advertising and marketing professionals, advertising collections will at times be aggregated until sufficient revenues are accumulated to commence or complete an advertising or marketing program. Reasonable administration shall be deemed to be good faith attempts to utilize the advertising funds in accordance with the advice and suggestions of the advertising and marketing staff or outside advertising and or marketing companies, consultants or other entities retained for such purpose.

(iii) To assist Franchisee in arranging for the initial financing of its Unit, if feasible and necessary (Franchisor is not directly or indirectly responsible for the failure of Franchisee to meet the qualifying standards of such independent financing sources).

(iv) To supply to Franchisee a set of standard decor and layout plans and to thereafter approve the initial decor and layout of Franchisee's Unit, upon Franchisee meeting all criteria with regard to same.

(v) To loan Franchisee a copy of its Operations Manual or computer diskette thereof which manual contains mandatory and suggested specifications, standards and procedures, as well as any other Manuals produced by Franchisor. These Manuals are confidential and remain Franchisor's property.

(vi) To train Franchisee in accordance with this Agreement, and to provide Franchisee with assistance in opening the Unit.

17.2. Franchisor shall not and cannot be held in breach of this Agreement until (i) Franchisor has received notice of any alleged breach from Franchisee in duplicate, by registered mail, sent to the parties set forth in sub-section (i) of this Article; and (ii) Franchisor has failed to remedy the breach within a reasonable period of time after such notice, which period shall not be less than sixty (60) days. This is a material term of this Agreement and may not be modified or changed by any arbitrator in an arbitration proceeding or otherwise in any court of competent jurisdiction.

ARTICLE 18. POINT OF SALE SYSTEM, COLLECTION OF DATA.

18.1. This Agreement and the Manuals require the submission of weekly statistical control forms as well as other financial, operational and statistical information required by Franchisee and Franchisor to: (i) assist Franchisee in the operation of its Unit in accordance with the System; (ii) allow Franchisor to monitor the Franchisee's net sales, purchases, costs and expenses; (iii) enable Franchisor to develop system wide statistics which may improve bulk purchasing; (iv) assist Franchisor in the development of new authorized products or the removal of existing unsuccessful Authorized Products; (v) enable Franchisor to refine existing Authorized Products; (vi) generally improve system wide understanding of the System; and

(vii) obtain new types of information unknown at this time (collectively, the "Information"). To achieve these results, cash collection and data processing systems are necessary.

18.2. Franchisee agrees to purchase and use the point of sale cash collection and data processing system (the "POS System") and only the specified software authorized by Franchisor, as specified in the Manuals or otherwise by Franchisor in writing. The POS System and network must be secure and PCI compliant to protect customer credit card information. Optional equipment upgrades are also available for additional fees. Units with a drive-thru must have two (2) POS systems. Franchisee also agrees to accept all forms of payment as directed by Franchisor, including certain designated credit and/or debit cards and to purchase or lease all necessary equipment to accept such payment. Franchisee may be required to purchase a back-office computer system including a network switch and laser printer.

18.3. Franchisee agrees to: (i) connect the POS System to the internet; (ii) maintain it in good working order; and (iii) not disconnect any POS System connection from the internet at any time, for any reason, without prior written approval. Franchisee agrees, at Franchisor's request, to maintain membership in a designated third party network for the purpose of implementing, transmitting, collecting and maintaining any Information or data exchange system. Franchisee specifically authorizes Franchisor to either "upload" or "download" information in and from or to its computers, cash registers or other such devices as allowed by law, as it relates to the operation of the System by internet, intranet, and other networks or other means as they become available.

18.4. Franchisee agrees to pay all reasonable and necessary expenses, fees and costs for support service for the POS System software during the term of its franchise and any renewals. Franchisee shall identify and deal with third party software support suppliers who will provide 24-hour telephone support and annual maintenance for any upgrades and enhancements that they make to the required POS System software. Franchisor may revise the POS System specifications. Franchisee may be required to upgrade or update its POS System recording system. On Franchisor's request, Franchisee must apply for and maintain debit card, credit card or other non-cash payment systems to enable customers to purchase products through these procedures. There is no contractual limitation on Franchisor's right to receive information through the POS System.

ARTICLE 19. RELATIONSHIP OF PARTIES, DISCLOSURE.

19.1. Franchisor and Franchisee are not and shall not be considered joint ventures, partners, or agents of each other, or anything other than Franchisor and Franchisee, and neither shall have the power to bind or obligate the other except specifically as set forth in this Agreement. Franchisor and Franchisee agree that the relationship created by this Agreement is not a fiduciary relationship. Franchisee shall not, under any circumstances, act or hold itself out as an agent or representative of Franchisor. Franchisee agrees to defend and indemnify and hold Franchisor harmless from any claims, demands, liabilities, actions suits or proceedings asserted by third parties arising out of the operation of Franchisee's Unit or Franchisee's breach of any of the terms of this Agreement. Franchisee agrees to provide a defense if appropriate to any such claims, demands, liabilities, actions suits or proceedings and is responsible for all costs and attorney's fees associated with the defense. Franchisor reserves the right and Franchisee recognizes the right of Franchisor to select counsel for any such defense.

19.2. As set forth in the Franchise Disclosure Document delivered to Franchisee as described above, Franchisee acknowledges that Franchisor may have entered into certain subfranchise agreements with subfranchisors, area developers and/or master franchisees in certain areas and territories. Pursuant to these contracts, the subfranchisors of Franchisor are obligated to provide certain sales, operational and support services for Franchisor. Franchisee acknowledges that the relationship between Franchisor and all of its subfranchisors and or area developers is strictly contractual and that no subfranchisor and or area

developer is an agent of Franchisor. Accordingly, Franchisee acknowledges and agrees that any past, current or future subfranchisor is not the actual, express or implied agent of Franchisor, and has no power or authority to: (i) act on Franchisor's behalf; (ii) enter into or execute any agreement on Franchisor's behalf; (iii) make any representation or promise on Franchisor's behalf; or (iv) bind Franchisor in any way. Unless otherwise specifically agreed to in writing, Franchisor expressly disavows any acts by others, including subfranchisors that purport to bind Franchisor in any way. Franchisee agrees to waive any claim or defense in any litigation or arbitration proceeding that a subfranchisor is the express or implied agent of Franchisor. Franchisee agrees that any attempt to raise, assert or justify such claim or defense in any proceeding constitutes a material default of this Agreement.

ARTICLE 20. DISPUTE RESOLUTION: ARBITRATION AND LEGAL PROCEEDINGS

20.1. Franchisor and Franchisee acknowledge that disputes or disagreements may arise during the term of this Agreement and any renewals thereto. Franchisor and Franchisee have elected to resolve such disputes or disagreements in a non-judicial alternative dispute resolution format ("ADR"). An ADR format minimizes the expense of dispute resolution and generally can be accomplished in a more expeditious and effective manner. By agreeing to an ADR format, both Franchisee and Franchisor are also waiving a number of rights, remedies and privileges which may arise in a judicial resolution format. In view, however, of the continuing relationship between Franchisee and Franchisor over the original and renewal terms of this Agreement, both Franchisee and Franchisor agree that an ADR format is the most economical, efficient and practical way to resolve disputes and disagreements.

20.2. Accordingly, except as otherwise provided in this Agreement, in the event of any dispute or disagreement between Franchisor and Franchisee with respect to any issue arising out of or relating to this Agreement, the negotiations or dealings leading up to it, its breach, its interpretation or any other disagreement between Franchisee and Franchisor, such dispute or disagreement shall be resolved by arbitration within the jurisdiction, as set forth in Exhibit J of the Franchise Disclosure Document. In the event of any dispute or disagreement, Franchisee and Franchisor both agree to submit the dispute to arbitration in accordance with the least expensive procedure of the American Arbitration Association ("AAA"), and the application for such arbitration shall be filed in New Orleans, Louisiana. Franchisor and Franchisee agree that the hearing(s) shall be held in the greater New Orleans, Louisiana under the rules of the American Arbitration Association. This paragraph shall not apply to any monetary defaults of Franchisee, including Franchisee's obligation to pay franchise and advertising fees to Franchisor, as to which Franchisor shall be free to utilize any right or remedy it may have at law or equity.

20.3. Franchisor and Franchisee agree that this Agreement evidences a transaction involving interstate commerce and that the enforcement of this arbitration provision and the confirmation of any award issued to either party by reason of an arbitration conducted pursuant to this arbitration provision is governed by the Federal Arbitration Act, 9 U.S.C.A. §§ 1 *et seq*.

20.4. Punitive or exemplary damages or attorney's fees may not be awarded by the arbitrator(s), and any such award shall not be enforceable or enforced by any court. Except as otherwise provided, each party shall bear its own attorney's fees, expert witness fees, and other court costs incurred in connection with any legal action or arbitration between Franchisor and Franchisee. If the waiver of punitive or exemplary damages or legal fees and related costs are in violation of the laws of the state where the Franchisee's Unit is located, such claims may be awarded by the arbitrator(s), and any such award shall be enforceable or enforced in any court of appropriate jurisdiction. This agreement shall be strictly construed in the arbitration hearing. In no event can the material provisions of this Agreement including, but not limited to the method of operation, Authorized Product line or monetary obligations specified in this Agreement, amendments to this Agreement or in the Manuals be modified or changed by the arbitrator at the arbitration hearing.

20.5. This Agreement shall be interpreted and construed under the laws of the State of Louisiana, which laws shall prevail in the event of any conflicts.

20.6. Except for injunctive relief (including temporary restraining orders, preliminary injunctions and injunctions or similar relief which must be brought in an appropriate local forum), the parties agree that any action brought by either party against the other in any court, shall be brought in the 22nd Judicial District Court for the Parish of St. Tammany, State of Louisiana and the parties do hereby waive all questions of personal jurisdiction or venue for the purpose of carrying out this provision. Franchisee agrees that mailing to its last known address by certified mail of any process shall constitute lawful and valid process. In all cases, Franchisee and Franchisor each waives any right to a trial by jury. Notwithstanding the foregoing, if the laws of the state where Franchisee's Unit is located requires jurisdiction of the courts of that state or control by the laws of that state, then this Agreement shall be deemed modified to comply with the applicable laws thereto.

20.7. The terms of this article shall survive termination, expiration or cancellation of this Agreement.

ARTICLE 21. EXECUTION, REQUESTS, CONSENTS AND WAIVERS.

21.1. This Agreement takes effect upon its acceptance and execution by Franchisee and Franchisor, and shall be governed by and construed in accordance with the laws of the State of Louisiana, USA. Franchisee agrees that Franchisor is not required to act uniformly with respect to any request for waivers, requests and consents by its franchisees as each request will be considered on a case by case basis, and nothing shall be construed to require Franchisor to grant any such request. Any waiver granted by Franchisor shall be without prejudice to any other rights Franchisor may have, will be subject to continuing review by Franchisor, and may be revoked, in Franchisor's sole discretion, at any time and for any reason, effective upon ten (10) days prior written notice to Franchisee. Franchisor makes no warranties or guarantees upon which Franchisee may rely, and assumes no liability or obligation to Franchisee by providing any waiver, approval, consent, assistance, or suggestion to Franchisee in connection with this Agreement, or by reason of any neglect, delay, or denial of any request.

21.2. Unless otherwise provided, whenever this Agreement requires Franchisee to obtain Franchisor's prior written consent, Franchisee shall timely address its written request for such consent to Franchisor's Franchising Division, Attention: Chief Development Officer, 4480 LA-22, Suite 2, Mandeville, Louisiana 70471or such other persons as Franchisor may designate in writing. Neither Franchisee nor Franchisor shall be deemed to have waived or impaired any right, power or option reserved by this Agreement, including, without limitation, its right to demand strict compliance with every term, condition, and covenant herein, or to declare any breach thereof a default and to terminate this Agreement prior to the expiration of its term, by virtue of any custom or practice of the parties at variance with the terms hereof; by any forbearance, delay, failure, or omission to exercise any right, power, or option, whether of the same, similar, or different nature, against Franchisor, Franchisee, or any other Franchisee; or by the acceptance of any payments due after any breach of this Agreement.

ARTICLE 22. MISCELLANEOUS PROVISIONS.

22.1. This Agreement may be executed in any number of counterparts, each of which, when so executed and delivered, shall be deemed an original, but such counterparts together shall constitute but one and the same instrument.

22.2. This Agreement and all exhibits, attachments, or addendums constitute the entire agreement between the parties and supersede any and all prior negotiations, understandings, representations, and agreements. Nothing in this or in any related agreement, however, is intended to disclaim the representations Franchisor made in the Franchise Disclosure Document that we furnished to you. You acknowledge that you are entering into this Agreement as a result of your own independent investigation of our franchised business and not as a result of any representations about us made by our shareholders, officers, directors, employees, agents, representatives, independent contractors, or franchisees that are contrary to the terms set forth in this Agreement, or in any disclosure document, prospectus, or other similar document required or permitted to be given to you pursuant to applicable law.

22.3. There is no other agreement, representation or warranty made by Franchisor or any other entity or person associated with Franchisor other than contained in this Agreement. This Agreement is not subject to or conditioned upon the obtaining of a Location for Franchisee's Unit. Notwithstanding the foregoing, the representations made in the Disclosure Document shall be unaffected by any statements in this section. This section shall not be read to waive any rights Franchisee may have under any state statute or regulation.

22.4. Except as otherwise provided, each party shall bear its own attorney's fees arising from the negotiations and execution or lack of execution of this Agreement.

22.5. Each article, paragraph, subparagraph, term, and condition of this Agreement shall be considered severable. If for any reason, any portion of this Agreement is determined to be invalid or in conflict with any law or rule in a final ruling issued by any court, agency, or tribunal with valid jurisdiction in a proceeding to which Franchisor is a party, that ruling shall not affect the validity or enforceability of any other portion of this Agreement.

22.6. All notices to Franchisor required by the terms of this Agreement, unless otherwise provided, shall be sent by certified or registered mail or by overnight delivery service, addressed to the parties set forth in this Agreement, or at such other address as Franchisor designates. All notices to Franchisee required by the terms of this Agreement shall be sent by certified or registered mail or by overnight delivery service, addressed to Franchisee at the Location, or at such other or additional address as Franchisee designates in writing. If Franchisee refuses acceptance of any certified, registered or overnight delivery, acceptance shall be deemed to have occurred forty-eight (48) hours after rejection of such notice.

22.7. Franchisee acknowledges that the evolution of the System requires the development of other Units, Nontraditional Franchise Name Restaurants, Franchise Name Distribution Points and Branded Products.

22.8. For the purpose of this article, a co-brand shall be defined as an independent operating system owned by another entity (not Franchisor) that is incorporated as an operational part within the Franchisee's Unit. An example would be an independent ice cream/yogurt operation installed within Franchisee's Unit. Subject to Franchisor's prior written approval, Franchisee may install approved co-branding marketing systems to be operated in conjunction with Franchisee's Unit. Franchisor shall not be required to approve any co-branding marketing system unless Franchisor has recognized that co-branding system as an approved co-brand for operation within its units, either nationally or regionally. Inasmuch as Franchisee and its employees will be incorporating the co-brand within its Unit, all sales of the co-brand shall be included within the definition of "net sales" as defined herein and Franchisee shall pay to Franchisor franchise and advertising fees for such sales.

IN WITNESS WHEREOF, the parties hereof have executed this Agreement as of the date of execution by Franchisor.

FRANCHISEE:

By:_____
Print Name:_____ Title: _____
Date: _____

FRANCHISOR:
WOW CAFÉ AND WINGERY FRANCHISING ACCOUNT, LLC

By: _____
Name: _____
Title: _____
Effective Date: _____

EXHIBIT B

CONFIDENTIALITY AND NONDISCLOSURE AGREEMENT

In consideration of being a Franchisee of WOW Café & Wingery Franchising Account, LLC d/b/a WOW AE, and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, the Undersigned hereby acknowledges and agrees that:

Pursuant to a Franchise Agreement dated _____, 20___ (the "Franchise Agreement"), _____(the "Franchisee") has acquired the right to establish and operate a WOW AE Unit, and Franchisor has granted the right to establish and operate a WOW AE Unit as that term is defined in the Franchise Agreement (the "WOW AE Unit") and the right to use in the operation of the WOW AE Unit, WOW AE's trade names, service marks, trademarks, logos, emblems, and indicia of origin (the "Franchisor's Marks"), as they may be changed, improved and further developed from time to time in Franchisor's sole discretion, only at the following authorized and approved WOW AE Unit.

Franchisor, as a result of the expenditure of time, skill, effort and resources has developed and owns a distinctive format and system ("the System") relating to the establishment and operation of Franchised Businesses. Franchisor possesses certain proprietary and confidential information relating to the operation of the System, as defined in the Franchise Agreement, which includes certain proprietary trade secrets, recipes, methods of preparation, customer and supplier lists, product and equipment specifications, product content, and operational, sales, promotion and marketing methods, plans, techniques and knowledge of, and experience in, the operation of the WOW AE Unit (the "Confidential Information").

Any information, trade secrets, recipes, methods of preparation, customer and supplier lists, product and equipment specifications, product content, and operational, sales, promotion and marketing methods, plans, techniques and knowledge of, and experience in, the operation of the WOW AE Unit shall be deemed to be Confidential Information for purposes of this Agreement.

The Undersigned acknowledges that all Confidential Information shall be owned and shall continue to be owned by Franchisor.

The Undersigned acknowledges that all Confidential Information shall never ever be removed from WOW AE Unit without expressed written permission from Franchisor.

Pursuant to the Franchise Agreement, Franchisor will disclose the Confidential Information to the Undersigned in form of confidential training programs, Franchisor's Manuals (the "Manuals"), and other general assistance during the term of the Franchise Agreement.

The Undersigned will not acquire any interest in the Confidential Information, other than the right to utilize it in the operation of the WOW AE Unit during the term of the Franchise Agreement, and the use or duplication of the Confidential Information for any use outside the WOW AE Unit and System would constitute an unfair method of competition.

The Undersigned acknowledges that all Confidential Information shall never be duplicated nor copied in any manner whatsoever without the expressed written permission from Franchisor.

The Undersigned acknowledges that, upon instruction by Franchisor, all Confidential Information shall be returned and/or destroyed by Undersigned upon the termination of Undersigned's relationship with Franchisor.

The Confidential Information is proprietary, involves trade secrets of Franchisor, and is disclosed to the Undersigned solely on the condition that the Undersigned agrees, and the Undersigned does hereby agree, that the Undersigned shall hold in strict confidence all Confidential Information and all other information designed by Franchisor as confidential. Unless Franchisor otherwise agrees in writing, the Undersigned will disclose and/or use the Confidential Information only in connection with the Undersigned's duties as the Franchisee, and will continue not to disclose any such information even after the Undersigned ceases to be in that position unless the Undersigned can demonstrate that such information has become generally known or easily accessible other than by the breach of an obligation of Franchisee under the Franchise Agreement.

The Undersigned acknowledges that should there be any release or disclosure of Franchisor's Confidential Information without permission or authority, then Undersigned clearly understands that such release and/or disclosure (directly or indirectly) shall be deemed as irreparable harm without exception as to Franchisor. Release or disclosure of Confidential Information by the Undersigned, directly or indirectly, would cause Franchisor irreparable injury, and that monetary damages would not be sufficient to compensate Franchisor for any breach of this Agreement by the Undersigned.

Therefore, the Undersigned agrees that it shall (i) maintain the Confidential Information confidential in the same manner as its own propriety information is maintained, (ii) not disclose the Confidential Information to any third party other than officers, directors, and employees of its affiliates without prior written consent from Franchisor as to who and why such persons may be provided access to such information (iii) limit access to the information to a limited number of its employees and representatives, which employees and representatives shall be informed of this Agreement and the Undersigned shall be responsible for their compliance herewith to the extent they are acting within their scope of employment and engagement, respectively, and (iv) return all Confidential Information furnished or made available to the Undersigned by Franchisor in the event Franchisor and the Undersigned elect not to pursue future business with Franchisor through the Undersigned.

Should the Undersigned or its representatives, in the reasonable opinion of Franchisor's counsel, be required by applicable law or regulation to disclose the Confidential Information or any information regarding the production of the Confidential Information by Franchisor to the Undersigned, the terms of this Confidentiality Agreement with respect to such disclosure, as required, shall be suspended. Suspension of these terms must be in writing from Franchisor.

The Undersigned's obligation to maintain the Confidential Information gained or learned in confidence survive any expiration, termination or cancellation of the Agreement and shall continue to bind the Undersigned and its successors and assigns during the term of the Franchise Agreement, and any renewals or amendments of the Franchise Agreement, and for a period of two (2) years from the date of any expiration, termination or cancellation of the Franchise Agreement, any renewals or amendments to the Franchise Agreement (the "Confidentiality Period").

The Undersigned further agrees that, that in the event of a breach or threatened breach of this Agreement by the Undersigned, the Undersigned additionally agrees to be liable for all reasonable attorney fees and related costs concerning any breach or threatened breach herein. It is agreed that attorney fees shall be assessed at the rate of $350.00 (three hundred and fifty dollars) per hour.

The Undersigned agrees that in the event of a breach or threatened breach of this Agreement by the Undersigned, Franchisor shall be entitled to injunctive or other equitable non-monetary relief, without the necessity of showing any evidence of actual monetary loss. However, nothing herein shall be construed as prohibiting Franchisor from pursuing any other remedies, including monetary remedies, available to it for

any such breach or threatened breach by Undersigned and/or its representatives. Additionally, such remedy shall not apply to such information that was already known to Undersigned or was otherwise generally available. Further, Franchisor agrees that all such information it desires to be protected under this agreement should be marked "Confidential", as is practical, for transmittal to the Undersigned.

It is also specifically understood and agreed that WOW Café and Wingery Franchising Account, LLC includes and is intended to incorporate any and all Franchisor subsidiaries, affiliates, related corporations, franchises, area developments, and related businesses.

In the event of any litigation or dispute related hereto, it is agreed that venue and jurisdiction shall be the 22nd Judicial District Court for the Parish of St. Tammany, State of Louisiana.

In the event that any portion of this Agreement is found to be unenforceable or invalid for any reason, then that portion shall be deemed severable and that the remainder shall remain in full force and effect.

Franchisor specifically reserves the right to control the release of any Confidential Information or documents subject to this Agreement.

The Undersigned understands and acknowledges that because Franchisor continually pursues business in the same market as the Undersigned operates, it is also critical that the fact of any discussion or negotiation between the Undersigned and Franchisor not be disclosed. Therefore, the Undersigned agrees that as to the fact of such disclosure of a relationship between the Undersigned and Franchisor (for instance, recipes and sauces, discussions or negotiations therein), Undersigned will treat same as confidential as required of the Undersigned in the paragraphs above.

The Undersigned warrants that he/she has the requisite authority to sign this Confidentiality Agreement and to bind any corporate, partnership joint venture, or limited liability entity to all terms and conditions herein.

The Undersigned agrees to provide the appropriate corporate resolution to substantiate such permission and authority.

Franchisee: _____

By: _____

Title: _____

Date: _____

EXHIBIT C

GUARANTY AGREEMENT

IN CONSIDERAITON of the acceptance by WOW Café & Wingery Franchising Account, LLC, a Louisiana limited liability Company having its principal place of business at 4480 LA-22, Suite 2, Mandeville, Louisiana 70471 (hereinafter called "Franchisor") of a Franchise Agreement or a TRANSFER of Franchise Agreement, if applicable dated _____, and executed by _____ as an officer of _____ (if applicable), a(n) _____ (individually, as a corporation, or as an LLC) whose registered address is _____(hereinafter called "Franchisee"), and for other good and valuable consideration, I, Franchisee, and each of us solitarily, jointly and severally, absolutely and unconditionally guarantee to Franchisor, (i) to hold harmless, indemnify, and defend Franchisor and all of its officers, directors, executives, managers, members, partners, owners, employees, agents, successors and assigns (collectively "Franchisor Indemnities") from and against all losses, damages, fines, costs, expenses or liability (including attorneys' fees and all other costs of litigation) incurred in connection with any action, suit, demand, claim, investigation or proceeding, or any settlement thereof, that arises from or is based upon Franchisee's (a) ownership or operation of the WOW AE Unit; (b) violation, breach or asserted violation or breach of any federal, state or local law, regulation or rule; (c) breach of any representation, warranty, or covenant, or provision of this Agreement or any other agreement between Franchisor and _____ (or an Affiliate); (d) defamation of Franchisor or the System; (e) acts, errors or omissions committed or incurred in connection with the WOW AE Unit, including any negligent or intentional acts; (f) infringement, violation or alleged infringement or violation of any Mark, patent or copyright or any misuse of the Trade Secrets or Confidential Information; or (g) infringement, violation or alleged infringement or violation of any patent, trademark, or copyright or other rights controlled by third parties; and (ii) the timely performance of each term, covenant, and obligation of the Franchisee set forth in the Franchise Agreement. The undersigned specifically acknowledges that Franchisor is allowing the undersigned to enter into this Guaranty Agreement instead of *individually* executing the Franchise Agreement as a matter of convenience to the undersigned, and the undersigned agrees to be bound by the provisions of the Franchise Agreement relating to non-competition and confidentiality as if those provisions were fully set forth herein. This is a continuing guaranty which shall apply to the Franchise Agreement and any subsequent amendments or modifications thereof, and such modifications of amendments shall be conclusively presumed to be covered by this guaranty without further notice to or acceptance by the undersigned.

Franchisor reserves the right to retain counsel of its choosing in connection with any action, suit, demand, claim, investigation or proceeding described in the preceding paragraph.

The undersigned acknowledges and agrees that possession of this Guaranty Agreement by Franchisor constitutes true and correct execution and actual and proper delivery of same to Franchisor and the undersigned waives notice of acceptance of the guaranty and of any liability to which it applies or may apply, and also waives presentment and demand for payment thereof, notice of dishonor or non-payment thereof, collection thereof including any notice of default in payment thereof of other notice to, or demand of payment thereof on, any party. Payment by the undersigned shall be made at the office of Franchisor in Mandeville, Louisiana, or any other such location as Franchisor may designate from time to time.

Franchisor may, at its option, at any time without the consent of or notice to the undersigned without incurring responsibility to the undersigned, and without any terms or conditions and in whole or in part, (1) change the manner, place or terms of payment or change or extend the time of payment of, renew, or alter any liability of the Franchisee under the Franchise Agreement hereby guaranteed, or any liabilities incurred

directly or indirectly hereunder, and the guaranty herein made shall apply to the liabilities of the Franchisee, so changed, extended, renewed or altered; (2) exercise or refrain from exercising any rights against Franchisee or others, or otherwise act or refrain from actions; (3) settle or compromise any liabilities hereby guaranteed or hereby incurred, and may subordinate the payment of all or any part of such liabilities to the payment of any liabilities which may be due to Franchisor or others; and (4) apply any sums paid to any liability or liabilities of Franchisee to Franchisor regardless of what liability or liabilities of Franchisee to Franchisor remain unpaid. Franchisor, may, at its option, without the consent of or notice to the undersigned, apply to the payment of the liability created by this guaranty, at any time after such liability becomes payable, any monies, property, or other assets belonging to the undersigned in the possession, care, custody and control of the Franchisor.

GUARANTOR(S):

By:_____

Print Name:_____

Title: _____

Date: _____

EXHIBIT D

WOW CAFÉ &WINGERY FRANCHISING ACCOUNT, LLC
AUTOMATIC BANK DRAFT CONSENT

I authorize WOW Café & Wingery Franchising Account, LLC d/b/a WOW American Eats ("WOW AE") to initiate withdrawals from my account at the financial institution named below for the payment of operating fees and advertising contributions. If the sales and other reporting information that is required by WOW AE is not submitted or if WOW AE is unable to access the computer system to obtain this information by the due date, I further authorize WOW AE to withdraw from my account the same amount that was due from the last successful withdrawal plus a ten percent (10%) non-refundable processing fee for the payment of operating fees and advertising contributions for the most recent reporting period. Any difference in the amounts owed will be adjusted and paid upon the submission of reporting information for that period. This authorization will remain valid until further notice from WOW AE.

I understand that the Direct Payment program is an alternative method of payment only and does not otherwise affect my rights or the rights of WOW AE or my financial institution with respect for each other.

Account Title: _____

Store Number(s): _____

Authorized Signature: _____

Joint Account Signature: _____

Financial Institution Name: _____

Address: _____

_____

Transit/ABA Number: _____

Account Number: _____

EXHIBIT E

AGENTS FOR SERVICE OF PROCESS

Listed here are the names, addresses and telephone numbers of the state agencies having responsibility for service of process. Franchisor may not yet be registered to sell franchises in any or all of these states.

CALIFORNIA

Department of Business Oversight:
320 West 4th Street, Suite 750
Los Angeles, CA 90013
(213) 576-7500 Toll Free (866) 275-2677

1515 K Street, Suite 200
Sacramento, CA 95814
(916) 445-7205

1350 Front Street
San Diego, CA 92101
(619) 525-4233

71 Stevenson Street, Suite 2100
San Francisco, CA 94105
(415) 972-8559

CONNECTICUT

State of Connecticut
Department of Banking
Securities & Business Investments Division
260 Constitution Plaza
Hartford, CT 06103-1800
(860) 240-8230

Agent: Banking Commissioner

HAWAII

Commissioner of Securities
State of Hawaii
335 Merchant Street
Honolulu, Hawaii 96813
(808) 586-2722

ILLINOIS

Franchise Bureau
Office of the Attorney General
500 South Second Street
Springfield, Illinois 62706
(217) 782-4465

INDIANA

Indiana Secretary of State
201 State House
200 West Washington Street
Indianapolis, Indiana 46204
(317) 232-6531

MARYLAND

Maryland Securities Commissioner
200 St. Paul Place
Baltimore, Maryland 21202-2021
(410) 576-6360

MICHIGAN

Corporations Division
Bureau of Commercial Services
Department of Labor and Economic Growth
P.O. Box 30054
Lansing, Michigan 48909

MINNESOTA

Minnesota Department of Commerce
Commissioner of Commerce
85 7th Place East, Suite 280
St. Paul, Minnesota 55101-2198
(651) 539-1600

NEW YORK

New York Department of State
One Commerce Plaza
99 Washington Avenue, 6th Floor
Albany, New York 12231-0001
(518) 473-2492

NORTH DAKOTA

North Dakota Securities Department
State Capitol, Fifth Floor, Dept. 414
600 East Boulevard Avenue
Bismarck, North Dakota 58505
(701) 328-4712

OKLAHOMA

Department of Securities
Suite 860, First National Center
120 N. Robinson
Oklahoma City, Oklahoma 73102
(405) 280-7700

OREGON

Department of Insurance and Finance
Corporate Securities Section
Labor and Industries Building
Salem, Oregon 97310
(503) 378-4387

RHODE ISLAND

Division of Securities
Rhode Island Dept. of Business Regulation
Bldg. 69, First Floor
John O. Pastore Center
1511 Pontiac Avenue
Cranston, RI 02920
(401) 462-9500

SOUTH DAKOTA

Division of Securities
Department of Revenue & Regulation
445 East Capitol Avenue
Pierre, South Dakota 57501
(605) 773-4823

VIRGINIA

Clerk of the State Corporation Commission
1300 East Main Street, 1st Floor
Richmond, Virginia 23219
(804) 371-9733

WASHINGTON

Director, Department of Financial Institutions
Securities Division
150 Israel Road S.W.
Tumwater, Washington 98501

WISCONSIN

Administrator, Division of Securities
Department of Financial Institutions
345 W. Washington Ave., 4th Floor
Madison, Wisconsin 53703

EXHIBIT F

FINANCIAL STATEMENTS

REAGAN & REAGAN
CPAs & Business Advisors

JOSEPH REAGAN, CPA
Partner

KIM REAGAN, CPA
Partner

The Members
WOW Café & Wingery Franchising Account, LLC:

Reagan & Reagan CPA, LLC consents to the use in the Franchise Disclosure Document issued by WOW Café & Wingery Franchising Account, LLC ("Franchisor") on May 5, 2022, as it may be amended, of our report dated April 26, 2022, relating to the financial statements of Franchisor for the fiscal years ending December 26, 2021 and December 27, 2020, and to our report dated April 23, 2021, relating to the financial statements of Franchisor for the fiscal years ending December 27, 2020 and December 29, 2019.

Reagan & Reagan CPA, LLC

May 5, 2022

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WOW Café & Wingery Franchising Account, LLC

Financial Statements

December 26, 2021 and December 27, 2020

REAGAN & REAGAN
CPAs & Business Advisors

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WOW Café & Wingery Franchising Account, LLC

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REPORT

REAGAN & REAGAN
CPAs & Business Advisors

JOSEPH REAGAN, CPA
Partner

KIM REAGAN, CPA
Partner

Independent Auditor's Report

To the Members
WOW Café & Wingery Franchising Account, LLC
Covington, LA

Opinion

We have audited the financial statements of WOW Café & Wingery Franchising Account, LLC, which comprise the balance sheets as of December 26, 2021 and December 27, 2020, and the related statements of income, changes in members' equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of WOW Café & Wingery Franchising Account, LLC as of December 26, 2021 and December 27, 2020, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of WOW Café & Wingery Franchising Account, LLC and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about WOW Café & Wingery Franchising Account, LLC's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of WOW Café & Wingery Franchising Account, LLC's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about WOW Café & Wingery Franchising Account, LLC 's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Reagan & Reagan CPA, LLC

Covington, LA
April 26, 2022

FINANCIAL STATEMENTS

WOW Café & Wingery Franchising Account, LLC

Balance Sheets
December 26, 2021 and December 27, 2020

	2021	2020
ASSETS		
Current assets		
Cash	$ 178,264	$ 11,146
Restricted cash	19,949	38,394
Accounts receivable	75,634	58,859
Due from affiliates	73,578	1,190
Prepaids and other current assets	51,178	48,435
Total current assets	398,603	158,024
Property and equipment, less accumulated depreciation of $449,568 and $403,263, respectively	135,556	181,861
Intangible assets, less accumulated amortization of $189,492 and $181,234, respectively	30,221	38,479
Total assets	$ 564,380	$ 378,364
LIABILITIES AND MEMBERS' EQUITY (DEFICIT)		
Current liabilities		
Accounts payable	$ 38,349	$ 34,772
Accrued liabilities	55,572	56,591
Current maturities of long-term debt	9,690	128,640
Loans from affiliated companies, current maturities	4,787	4,493
Total current liabilities	108,398	224,496
Deferred franchise fees	345,171	342,701
Long term debt, net of current maturities	28,730	38,421
Loans from affiliated companies, net of current maturities	26,354	41,308
Total liabilities	508,653	646,926
Members' equity (deficit)	55,727	(268,562)
Total liabilities and members' equity (deficit)	$ 564,380	$ 378,364

See accompanying Notes to Financial Statements and Independent Auditor's Report.

WOW Café & Wingery Franchising Account, LLC

Statements of Income
Fiscal years ended December 26, 2021 and December 27, 2020

	2021	2020
Revenues		
Royalties and other related fees	$ 972,940	$ 909,167
Franchise fees	42,530	45,989
Vendor incentives	597,416	409,903
	1,612,886	1,365,059
Expenses		
General and administrative	446,249	568,620
Payroll and payroll taxes	1,363,661	1,245,077
Selling and marketing	67,095	26,981
Depreciation and amortization	54,563	62,737
	1,931,568	1,903,415
Loss from operations	(318,682)	(538,356)
Other income (expense)		
Interest expense	(5,864)	(7,243)
Loss on fixed asset disposals	-	(1,768)
Other income	569,268	550,959
	563,404	541,948
Net income	$ 244,722	$ 3,592

See accompanying Notes to Financial Statements and Independent Auditor's Report.

WOW Café & Wingery Franchising Account, LLC

Statements of Cash Flows
Fiscal years ended December 26, 2021 and December 27, 2020

	2021	2020
Cash flows from operating activities:		
Net income	$ 244,722	$ 3,592
Adjustments to reconcile net income to net cash (used in) provided by operating activities		
Depreciation and amortization	54,563	62,737
Loss on disposal of fixed assets	-	1,768
Changes in assets and liabilities		
Accounts receivable	(16,775)	(5,436)
Due to/from affiliates	(72,388)	1,662
Prepaid and other current assets	(2,743)	(9,243)
Accounts payable and accrued liabilities	2,558	(36,612)
Deferred franchise fees	2,470	(35,989)
Net cash provided by (used in) operating activities	212,407	(17,521)
Cash flows from investing activities:		
Net increase in restricted cash	18,445	(6,730)
Purchase of fixed assets, net	-	(65,702)
Net cash provided by (used in) investing activities	18,445	(72,432)
Cash flows from financing activities:		
Proceeds from PPP funding loans	341,410	341,410
Principal payments on long term debt	(128,641)	(92,225)
Forgiveness on PPP loans	(341,410)	(341,410)
Principal payments on related party loans	(14,660)	(14,086)
Member contributions	233,496	70,000
Member distributions	(153,929)	(40,724)
Net cash used in financing activities	(63,734)	(77,035)
Net increase (decrease) in cash	167,118	(166,988)
Cash, beginning of period	11,146	178,134
Cash, end of period	$ 178,264	$ 11,146
Supplemental cash flow information:		
Cash paid during the year for interest:	$ 5,864	$ 7,243

See accompanying Notes to Financial Statements and Independent Auditor's Report.

WOW Café & Wingery Franchising Account, LLC

Statement of Changes in Members' Equity (Deficit)
Fiscal years ended December 26, 2021 and December 27, 2020

	Members' Equity (Deficit)
Balance at December 29, 2019	$ (301,430)
Net income for the period	3,592
Member contributions	70,000
Member distributions	(40,724)
Balance at December 27, 2020	(268,562)
Net income for the period	244,722
Member contributions	233,496
Member distributions	(153,929)
Balance at December 26, 2021	$ 55,727

See accompanying Notes to Financial Statements and Independent Auditor's Report.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

WOW Café & Wingery Franchising Account, LLC (the "Company") is a Louisiana based limited liability company, formed on August 1, 2003. The principle business of the Company is the franchising of "WOW Café & Wingery World of Wings" restaurants ("WOW restaurants"). Wingery, LLC ("WOW"), a company affiliated through common ownership, has granted the Company the rights to develop and franchise WOW restaurants. The distinguishing characteristics of the concept include, among other things, interior design, décor, proprietary recipes and menu items, training, advertising and promotional programs. The Company specializes in meeting consumer dining needs by providing high quality food and offering a premium café experience with a neighborhood emphasis.

Considerations Related to COVID-19

In December 2019, an outbreak of illness caused by a novel coronavirus called COVID-19 ("COVID-19") was identified in Wuhan, China. On January 31, 2020, the United States declared a public health emergency related to COVID-19 and, on March 11, 2020, the World Health Organization declared that the spread of COVID-19 qualified as a global pandemic. In an attempt to minimize transmission of COVID-19, significant social and economic restrictions have been imposed in the United States and abroad. Though various areas have begun relaxing such precautions, varying levels of restrictions remain in many places and may be increased. In the preparation of these financial statements and related disclosures the Company has assessed the impact that COVID-19 has had on the Company's estimates, assumptions, forecasts, and accounting policies and made additional disclosures, as necessary. As COVID-19 and its impacts are unprecedented and ever evolving, future events and effects related to the pandemic cannot be determined with precision and actual results could significantly differ from estimates or forecasts.

Basis of Accounting

The Company's accounts are presented on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Income is recorded when earned and expenses are recorded when incurred.

The Company franchise arrangements provide its franchisee entities the power to direct the activities that most significantly impact their economic performance; therefore, the Company does not consider it to be the primary beneficiary of any such entity that might be a variable interest entity. The renewal option terms in certain of the Company's operating lease agreements give it a variable interest in the lessor entity, however the Company concluded that it does not have the power to direct the activities that most significantly impact the lessor entities' economic performance and as a result does not consider it to be the primary beneficiary of such entities.

Fiscal Year

The Company's fiscal year ends on the last Sunday in December. The fiscal years ended December 26, 2021 and December 27, 2020, comprised 52 weeks.

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Company to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities as of 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.

Companies Under Common Control

For the fiscal years ended December 26, 2021 and December 27, 2020, various members of the Company were also members in other related entities. It is management's opinion that the financial position and results of operations of the Company have not been significantly affected by the transactions with these entities.

Cash, Cash Equivalents and Restricted Cash

For purposes of the financial statements, the Company considers all highly liquid instruments purchased with an initial maturity of three months or less to be cash equivalents. Cash and cash equivalents consist of cash on hand and deposits at banks.

Cash held related to the advertising funds are classified as restricted cash as there are legal restrictions on the use of these funds and as such, the Company intends to use these funds solely to support the advertising funds rather than to fund operations. Total cash balances related to the advertising funds as of December 26, 2021 and December 27, 2020 were $18,500 and $37,266, respectively.

Concentration of Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of cash, which may exceed federally insured limits; and marketable securities, when held, which are federal agency securities. The Company places its cash and cash equivalents with high quality financial institutions.

The franchisees purchase substantially all food and beverages sold at WOW restaurants from a small group of suppliers at prevailing prices that potentially subjects the Company to a concentration of business risk. The suppliers' inability or unwillingness to supply the franchisees with an adequate amount of popular food and beverages could impact the Company's royalty revenue.

Accounts Receivable

Accounts receivable consist of amounts due from franchisees and area developers for franchise fees and royalties. Management assesses the collectability of receivables on an ongoing basis. The Company records a provision for doubtful receivables, if necessary, to allow for any amounts which may be unrecoverable, which is based upon an analysis of the Company's prior collection experience, creditworthiness and current economic trends. During the fiscal years ended December 26, 2021 and December 27, 2020, the Company did not write off any receivables as management has deemed all receivable balances as collectible.

Property and Equipment

Property and equipment and leasehold improvements are stated at cost less accumulated depreciation, which is determined on a straight-line basis over the estimated remaining useful life of each asset, which range from 3-7 years. Leasehold improvements are amortized using the straight-line method over the shorter of their estimated useful lives or the related reasonably assured lease term. Routine maintenance and repair costs are expensed and improvements that extend the useful life of the assets are capitalized.

When equipment is sold or otherwise disposed of, the cost and related accumulated depreciation are eliminated from the accounts and any resulting gain or loss is credited or charged to operations. The amounts expensed for maintenance and repairs were $0 and $2,476 for the fiscal years ended December 26, 2021 and December 27, 2020, respectively.

Intangible Assets

Intangible assets consist of the Company's trade names and logos and are stated at cost and amortized using the straight-line method over the ten-year life of the trademarks. The Company tests for impairment of its intangible assets at a minimum on an annual basis. The Company does not believe that any impairment exists as of December 26, 2021 and December 27, 2020.

Fair Value of Financial Instruments

The fair value of a financial instrument is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. At the balance sheet dates, the fair values of the Company's financial assets and financial liabilities (cash, accounts receivable, amounts due to and from affiliates, accounts payable and accrued liabilities, long term debt, deposits and deferred franchise fees) approximate their carrying values.

Revenue Recognition

Revenue is recognized is accordance with a five-step revenue model, as follows: identifying the contract with the customer; identifying the performance obligations in the contract; determining the transaction price; allocating the transaction price to the performance obligations; and recognizing revenue when (or as) the entity satisfies a performance obligation.

Franchise fees and royalties and other related fees

The Company sells individual franchises through franchise agreements with terms ranging from 5 to 10 years. These agreements also convey multiple extension terms of five years, depending on contract terms if certain conditions are met. The Company provides its franchisees system training, preopening assistance, and general assistance in exchange for franchise fees, and royalties of 0%-8% of restaurant's gross revenue.

Royalties are accrued as earned and are calculated each period based on reported franchisees' sales.

The Company has determined that a portion of the initial franchise services are distinct from the continuing rights and services offered during the term of the franchise agreement and should not be treated as a single performance obligation; therefore, a portion of such fees are recognized upon the opening of the franchise location. See Note 6.

Advertising fees and related income

The Company's franchise agreements typically require the franchisee to pay continuing advertising fees each reporting period based on a percentage of franchisee gross sales.

Franchise Operations

The Company enters into franchise agreements with unrelated third parties to operate locations using the WOW Café & Wingery brand within a defined geographical area. The Company believes that franchising is an effective and efficient means to expand the WOW Café & Wingery brand. The franchisee is required to operate its location in compliance with its franchise agreement that includes adherence to operating and quality control procedures established by the Company. The Company does not provide loans, leases, or guarantees to the franchisee or the franchisee's employees and vendors. If a franchisee becomes financially distressed, the Company does not provide financial assistance. If financial distress leads to a franchisee's noncompliance with the franchise agreement and the Company elects to terminate the franchise agreement,

the Company has the right but not the obligation to acquire the assets of the franchisee at fair value. The Company has financial exposure for the collection of the royalty payments. Franchisees generally remit royalty payments weekly for the prior week's sales, which substantially minimizes the financial exposure. Historically, the Company has experienced insignificant write-offs of franchisee royalties. Franchise fees are paid upon the signing of the related agreements.

Payments Received from Vendors

Vendor incentives include allowances and other funds received from vendors. Certain of these funds are determined based on various quantitative contract terms. The Company receives vendor incentives from certain manufacturers and distributors calculated based upon purchases made by franchisees. The Company generally receives payment from vendors approximately 45 days from the end of a month for that month's purchases.

Advertising Costs

Advertising costs are treated as period costs and expensed as incurred. During the fiscal years ended December 26, 2021 and December 27, 2020, advertising costs amounted to $59,727 and $41,860, respectively. Only advertising costs associated with the solicitation of new franchisees are included in the Company's advertising expense. Franchisees pay 1 – 2% of gross restaurant revenue to the WOW Café's System Advertising Fund to pay for advertising of WOW restaurants.

Income Taxes

On the date of formation through December 31, 2011, the Company elected to be treated as a partnership for federal income tax purposes and did not incur income taxes. Instead, its earnings and or losses were included in the personal tax returns of the members. Effective January 1, 2012 the Company elected to be treated as an S corporation for income tax under the provisions of the Internal Revenue Code. Accordingly, the financial statements do not reflect a provision for income taxes and the earnings and or losses are included in the personal tax returns of the members.

Recently Issued Accounting Pronouncements

In February 2016, the FASB issued ASU 2016-02, Leases (Topic 842). The guidance in the ASU supersedes the lease guidance in Topic 840, Leases. Under the new guidance, lessees are required to recognize lease assets and lease liabilities on the balance sheet for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the income statement. The new standard is effective for fiscal years beginning after December 15, 2021. A modified retrospective transition approach is required for lessees for capital and operating leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements, with certain practical expedients available. The Company is currently evaluating the impact of the pending adoption of the new standard on its financial statements.

The Company has reviewed recently issued accounting pronouncements and concluded that they are either not applicable to the operations or that no material effects are expected on its financial statements as a result of future adoption.

Recently Adopted Accounting Pronouncements

The Company adopted ASC 606 Revenue from Contracts with Customers on November 3, 2020 (date of inception). The primary impact of adoption was the enhancement of the Company's disclosures related to contracts with customers and revenue recognized from those performance obligations, which includes revenue related to initial fees charged to franchisees. See Note 6, Revenue Recognition.

Further, the Company implemented internal controls related to the recognition and presentation of the Company's revenues under this new standard.

Reclassifications

Certain accounts in the prior year financial statements have been reclassified for comparison purposes to conform to the presentation in the current year financial statements.

NOTE 2 – PROPERTY AND EQUIPMENT

Following is a summary of property and equipment at December 26, 2021 and December 27, 2020:

	2021	2020
Computers and equipment	$ 101,250	$ 101,250
Automobiles	332,566	332,566
Leasehold improvements	87,599	87,599
Furniture and fixtures	63,709	63,709
	585,124	585,124
Less: Accumulated Depreciation	(449,568)	(403,263)
Property and Equipment, net	$ 135,556	$ 181,861

The Company recorded depreciation expense related to these assets of $46,305 and $54,469 in fiscal 2021 and 2020, respectively.

NOTE 3 – INTANGIBLE ASSETS

Following is a summary of intangible assets at December 26, 2021 and December 27, 2020:

	2021	2020
Franchise value and trade names	$ 219,713	$ 219,713
Less: Accumulated Amortization	(189,492)	(181,234)
Net Intangible Assets	$ 30,221	$ 38,479

Amortization expense for the fiscal years ended December 26, 2021 and December 27, 2020 was $8,258 and $8,268 respectively. Estimated future amortization expense as of December 26, 2021 was as follows:

Fiscal year ending:		
	2022	$ 8,106
	2023	6,807
	2024	4,294
	2025	4,113
	2026	3,543
	Thereafter	3,358
Total future amortization expense		$ 30,221

NOTE 4 – DEPOSITS

In the ordinary course of business, the Company takes cash deposits from potential franchisees or area developers prior to having a formal agreement in place. When this occurs the Company records these payments as deposits until a franchise or area development agreement is executed. Upon execution of the agreement, the deposits are recorded as deferred franchise fees (see Note 6). As of December 26, 2021 and December 27, 2020, the Company had $0 in franchise fee deposits.

NOTE 5 - RELATED PARTY TRANSACTIONS

In the normal course of business, the Company purchases equipment or loans money to franchisees to support their operations. As of December 26, 2021 and December 27, 2020, there were no outstanding amounts due to the Company.

The Company occasionally pays money to entities under common control or ownership, for the purpose of funding the operations of those commonly owned entities. When the members have determined that these amounts cannot or will not be repaid to the Company, amounts owed by these entities are treated as capital distributions to the members and are recorded as a reduction to members' equity. For the fiscal years ended December 26, 2021 and December 27, 2020, $73,578 and $1,190, respectively was due to the Company from entities under common control or ownership and is included within due from affiliates in the accompanying Balance Sheets.

The Company shares office space and certain employees with an entity affiliated through common ownership. The Company also provides health insurance to the affiliate's employees which are charged back to the affiliate based on allocation methods determined by management. Payroll expenses for the shared employees totaled $937,097 and $835,942 for the fiscal years ended December 26, 2021 and December 27, 2020, respectively. These amounts are included in payroll and payroll taxes in the accompanying Statements of Income.

The Company's office space is leased in the name of an affiliated entity. The Company is not a party to the lease. The company incurred $19,514 and $128,365 in rent expense for fiscal years 2021 and 2020, respectively, related to this lease.

The Company performs accounting services for certain entities affiliated through common ownership and certain franchisees owned and operated through common ownership. A monthly fee is charged for these services and is included in other income on the Statements of Income. Total accounting fees charged to these entities totaled $203,885 and $125,200 for the fiscal years ended December 26, 2021 and December 27, 2020.

On December 23, 2008, the Company paid off one of its outstanding bank loans and line of credit balance with funds provided by an affiliated entity. The principal amount outstanding on this related party loan at December 26, 2021 and December 27, 2020 was $31,141 and $45,801, respectively and is included within loans from affiliated companies on the accompanying Balance Sheets. This agreement bears interest of 4.0% per annum amortized over 15 years, maturing December 23, 2023.

One of the locations in operation as of December 26, 2021 and December 27, 2020, was owned and operated by a company affiliated through common ownership to the Company.

Unless otherwise noted, all related party balances owed to or by the Company are non-interest-bearing, unsecured and due on demand.

NOTE 6 – REVENUE RECOGNITION

The adoption of ASC 606 impacted the Company's accounting for initial fees charged to franchisees. In the past, the Company recognized initial franchise fees when all material services or conditions relating to the sale of the franchise had been substantially performed or satisfied by the Company, which was

generally when a new franchise location opened. In accordance with the new guidance, the Company has determined that some of the initial franchise services are not distinct from the continuing rights or services offered during the term of the franchise agreement and those costs should be treated as a separate performance obligation. Therefore, the Company recognizes a portion of the initial fees received from the franchisees as revenue over the term of the respective franchise agreement, ranging from 5-10 years.

The Company also enters into Area Development Agreements. Under these agreements, a third party (the "Developer") agrees to sell and open a certain number of franchises in the specified area over a period of time stipulated in the contract. The Company records the area development fees as deferred franchise fees when received and allocates the fee for each agreement to each individual franchise. Revenue is recognized over the term of the respective franchise agreement each time a new franchise opens in that area.

Under this method, the Company recognized franchise fee revenue of $42,530 and $45,989 during the fiscal years 2021 and 2020. At December 26, 2021 and December 27, 2020, the balance of the deferred franchise fees was $345,171 and $342,701, respectively and is included in deferred revenue on the Balance Sheets.

Royalties and Other Related Fees

Royalties from franchise locations are based on a percentage of revenue and are recognized in the period the related franchised stores' sales occur. For the fiscal years ended December 26, 2021 and December 27, 2020, the Company recognized $972,940 and $909,167 in royalty and other related fee revenue, respectively.

Advertising Fees

The adoption of the new guidance changed the reporting of advertising fund contributions from franchisees and the related advertising fund expenditures, which were not previously included in the Statements of Income. The new guidance requires these advertising fund contributions and expenditures to be reported on a gross basis in the Statements of Income. The assets and liabilities held by the advertising funds, which were previously reported as restricted assets and liabilities of advertising funds, respectively, are now included within the respective Balance Sheet caption to which the assets and liabilities relate. Additionally, advertising costs that have been incurred by the Company outside of the advertising funds are also included within selling and marketing expenses in the Statements of Income.

NOTE 7 – PAYCHECK PROTECTION PROGRAM PROCEEDS

For the years ending December 26, 2021 and December 27, 2020, the Company received loan proceeds from Bank of America in the amount of $341,410 and $341,210, respectively, under the

Paycheck Protection Program ("PPP"). The PPP, established as part of the Coronavirus Aid, Relief and Economic Security Act ("CARES Act"), provided for loans to qualifying businesses for amounts up to 2.5 times of the average monthly payroll expenses of the qualifying business. The loans and accrued interest are forgivable after a specified period of time as long as the borrower uses the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, and maintains its payroll levels.

Based on the Company's use of the PPP funding during FY 2021 and FY2020, the Company has determined that it does qualify for the PPP loan and that it met all conditions of forgiveness. As such, by analogy, the Company has accounted for the PPP proceeds in accordance with FASB ASC 958-605. Under this method, the Company has treated the PPP loans as conditional contributions and recognized the proceeds as refundable advances until the conditions of forgiveness are met or explicitly waived.

For the fiscal years ending December 26, 2021 and December 27, 2020, the Company reduced the PPP advance account and recognized $341,410 and $341,410, respectively, in income and is recorded in other income on the Statements of Income.

On June 18, 2021 the Company received a Notice of Paycheck Protection Program Forgiveness Payment ("Notice") from the Small Business Administration ("SBA"), in the amount of $341,410. As authorized by Section 1106 of the CARES Act, the SBA remitted this Notice to Bank of America for full forgiveness of the Company's PPP Loan. See Note 13.

NOTE 8 – LONG-TERM DEBT

Following is a summary of long-term debt at December 26, 2021 and December 27, 2020:

	2021	2020
Bank loan, secured by assets of the Company and by an affiliated entity, repayable in monthly installments of $8,213 at a fixed interest rate of 3.58% per annum, maturing August 2021.	$ -	$ 88,727
Bank loan, secured by an automobile, repayable in monthly installments of $921 at a fixed interest rate of 4.00% per annum, maturing September 2025.	38,420	47,731
Bank loan, secured by an automobile, repayable in monthly installments of $1,393 at a fixed interest rate of 4.31% per annum, maturing July 2021.	-	11,040
Bank loan, secured by an automobile, repayable in monthly installments of $1,248 at a fixed interest rate of 0% per annum, maturing October 2021.	-	12,472
Bank loan, secured by an automobile, repayable in monthly installments of $894 at a fixed interest rate of 2.470% per annum, maturing August 2021.	-	7,091
	$ 38,420	$ 167,061
Less: Current portion of long-term debt	$ (9,690)	$ (128,640)
Long-term debt, net of current maturities	$ 28,730	$ 38,421

Following is a summary of principal maturities of long-term debt for each of the next five years and thereafter:

2022	$ 9,690
2023	10,084
2024	10,495
2025	8,151
2026	-
	$ 38,420

NOTE 9 – ACCRUED LIABILITIES

Following is a summary of accrued liabilities at December 26, 2021 and December 27, 2020:

	2021	2020
Accrued payroll expenses	$ 55,572	$ 56,591
Total accrued liabilities	$ 55,572	$ 56,591

NOTE 10 – EMPLOYEE BENEFIT PLAN

The Company has a 401(k) plan covering substantially all employees. The Company contributes 100% of the first 3% of employee compensation and 50% of the next 2% of employee compensation. Employer contributions for the fiscal years ended December 26, 2021 and December 27, 2020 were approximately $15,982 and $24,596, respectively, and are included in payroll and payroll taxes in the accompanying Statements of Income.

NOTE 11 - COMMITMENTS AND CONTINGENCIES

Legal Proceedings

The Company is involved in various legal matters arising in the ordinary course of business and accrues for such litigation and claims when payment is probable and reasonably estimable. Based on currently available information, including legal defenses available to the Company, the Company does not believe that the outcome of these legal matters will have a material or adverse effect on the Company's financial position, results of operations or cash flows.

Guarantees

In connection with financing arrangements entered into by certain companies which represent entities under common control, as co-borrowers, the Company is contingently liable to satisfy the claims of their creditor, a local financial institution, up to a maximum of $240,435, should these entities be unable to satisfy the financing arrangement. In the event the Company is required to fund amounts pursuant to the above arrangement, the Company may recover the amounts from the entities, although terms of such recovery may extend over several future periods. The guarantees go through May 2022.

NOTE 12 – FAIR VALUE

Disclosure of fair value information about financial instruments, whether or not recognized in the balance sheets is required. Fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Fair value is best determined based upon quoted market prices. In cases where quoted market prices are not available, fair values are based on estimates using present value or other valuation techniques. Those techniques are significantly affected by the assumptions used, including the discount rate and estimates of future cash flows. Accordingly, the fair value estimates may not be realized in an immediate settlement of the instruments. Therefore, the aggregate fair value amounts presented do not represent the underlying value of the Company.

The recent fair value guidance provides a consistent definition of fair value, which focuses on exit price in an orderly transaction (that is, not a forced liquidation or distressed sale) between market participants at the measurement date under current market conditions. If there has been a significant decrease in the volume and level of activity for the asset or liability, a change in valuation technique or the use of multiple valuation techniques may be appropriate. In such instances, determining the price at which willing market participants would transact at the measurement date under current market conditions depends on the facts and circumstances and requires use of significant judgment. The fair value is a reasonable point within the range that is most representative of fair value under current market conditions. In accordance with this guidance, the Company groups its financial assets and financial liabilities generally measured at fair value in three levels:

Level 1 – Observable inputs such as quoted prices in active markets;

Level 2 – Inputs, other than the quoted prices in active markets that are observable either directly or indirectly; and

Level 3 – Unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions.

At December 26, 2021 and December 27, 2020, the Company did not have any financial assets or liabilities to value.

NOTE 13 – SUBSEQUENT EVENT

On January 30, 2022 the Company received a Notice of Paycheck Protection Program Forgiveness Payment ("Notice") from the Small Business Administration ("SBA"), in the amount of $341,410. As authorized by Section 1106 of the CARES Act, the SBA remitted this Notice to Bank of America for full forgiveness of the Company's PPP Loan.

Management has evaluated subsequent events through the date that the financial statements were available to be issued, April 26, 2022 and determined that there were no items for disclosure.

WOW Café & Wingery Franchising Account, LLC

Financial Statements

December 27, 2020 and December 29, 2019

REAGAN & REAGAN
CPAs & Business Advisors

www.randrcpa.com

WOW Café & Wingery Franchising Account, LLC

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December 27, 2020 and December 29, 2019

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REPORT

REAGAN & REAGAN
CPAs & Business Advisors

JOSEPH REAGAN, CPA
Partner

KIM REAGAN, CPA
Partner

Independent Auditor's Report

To the Members
WOW Café & Wingery Franchising Account, LLC
Covington, LA

Opinion

We have audited the financial statements of WOW Café & Wingery Franchising Account, LLC, which comprise the balance sheets as of December 27, 2020 and December 29, 2019, and the related statements of income, changes in members' equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of WOW Café & Wingery Franchising Account, LLC as of December 27, 2020 and December 29, 2019, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of WOW Café & Wingery Franchising Account, LLC and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about WOW Café & Wingery Franchising Account, LLC's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of WOW Café & Wingery Franchising Account, LLC's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about WOW Café & Wingery Franchising Account, LLC 's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Reagan & Reagan CPA, LLC

Covington, LA
April 23, 2021

FINANCIAL STATEMENTS

WOW Café & Wingery Franchising Account, LLC

Balance Sheets
December 27, 2020 and December 29, 2019

	2020	2019
ASSETS		
Current assets		
Cash	$ 11,146	$ 178,134
Restricted cash	38,394	31,664
Accounts receivable	58,859	53,423
Due from affiliates	1,190	2,852
Prepaids and other current assets	48,435	39,192
Total current assets	158,024	305,265
Property and equipment, less accumulated depreciation of $541,014 and $482,736, respectively	181,861	172,396
Intangible assets, less accumulated amortization of $172,966 and $168,344, respectively	38,479	46,747
Total assets	$ 378,364	$ 524,408
LIABILITIES AND MEMBERS' EQUITY (DEFICIT)		
Current liabilities		
Accounts payable	$ 34,772	$ 59,486
Accrued liabilities	56,591	68,489
Current maturities of long-term debt	128,640	164,623
Loans from affiliated companies, current maturities	4,493	4,582
Total current liabilities	224,496	297,180
Deferred franchise fees	342,701	378,690
Long term debt, net of current maturities	38,421	94,663
Loans from affiliated companies, net of current maturities	41,308	55,305
Total liabilities	646,926	825,838
Members' equity (deficit)	(268,562)	(301,430)
Total liabilities and members' equity (deficit)	$ 378,364	$ 524,408

See accompanying Notes to Financial Statements and Independent Auditor's Report.

WOW Café & Wingery Franchising Account, LLC

Statements of Income
Fiscal years ended December 27, 2020 and December 29, 2019

	2020	2019
Revenues		
Royalties and other related fees	$ 909,167	$ 1,720,012
Franchise fees	45,989	53,828
Vendor incentives	409,903	659,221
	1,365,059	2,433,061
Expenses		
General and administrative	568,620	781,131
Payroll and payroll taxes	1,245,077	1,485,848
Selling and marketing	26,981	105,164
Depreciation and amortization	62,737	62,900
	1,903,415	2,435,043
Loss from operations	(538,356)	(1,982)
Other income (expense)		
Interest expense	(7,243)	(15,044)
Loss on fixed asset disposals	(1,768)	-
Other income	550,959	144,753
	541,948	129,709
Net income	$ 3,592	$ 127,727

See accompanying Notes to Financial Statements and Independent Auditor's Report.

WOW Café & Wingery Franchising Account, LLC

Statements of Cash Flows
Fiscal years ended December 27, 2020 and December 29, 2019

	2020	2019
Cash flows from operating activities:		
Net income	$ 3,592	$ 127,727
Adjustments to reconcile net income to net cash (used in) provided by operating activities		
Depreciation and amortization	62,737	62,900
Cumulative effect adjustment of Topic 606	-	(21,888)
Loss on disposal of fixed assets	1,768	-
Changes in assets and liabilities		
Accounts receivable	(5,436)	41,373
Due to/from affiliates	1,662	10,724
Prepaid and other current assets	(9,243)	(37,208)
Accounts payable and accrued liabilities	(36,612)	39,174
Deferred franchise fees	(35,989)	(13,035)
Net cash (used in) provided by operating activities	(17,521)	209,767
Cash flows from investing activities:		
Net increase in restricted cash	(6,730)	(29,835)
Purchase of fixed assets, net	(65,702)	-
Net cash used in investing activities	(72,432)	(29,835)
Cash flows from financing activities:		
Proceeds from PPP funding loans	341,410	-
Principal payments on long term debt	(92,225)	(134,491)
Forgiveness on PPP loans	(341,410)	-
Principal payments on related party loans	(14,086)	(13,529)
Member contributions	70,000	178,200
Member distributions	(40,724)	(137,838)
Net cash used in financing activities	(77,035)	(107,658)
Net (decrease) increase in cash	(166,988)	72,274
Cash, beginning of period	178,134	105,860
Cash, end of period	$ 11,146	$ 178,134
Supplemental cash flow information:		
Cash paid during the year for interest:	$ 7,243	$ 15,044

See accompanying Notes to Financial Statements and Independent Auditor's Report.

WOW Café & Wingery Franchising Account, LLC

Statement of Changes in Members' Equity (Deficit)
Fiscal years ended December 27, 2020 and December 29, 2019

	Members' Equity (Deficit)
Balance at December 30, 2018	$ (447,631)
Net income for the period	127,727
Cumulative effect adjustment of Topic 606	(21,888)
Member contributions	178,200
Member distributions	(137,838)
Balance at December 29, 2019	(301,430)
Net income for the period	3,592
Member contributions	70,000
Member distributions	(40,724)
Balance at December 27, 2020	$ (268,562)

See accompanying Notes to Financial Statements and Independent Auditor's Report.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

WOW Café & Wingery Franchising Account, LLC (the "Company") is a Louisiana based limited liability company, formed on August 1, 2003. The principle business of the Company is the franchising of "WOW Café & Wingery World of Wings" restaurants ("WOW restaurants"). Wingery, LLC ("WOW"), a company affiliated through common ownership, has granted the Company the rights to develop and franchise WOW restaurants. The distinguishing characteristics of the concept include, among other things, interior design, décor, proprietary recipes and menu items, training, advertising and promotional programs. The Company specializes in meeting consumer dining needs by providing high quality food and offering a premium café experience with a neighborhood emphasis.

Considerations Related to COVID-19

In December 2019, an outbreak of illness caused by a novel coronavirus called COVID-19 ("COVID-19") was identified in Wuhan, China. On January 31, 2020, the United States declared a public health emergency related to COVID-19 and, on March 11, 2020, the World Health Organization declared that the spread of COVID-19 qualified as a global pandemic. In an attempt to minimize transmission of COVID-19, significant social and economic restrictions have been imposed in the United States and abroad. Though various areas have begun relaxing such precautions, varying levels of restrictions remain in many places and may be increased. In the preparation of these financial statements and related disclosures the Company has assessed the impact that COVID-19 has had on the Company's estimates, assumptions, forecasts, and accounting policies and made additional disclosures, as necessary. As COVID-19 and its impacts are unprecedented and ever evolving, future events and effects related to the pandemic cannot be determined with precision and actual results could significantly differ from estimates or forecasts.

Basis of Accounting

The Company's accounts are presented on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Income is recorded when earned and expenses are recorded when incurred.

The Company franchise arrangements provide its franchisee entities the power to direct the activities that most significantly impact their economic performance; therefore, the Company does not consider it to be the primary beneficiary of any such entity that might be a variable interest entity. The renewal option terms in certain of the Company's operating lease agreements give it a variable interest in the lessor entity, however the Company concluded that it does not have the power to direct the activities that most significantly impact the lessor entities' economic performance and as a result does not consider it to be the primary beneficiary of such entities.

Fiscal Year

The Company's fiscal year ends on the last Sunday in December. The fiscal years ended December 27, 2020 and December 29, 2019, comprised 52 weeks.

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Company to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities as of 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.

Companies Under Common Control

For the fiscal years ended December 27, 2020 and December 29, 2019, various members of the Company were also members in other related entities. It is management's opinion that the financial position and results of operations of the Company have not been significantly affected by the transactions with these entities.

Cash, Cash Equivalents and Restricted Cash

For purposes of the financial statements, the Company considers all highly liquid instruments purchased with an initial maturity of three months or less to be cash equivalents. Cash and cash equivalents consist of cash on hand and deposits at banks.

Cash held related to the advertising funds are classified as restricted cash as there are legal restrictions on the use of these funds and as such, the Company intends to use these funds solely to support the advertising funds rather than to fund operations. Total cash balances related to the advertising funds as of December 27, 2020 and December 29, 2019 were $37,266 and $29,890, respectively.

Concentration of Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of cash, which may exceed federally insured limits; and marketable securities, when held, which are federal agency securities. The Company places its cash and cash equivalents with high quality financial institutions.

The franchisees purchase substantially all food and beverages sold at WOW restaurants from a small group of suppliers at prevailing prices that potentially subjects the Company to a concentration of business risk. The suppliers' inability or unwillingness to supply the franchisees with an adequate amount of popular food and beverages could impact the Company's royalty revenue.

Accounts Receivable

Accounts receivable consist of amounts due from franchisees and area developers for franchise fees and royalties. Management assesses the collectability of receivables on an ongoing basis. The Company records a provision for doubtful receivables, if necessary, to allow for any amounts which may be unrecoverable, which is based upon an analysis of the Company's prior collection experience, creditworthiness and current economic trends. During the fiscal years ended December 27, 2020 and December 29, 2019, the Company did not write off any receivables as management has deemed all receivable balances as collectible.

Property and Equipment

Property and equipment and leasehold improvements are stated at cost less accumulated depreciation, which is determined on a straight-line basis over the estimated remaining useful life of each asset, which range from 3-7 years. Leasehold improvements are amortized using the straight-line method over the shorter of their estimated useful lives or the related reasonably assured lease term. Routine maintenance and repair costs are expensed and improvements that extend the useful life of the assets are capitalized.

When equipment is sold or otherwise disposed of, the cost and related accumulated depreciation are eliminated from the accounts and any resulting gain or loss is credited or charged to operations. The amounts expensed for maintenance and repairs were $2,476 and $3,310 for the fiscal years ended December 27, 2020 and December 29, 2019, respectively.

Intangible Assets

Intangible assets consist of the Company's trade names and logos and are stated at cost and amortized using the straight-line method over the ten-year life of the trademarks. The Company tests for impairment of its intangible assets at a minimum on an annual basis. The Company does not believe that any impairment exists as of December 27, 2020 and December 29, 2019.

Fair Value of Financial Instruments

The fair value of a financial instrument is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. At the balance sheet dates, the fair values of the Company's financial assets and financial liabilities (cash, accounts receivable, amounts due to and from affiliates, accounts payable and accrued liabilities, long term debt, deposits and deferred franchise fees) approximate their carrying values.

Revenue Recognition

Revenue is recognized is accordance with a five-step revenue model, as follows: identifying the contract with the customer; identifying the performance obligations in the contract; determining the transaction

price; allocating the transaction price to the performance obligations; and recognizing revenue when (or as) the entity satisfies a performance obligation.

Franchise fees and royalties and other related fees

The Company sells individual franchises through franchise agreements with terms ranging from 5 to 10 years. These agreements also convey multiple extension terms of five years, depending on contract terms if certain conditions are met. The Company provides its franchisees system training, preopening assistance, and general assistance in exchange for franchise fees, and royalties of 0%-8% of restaurant's gross revenue.

Royalties are accrued as earned and are calculated each period based on reported franchisees' sales.

The Company has determined that a portion of the initial franchise services are distinct from the continuing rights and services offered during the term of the franchise agreement and should not be treated as a single performance obligation; therefore, a portion of such fees are recognized upon the opening of the franchise location. See Note 6.

Advertising fees and related income

The Company's franchise agreements typically require the franchisee to pay continuing advertising fees each reporting period based on a percentage of franchisee gross sales.

Franchise Operations

The Company enters into franchise agreements with unrelated third parties to operate locations using the WOW Café & Wingery brand within a defined geographical area. The Company believes that franchising is an effective and efficient means to expand the WOW Café & Wingery brand. The franchisee is required to operate its location in compliance with its franchise agreement that includes adherence to operating and quality control procedures established by the Company. The Company does not provide loans, leases, or guarantees to the franchisee or the franchisee's employees and vendors. If a franchisee becomes financially distressed, the Company does not provide financial assistance. If financial distress leads to a franchisee's noncompliance with the franchise agreement and the Company elects to terminate the franchise agreement,

the Company has the right but not the obligation to acquire the assets of the franchisee at fair value. The Company has financial exposure for the collection of the royalty payments. Franchisees generally remit royalty payments weekly for the prior week's sales, which substantially minimizes the financial exposure. Historically, the Company has experienced insignificant write-offs of franchisee royalties. Franchise fees are paid upon the signing of the related agreements.

Payments Received from Vendors

Vendor incentives include allowances and other funds received from vendors. Certain of these funds are determined based on various quantitative contract terms. The Company receives vendor incentives from certain manufacturers and distributors calculated based upon purchases made by franchisees. The Company generally receives payment from vendors approximately 45 days from the end of a month for that month's purchases.

Advertising Costs

Advertising costs are treated as period costs and expensed as incurred. During the fiscal years ended December 27, 2020 and December 29, 2019, advertising costs amounted to $41,860 and $105,164, respectively. Only advertising costs associated with the solicitation of new franchisees are included in the Company's advertising expense. Franchisees pay 1 – 2% of gross restaurant revenue to the WOW Café's System Advertising Fund to pay for advertising of WOW restaurants.

Income Taxes

On the date of formation through December 31, 2011, the Company elected to be treated as a partnership for federal income tax purposes and did not incur income taxes. Instead, its earnings and or losses were included in the personal tax returns of the members. Effective January 1, 2012 the Company elected to be treated as an S corporation for income tax under the provisions of the Internal Revenue Code. Accordingly, the financial statements do not reflect a provision for income taxes and the earnings and or losses are included in the personal tax returns of the members.

Recently Issued Accounting Pronouncements

In February 2016, the FASB issued ASU 2016-02, Leases (Topic 842). The guidance in the ASU supersedes the lease guidance in Topic 840, Leases. Under the new guidance, lessees are required to recognize lease assets and lease liabilities on the balance sheet for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the income statement. The new standard is effective for fiscal years beginning after December 15, 2021. A modified retrospective transition approach is required for lessees for capital and operating leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements, with certain practical expedients available. The Company is currently evaluating the impact of the pending adoption of the new standard on its financial statements.

The Company has reviewed recently issued accounting pronouncements and concluded that they are either not applicable to the operations or that no material effects are expected on its financial statements as a result of future adoption.

Recently Adopted Accounting Pronouncements

In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2014-09 "Revenue with Contracts from Customers (Topic 606)", which supersedes the revenue recognition requirements in Accounting Standards Codification 605, "Revenue Recognition." This ASU is based on the principle that revenue is recognized to depict the transfer of goods or services to customers in

an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The ASU also requires additional disclosure about the nature, amount, timing and uncertainty of revenue and cash flows arising from customer contracts, including significant judgements and assets recognized from costs incurred to obtain or fulfill a contract.

The Company adopted Topic 606 at the beginning of the first quarter of 2019 using the modified retrospective method. The adoption of these standards did not have a material impact on the Company's Statement of Income in 2019. The primary impact of adoption was the enhancement of the Company's disclosures related to contracts with customers and revenue recognized from those performance obligations, which includes revenue related to initial fees charged to franchisees. See Note 6, Revenue Recognition.

Further, the Company implemented internal controls related to the recognition and presentation of the Company's revenues under this new standard.

Reclassifications

Certain accounts in the prior year financial statements have been reclassified for comparison purposes to conform to the presentation in the current year financial statements.

NOTE 2 – PROPERTY AND EQUIPMENT

Following is a summary of property and equipment at December 27, 2020 and December 29, 2019:

	2020	2019
Computers and equipment	$ 101,250	$ 101,250
Automobiles	332,566	460,852
Leasehold improvements	87,599	87,599
Furniture and fixtures	63,709	63,709
	585,124	713,410
Less: Accumulated Depreciation	(403,263)	(541,014)
Property and Equipment, net	$ 181,861	$ 172,396

The Company recorded depreciation expense related to these assets of $54,469 and $58,278 in fiscal 2020 and 2019, respectively.

NOTE 3 – INTANGIBLE ASSETS

Following is a summary of intangible assets at December 27, 2020 and December 29, 2019:

	2020	2019
Franchise value and trade names	$ 219,713	$ 219,713
Less: Accumulated Amortization	(181,234)	(172,966)
Net Intangible Assets	$ 38,479	$ 46,747

Amortization expense for the fiscal years ended December 27, 2020 and December 29, 2019 was $8,268 and $4,622 respectively. Estimated future amortization expense as of December 27, 2020 was as follows:

Fiscal year ending:		
2021	$	8,258
2022		7,791
2023		6,807
2024		4,294
2025		4,248
Thereafter		7,081
Total future amortization expense	$	38,479

NOTE 4 – DEPOSITS

In the ordinary course of business, the Company takes cash deposits from potential franchisees or area developers prior to having a formal agreement in place. When this occurs the Company records these payments as deposits until a franchise or area development agreement is executed. Upon execution of the agreement, the deposits are recorded as deferred franchise fees (see Note 6). As of December 27, 2020, and December 29, 2019, the Company had $0 in franchise fee deposits.

NOTE 5 - RELATED PARTY TRANSACTIONS

In the normal course of business, the Company purchases equipment or loans money to franchisees to support their operations. As of December 27, 2020, and December 29, 2019, there were no outstanding amounts due to the Company.

The Company occasionally pays money to entities under common control or ownership, for the purpose of funding the operations of those commonly owned entities. When the members have determined that these amounts cannot or will not be repaid to the Company, amounts owed by these entities are treated as capital distributions to the members and are recorded as a reduction to members' equity. For the fiscal years ended December 27, 2020 and December 29, 2019, $1,190 and $2,852, respectively was due to the Company from entities under common control or ownership and is included within due from affiliates in the accompanying Balance Sheets.

The Company shares office space and certain employees with an entity affiliated through common ownership. The Company also provides health insurance to the affiliate's employees which are charged back to the affiliate based on allocation methods determined by management. Payroll expenses for the shared employees totaled $835,942 and $689,011 for the fiscal years ended December 27, 2020 and December 29, 2019, respectively. These amounts are included in payroll and payroll taxes in the accompanying Statements of Income.

The Company's office space is leased in the name of an affiliated entity. The Company is not a party to the lease. The company incurred $128,365 and $122,852 in rent expense for fiscal years 2020 and 2019, respectively, related to this lease.

The Company performs accounting services for certain entities affiliated through common ownership and certain franchisees owned and operated through common ownership. A monthly fee is charged for these services and is included in other income on the Statements of Income. Total accounting fees charged to these entities totaled $125,200 and $128,654 for the fiscal years ended December 27, 2020 and December 29, 2019.

On December 23, 2008, the Company paid off one of its outstanding bank loans and line of credit balance with funds provided by an affiliated entity. The principal amount outstanding on this related party loan at

December 27, 2020 and December 29, 2019 was $45,801 and $59,887, respectively and is included within loans from affiliated companies on the accompanying Balance Sheets. This agreement bears interest of 4.0% per annum amortized over 15 years, maturing December 23, 2023.

One of the locations in operation as of December 27, 2020 and December 29, 2019, was owned and operated by a company affiliated through common ownership to the Company.

Unless otherwise noted, all related party balances owed to or by the Company are non-interest-bearing, unsecured and due on demand.

NOTE 6 – REVENUE RECOGNITION

The adoption of Topic 606 impacted the Company's accounting for initial fees charged to franchisees. In the past, the Company recognized initial franchise fees when all material services or conditions relating to the sale of the franchise had been substantially performed or satisfied by the Company, which was generally when a new franchise location opened. In accordance with the new guidance, the Company has determined that some of the initial franchise services are not distinct from the continuing rights or services offered during the term of the franchise agreement and those costs should be treated as a separate performance obligation. Therefore, the Company recognizes a portion of the initial fees received from the franchisees as revenue over the term of the respective franchise agreement, ranging from 5-10 years.

The Company also enters into Area Development Agreements. Under these agreements, a third party (the "Developer") agrees to sell and open a certain number of franchises in the specified area over a period of time stipulated in the contract. The Company records the area development fees as deferred franchise fees when received and allocates the fee for each agreement to each individual franchise. Revenue is recognized over the term of the respective franchise agreement each time a new franchise opens in that area.

An adjustment to beginning retained earnings and deferred revenue of $21,888 was established on the date of adoption, December 31, 2018, associated with the initial fees received through December 31, 2018 that would have been deferred and recognized over the term of each respective franchise agreement if the new guidance had been applied in the past.

Under the new method, the Company recognized franchise fee revenue of $45,989 and $53,828 during the fiscal years 2020 and 2019. At December 27, 2020 and December 29, 2019, the balance of the deferred franchise fees was $342,701 and $378,690, respectively and is included in deferred revenue on the Balance Sheets.

Royalties and Other Related Fees

Royalties from franchise locations are based on a percentage of revenue and are recognized in the period the related franchised stores' sales occur. For the fiscal years ended December 27, 2020 and December 29, 2019, the Company recognized $909,167 and $1,720,012 in royalty and other related fee revenue, respectively.

Advertising Fees

The adoption of the new guidance changed the reporting of advertising fund contributions from franchisees and the related advertising fund expenditures, which were not previously included in the Statements of Income. The new guidance requires these advertising fund contributions and expenditures to be reported on a gross basis in the Statements of Income. The assets and liabilities held by the advertising funds, which were previously reported as restricted assets and liabilities of advertising funds, respectively, are now included within the respective Balance Sheet caption to which the assets and liabilities relate. Additionally, advertising costs that have been incurred by the Company outside of the advertising funds are also included within selling and marketing expenses in the Statements of Income.

NOTE 7 – PAYCHECK PROTECTION PROGRAM PROCEEDS

The Company received loan proceeds from Bank of America in the amount of $341,410 under the Paycheck Protection Program ("PPP"). The PPP, established as part of the Coronavirus Aid, Relief and Economic Security Act ("CARES Act"), provided for loans to qualifying businesses for amounts up to 2.5 times of the average monthly payroll expenses of the qualifying business. The loans and accrued interest are forgivable after a specified period of time as long as the borrower uses the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, and maintains its payroll levels.

Based on the Company's use of the PPP funding during 2020, the Company has determined that it does qualify for the PPP loan and that it met all conditions of forgiveness. As such, by analogy, the Company has accounted for the PPP proceeds in accordance with FASB ASC 958-605. Under this method, the Company has treated the PPP loan as a conditional contribution and recognized the proceeds as a refundable advance until the conditions of forgiveness are met or explicitly waived. See Note 13.

For the fiscal year ending December 27, 2020, the Company reduced the PPP advance account and recognized $341,410 in income and is recorded in other income on the Statements of Income.

NOTE 8 – LONG-TERM DEBT

Following is a summary of long-term debt at December 27, 2020 and December 29, 2019:

	2020	2019
Bank loan, secured by assets of the Company and by an affiliated entity, repayable in monthly installments of $8,213 at a fixed interest rate of 3.58% per annum, maturing August 2021.	$ 88,727	$ 171,654
Bank loan, secured by an automobile, repayable in monthly installments of $1,482 at a fixed interest rate of 9.15% per annum, maturing February 2021.	-	17,923
Bank loan, secured by an automobile, repayable in monthly installments of $921 at a fixed interest rate of 4.00% per annum, maturing September 2025.	47,731	-
Bank loan, secured by an automobile, repayable in monthly installments of $1,393 at a fixed interest rate of 4.31% per annum, maturing July 2021.	11,040	26,857
Bank loan, secured by an automobile, repayable in monthly installments of $1,248 at a fixed interest rate of 0% per annum, maturing October 2021.	12,472	26,203
Bank loan, secured by an automobile, repayable in monthly installments of $894 at a fixed interest rate of 2.470% per annum, maturing August 2021.	7,091	16,649
	$ 167,061	$ 259,286
Less: Current portion of long-term debt	$ (128,640)	$ (164,623)
Long-term debt, net of current maturities	$ 38,421	$ 94,663

Following is a summary of principal maturities of long-term debt for each of the next five years and thereafter:

2021	$ 128,640
2022	9,690
2023	10,084
2024	10,495
2025	8,152
	$ 167,061

NOTE 9 – ACCRUED LIABILITIES

Following is a summary of accrued liabilities at December 27, 2020 and December 29, 2019:

	2020	2019
Accrued payroll expenses	$ 56,591	$ 68,489
Total accrued liabilities	$ 56,591	$ 68,489

NOTE 10 – EMPLOYEE BENEFIT PLAN

The Company has a 401(k) plan covering substantially all employees. The Company contributes 100% of the first 3% of employee compensation and 50% of the next 2% of employee compensation. Employer contributions for the fiscal years ended December 27, 2020 and December 29, 2019 were approximately $24,596 and $29,880, respectively, and are included in payroll and payroll taxes in the accompanying Statements of Income.

NOTE 11 - COMMITMENTS AND CONTINGENCIES

Legal Proceedings

The Company is involved in various legal matters arising in the ordinary course of business and accrues for such litigation and claims when payment is probable and reasonably estimable. Based on currently available information, including legal defenses available to the Company, the Company does not believe that the outcome of these legal matters will have a material or adverse effect on the Company's financial position, results of operations or cash flows.

Guarantees

In connection with financing arrangements entered into by certain companies which represent entities under common control, as co-borrowers, the Company is contingently liable to satisfy the claims of their creditor, a local financial institution, up to a maximum of $635,297, should these entities be unable to satisfy the financing arrangement. In the event the Company is required to fund amounts pursuant to the above arrangement, the Company may recover the amounts from the entities, although terms of such recovery may extend over several future periods. The guarantees expire starting in May 2020 and go through May 2022.

NOTE 12 – FAIR VALUE

Disclosure of fair value information about financial instruments, whether or not recognized in the balance sheets is required. Fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Fair value is best determined based upon quoted market prices. In cases where quoted market prices are not available, fair values are based on estimates using present value or other valuation techniques. Those techniques are significantly affected by the assumptions used, including the discount rate and estimates of future cash flows. Accordingly, the fair value estimates may not be realized in an immediate settlement of the instruments. Therefore, the aggregate fair value amounts presented do not represent the underlying value of the Company.

The recent fair value guidance provides a consistent definition of fair value, which focuses on exit price in an orderly transaction (that is, not a forced liquidation or distressed sale) between market participants at the measurement date under current market conditions. If there has been a significant decrease in the volume and level of activity for the asset or liability, a change in valuation technique or the use of multiple valuation techniques may be appropriate. In such instances, determining the price at which willing market participants would transact at the measurement date under current market conditions depends on the facts and circumstances and requires use of significant judgment. The fair value is a reasonable point within the range that is most representative of fair value under current market conditions. In accordance with this guidance, the Company groups its financial assets and financial liabilities generally measured at fair value in three levels:

Level 1 – Observable inputs such as quoted prices in active markets;

Level 2 – Inputs, other than the quoted prices in active markets that are observable either directly or indirectly; and

Level 3 – Unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions.

At December 27, 2020 and December 29, 2019, the Company did not have any financial assets or liabilities to value.

NOTE 13 – SUBSEQUENT EVENT

On April 4, 2021, the Company received loan proceeds related to the Second Draw Paycheck Protection Program Loans under the CARES Act in the amount of $341,410.

Management has evaluated subsequent events through the date that the financial statements were available to be issued, April 23, 2021 and determined that there were no items for disclosure.

WOW Café & Wingery Franchising Account, LLC

Financial Statements

December 29, 2019 and December 30, 2018

REAGAN & REAGAN
CPAs & Business Advisors

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WOW Café & Wingery Franchising Account, LLC

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December 29, 2019 and December 30, 2018

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REPORT

REAGAN & REAGAN
CPAs & Business Advisors

JOSEPH REAGAN, CPA
Partner

KIM REAGAN, CPA
Partner

Independent Auditor's Report

To the Members
WOW Café & Wingery Franchising Account, LLC
Covington, Louisiana

We have audited the accompanying financial statements of WOW Café & Wingery Franchising Account, LLC, which comprise the balance sheets as of December 29, 2019 and December 30, 2018, and the related statements of income, changes in members' equity (deficit), and cash flows for the fiscal years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of WOW Café & Wingery Franchising Account, LLC as of December 29, 2019 and December 30, 2018, and the results of its operations and its cash flows for the fiscal years then ended in accordance with accounting principles generally accepted in the United States of America.

Reagan & Reagan CPA, LLC

Covington, LA
April 30, 2020

FINANCIAL STATEMENTS

WOW Café & Wingery Franchising Account, LLC

Balance Sheets
December 29, 2019 and December 30, 2018

	2019	2018
ASSETS		
Current assets		
Cash	$ 178,134	$ 105,860
Restricted cash	31,664	1,829
Accounts receivable	53,423	94,796
Due from affiliates	2,852	13,576
Prepaids and other current assets	39,192	1,984
Total current assets	305,265	218,045
Property and equipment, less accumulated depreciation of $541,014 and $482,736, respectively	172,396	230,674
Intangible assets, less accumulated amortization of $172,966 and $168,344, respectively	46,747	51,369
Total assets	$ 524,408	$ 500,088
LIABILITIES AND MEMBERS' EQUITY (DEFICIT)		
Current liabilities		
Accounts payable	$ 59,486	$ 21,369
Accrued liabilities	68,489	67,432
Current maturities of long-term debt	164,623	138,199
Loans from affiliated companies, current maturities	4,582	12,446
Total current liabilities	297,180	239,446
Deferred franchise fees	378,690	391,725
Long term debt, net of current maturities	94,663	255,578
Loans from affiliated companies, net of current maturities	55,305	60,970
Total liabilities	825,838	947,719
Members' equity (deficit)	(301,430)	(447,631)
Total liabilities and members' equity (deficit)	$ 524,408	$ 500,088

See accompanying Notes to Financial Statements and Independent Auditor's Report.

WOW Café & Wingery Franchising Account, LLC

Statements of Income
Fiscal years ended December 29, 2019 and December 30, 2018

	2019	2018
Revenues		
Royalties and other related fees	$ 1,720,012	$ 1,779,371
Franchise fees	53,828	60,000
Vendor incentives	659,221	558,135
	2,433,061	2,397,506
Expenses		
General and administrative	781,131	719,949
Payroll and payroll taxes	1,485,848	1,330,351
Selling and marketing	105,164	7,188
Depreciation and amortization	62,900	58,846
	2,435,043	2,116,334
Income from operations	(1,982)	281,172
Other income (expense)		
Interest expense	(15,044)	(19,016)
Other income	144,753	140,733
	129,709	121,717
Net income	$ 127,727	$ 402,889

See accompanying Notes to Financial Statements and Independent Auditor's Report.

WOW Café & Wingery Franchising Account, LLC

Statements of Cash Flows
Fiscal years ended December 29, 2019 and December 30, 2018

	2019	2018
Cash flows from operating activities:		
Net income	$ 127,727	$ 402,889
Adjustments to reconcile net income to net cash (used in) provided by operating activities		
Depreciation and amortization	62,900	58,846
Cumulative effect adjustment of Topic 606	(21,888)	-
Changes in assets and liabilities		
Accounts receivable	41,373	(9,588)
Due to/from affiliates	10,724	4,573
Prepaid and other current assets	(37,208)	9,571
Accounts payable and accrued liabilities	39,174	(124,814)
Deposits	-	(5,000)
Deferred franchise fees	(13,035)	15,000
Net cash provided by operating activities	209,767	351,477
Cash flows from investing activities:		
Net increase in restricted cash	(29,835)	(146)
Purchase of fixed assets	-	(33,736)
Purchase of intangibles	-	(11,200)
Net cash used in investing activities	(29,835)	(45,082)
Cash flows from financing activities:		
Proceeds from long term debt	-	30,997
Principal payments on long term debt	(134,491)	(136,257)
Principal payments on related party loans	(13,529)	(13,004)
Member contributions	178,200	285,568
Member distributions	(137,838)	(434,822)
Net cash used in financing activities	(107,658)	(267,518)
Net increase in cash	72,274	38,877
Cash, beginning of period	105,860	66,983
Cash, end of period	$ 178,134	$ 105,860
Supplemental cash flow information:		
Cash paid during the year for interest:	$ 15,044	$ 19,016

See accompanying Notes to Financial Statements and Independent Auditor's Report.

WOW Café & Wingery Franchising Account, LLC

Statement of Changes in Members' Equity (Deficit)
Fiscal years ended December 29, 2019 and December 30, 2018

	Members' Equity (Deficit)
Balance at December 31, 2017	$ (701,266)
Net income for the period	402,889
Member contributions	285,568
Member distributions	(434,822)
Balance at December 30, 2018	(447,631)
Cumulative effect adjustment of Topic 606	(21,888)
Net income for the period	127,727
Member contributions	178,200
Member distributions	(137,838)
Balance at December 29, 2019	$ (301,430)

See accompanying Notes to Financial Statements and Independent Auditor's Report.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

WOW Café & Wingery Franchising Account, LLC (the "Company") is a Louisiana based limited liability company, formed on August 1, 2003. The principle business of the Company is the franchising of "WOW Café & Wingery World of Wings" restaurants ("WOW restaurants"). Wingery, LLC ("WOW"), a company affiliated through common ownership, has granted the Company the rights to develop and franchise WOW restaurants. The distinguishing characteristics of the concept include, among other things, interior design, décor, proprietary recipes and menu items, training, advertising and promotional programs. The Company specializes in meeting consumer dining needs by providing high quality food and offering a premium café experience with a neighborhood emphasis.

Basis of Accounting

The Company's accounts are presented on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Income is recorded when earned and expenses are recorded when incurred.

The Company franchise arrangements provide its franchisee entities the power to direct the activities that most significantly impact their economic performance; therefore, the Company does not consider it to be the primary beneficiary of any such entity that might be a variable interest entity. The renewal option terms in certain of the Company's operating lease agreements give it a variable interest in the lessor entity, however the Company concluded that it does not have the power to direct the activities that most significantly impact the lessor entities' economic performance and as a result does not consider it to be the primary beneficiary of such entities.

Fiscal Year

The Company's fiscal year ends on the last Sunday in December. The fiscal years ended December 29, 2019 and December 30, 2018, comprised 52 weeks.

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Company to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities as of 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.

Companies Under Common Control

For the fiscal years ended December 29, 2019 and December 30, 2018, various members of the Company were also members in other related entities. It is management's opinion that the financial position and results of operations of the Company have not been significantly affected by the transactions with these entities.

Cash, Cash Equivalents and Restricted Cash

For purposes of the financial statements, the Company considers all highly liquid instruments purchased with an initial maturity of three months or less to be cash equivalents. Cash and cash equivalents consist of cash on hand and deposits at banks.

Cash held related to the advertising funds are classified as restricted cash as there are legal restrictions on the use of these funds and as such, the Company intends to use these funds solely to support the advertising funds rather than to fund operations. Total cash balances related to the advertising funds as of December 29, 2019 and December 30, 2018 were $29,890 and $0, respectively.

Concentration of Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of cash, which may exceed federally insured limits; and marketable securities, when held, which are federal agency securities. The Company places its cash and cash equivalents with high quality financial institutions.

The franchisees purchase substantially all food and beverages sold at WOW restaurants from a small group of suppliers at prevailing prices that potentially subjects the Company to a concentration of business risk. The suppliers' inability or unwillingness to supply the franchisees with an adequate amount of popular food and beverages could impact the Company's royalty revenue.

Accounts Receivable

Accounts receivable consist of amounts due from franchisees and area developers for franchise fees and royalties. Management assesses the collectability of receivables on an ongoing basis. The Company records a provision for doubtful receivables, if necessary, to allow for any amounts which may be unrecoverable, which is based upon an analysis of the Company's prior collection experience, creditworthiness and current economic trends. During the fiscal years ended December 29, 2019 and December 30, 2018, the Company did not write off any receivables as management has deemed all receivable balances as collectible.

Property and Equipment

Property and equipment and leasehold improvements are stated at cost less accumulated depreciation, which is determined on a straight-line basis over the estimated remaining useful life of each asset, which range from 3-7 years. Leasehold improvements are amortized using the straight-line method over the shorter of their estimated useful lives or the related reasonably assured lease term. Routine maintenance and repair costs are expensed and improvements that extend the useful life of the assets are capitalized.

When equipment is sold or otherwise disposed of, the cost and related accumulated depreciation are eliminated from the accounts and any resulting gain or loss is credited or charged to operations. The amounts expensed for maintenance and repairs were $3,310 and $3,517 for the fiscal years ended December 29, 2019 and December 30, 2018, respectively.

Intangible Assets

Intangible assets consist of the Company's trade names and logos and are stated at cost and amortized using the straight-line method over the ten-year life of the trademarks. The Company tests for impairment of its intangible assets at a minimum on an annual basis. The Company does not believe that any impairment exists as of December 29, 2019 and December 30, 2018.

Fair Value of Financial Instruments

The fair value of a financial instrument is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. At the balance sheet dates, the fair values of the Company's financial assets and financial liabilities (cash, accounts receivable, amounts due to and from affiliates, accounts payable and accrued liabilities, long term debt, deposits and deferred franchise fees) approximate their carrying values.

Revenue Recognition

Revenue is recognized is accordance with a five-step revenue model, as follows: identifying the contract with the customer; identifying the performance obligations in the contract; determining the transaction

price; allocating the transaction price to the performance obligations; and recognizing revenue when (or as) the entity satisfies a performance obligation.

Franchise fees and royalties and other related fees

The Company sells individual franchises through franchise agreements with terms ranging from 5 to 10 years. These agreements also convey multiple extension terms of five years, depending on contract terms if certain conditions are met. The Company provides its franchisees system training, preopening assistance, and general assistance in exchange for franchise fees, and royalties of 0%-8% of restaurant's gross revenue.

Royalties are accrued as earned and are calculated each period based on reported franchisees' sales.

The Company has determined that a portion of the initial franchise services are distinct from the continuing rights and services offered during the term of the franchise agreement and should not be treated as a single performance obligation; therefore, a portion of such fees are recognized upon the opening of the franchise location. See Note 6.

Advertising fees and related income

The Company's franchise agreements typically require the franchisee to pay continuing advertising fees each reporting period based on a percentage of franchisee gross sales.

Franchise Operations

The Company enters into franchise agreements with unrelated third parties to operate locations using the WOW Café & Wingery brand within a defined geographical area. The Company believes that franchising is an effective and efficient means to expand the WOW Café & Wingery brand. The franchisee is required to operate its location in compliance with its franchise agreement that includes adherence to operating and quality control procedures established by the Company. The Company does not provide loans, leases, or guarantees to the franchisee or the franchisee's employees and vendors. If a franchisee becomes financially distressed, the Company does not provide financial assistance. If financial distress leads to a franchisee's noncompliance with the franchise agreement and the Company elects to terminate the franchise agreement, the Company has the right but not the obligation to acquire the assets of the franchisee at fair value. The Company has financial exposure for the collection of the royalty payments. Franchisees generally remit royalty payments weekly for the prior week's sales, which substantially minimizes the financial exposure. Historically, the Company has experienced insignificant write-offs of franchisee royalties. Franchise fees are paid upon the signing of the related agreements.

Payments Received from Vendors

Vendor incentives include allowances and other funds received from vendors. Certain of these funds are determined based on various quantitative contract terms. The Company receives vendor incentives from certain manufacturers and distributors calculated based upon purchases made by franchisees. The Company generally receives payment from vendors approximately 45 days from the end of a month for that month's purchases.

Advertising Costs

Advertising costs are treated as period costs and expensed as incurred. During the fiscal years ended December 29, 2019 and December 30, 2018, advertising costs amounted to $105,164 and $7,188, respectively. Only advertising costs associated with the solicitation of new franchisees are included in the Company's advertising expense. Franchisees pay 1 – 2% of gross restaurant revenue to the WOW Café's System Advertising Fund to pay for advertising of WOW restaurants.

Income Taxes

On the date of formation through December 31, 2011, the Company elected to be treated as a partnership for federal income tax purposes and did not incur income taxes. Instead, its earnings and or losses were included in the personal tax returns of the members. Effective January 1, 2012 the Company elected to be treated as an S corporation for income tax under the provisions of the Internal Revenue Code. Accordingly, the financial statements do not reflect a provision for income taxes and the earnings and or losses are included in the personal tax returns of the members.

Recently Issued Accounting Pronouncements

In February 2016, the FASB issued ASU 2016-02, Leases (Topic 842). The guidance in the ASU supersedes the lease guidance in Topic 840, Leases. Under the new guidance, lessees are required to recognize lease assets and lease liabilities on the balance sheet for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the income statement. The new standard is effective for fiscal years beginning after December 15, 2020. A modified retrospective transition approach is required for lessees for capital and operating leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements, with certain practical expedients available. The Company is currently evaluating the impact of the pending adoption of the new standard on its financial statements.

The Company has reviewed recently issued accounting pronouncements and concluded that they are either not applicable to the operations or that no material effects are expected on its financial statements as a result of future adoption.

Recently Adopted Accounting Pronouncements

In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2014-09 "Revenue with Contracts from Customers (Topic 606)", which supersedes the revenue recognition requirements in Accounting Standards Codification 605, "Revenue Recognition." This ASU is based on the principle that revenue is recognized to depict the transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The ASU also requires additional disclosure about the nature, amount, timing and uncertainty of revenue and cash flows arising from customer contracts, including significant judgements and assets recognized from costs incurred to obtain or fulfill a contract.

The Company adopted Topic 606 at the beginning of the first quarter of 2019 using the modified retrospective method. The comparative information has not been restated and continues to be reported under the accounting standards in effect for those periods. The adoption of these standards did not have a material impact on the Company's Statement of Income in 2019. The primary impact of adoption was the enhancement of the Company's disclosures related to contracts with customers and revenue recognized from those performance obligations, which includes revenue related to initial fees charged to franchisees. See Note 6, Revenue Recognition.

Further, the Company implemented internal controls related to the recognition and presentation of the Company's revenues under this new standard.

Reclassifications

Certain accounts in the prior year financial statements have been reclassified for comparison purposes to conform to the presentation in the current year financial statements.

NOTE 2 – PROPERTY AND EQUIPMENT

Following is a summary of property and equipment at December 29, 2019 and December 30, 2018:

	2019	2018
Computers and equipment	$ 101,250	$ 101,250
Automobiles	460,852	460,852
Leasehold improvements	87,599	87,599
Furniture and fixtures	63,709	63,709
	713,410	713,410
Less: Accumulated Depreciation	(541,014)	(482,736)
Property and Equipment, net	$ 172,396	$ 230,674

The Company recorded depreciation expense related to these assets of $58,278 and $47,004 in fiscal 2019 and 2018, respectively.

NOTE 3 – INTANGIBLE ASSETS

Following is a summary of intangible assets at December 29, 2019 and December 30, 2018:

	2019	2018
Franchise value and trade names	$ 219,713	$ 219,713
Less: Accumulated Amortization	(172,966)	(168,344)
Net Intangible Assets	$ 46,747	$ 51,369

Amortization expense for the fiscal years ended December 29, 2019 and December 30, 2018 was $4,622 and $11,842 respectively. Estimated future amortization expense as of December 29, 2019 was as follows:

Fiscal year ending:		
	2020	$ 4,632
	2021	11,545
	2022	5,335
	2023	6,774
	2024	7,909
	Thereafter	10,552
Total future amortization expense		$ 46,747

NOTE 4 – DEPOSITS

In the ordinary course of business, the Company takes cash deposits from potential franchisees or area developers prior to having a formal agreement in place. When this occurs the Company records these payments as deposits until a franchise or area development agreement is executed. Upon execution of the agreement, the deposits are recorded as deferred franchise fees (see Note 6). As of December 29, 2019, and December 30, 2018, the Company had $0 in franchise fee deposits.

NOTE 5 - RELATED PARTY TRANSACTIONS

In the normal course of business, the Company purchases equipment or loans money to franchisees to support their operations. As of December 29, 2019, and December 30, 2018, there were no outstanding amounts due to the Company.

The Company occasionally pays money to entities under common control or ownership, for the purpose of funding the operations of those commonly owned entities. When the members have determined that these amounts cannot or will not be repaid to the Company, amounts owed by these entities are treated as capital distributions to the members and are recorded as a reduction to members' equity. For the fiscal years ended December 29, 2019 and December 30, 2018, $2,852 and $13,576, respectively was due to the Company from entities under common control or ownership and is included within due from affiliates in the accompanying Balance Sheets.

The Company shares office space and certain employees with an entity affiliated through common ownership. The Company also provides health insurance to the affiliate's employees which are charged back to the affiliate based on allocation methods determined by management. Payroll expenses for the shared employees totaled $689,011 and $522,034 for the fiscal years ended December 29, 2019 and December 30, 2018, respectively. These amounts are included in payroll and payroll taxes in the accompanying Statements of Income.

The Company's office space is leased in the name of an affiliated entity. The Company is not a party to the lease. The company incurred $122,852 and $123,437 in rent expense for fiscal years 2019 and 2018, respectively, related to this lease.

The Company performs accounting services for certain entities affiliated through common ownership and certain franchisees owned and operated through common ownership. A monthly fee is charged for these services and is included in other income on the Statements of Income. Total accounting fees charged to these entities totaled $128,654 and $135,600 for the fiscal years ended December 29, 2019 and December 30, 2018.

On December 23, 2008, the Company paid off one of its outstanding bank loans and line of credit balance with funds provided by an affiliated entity. The principal amount outstanding on this related party loan at December 29, 2019 and December 30, 2018 was $59,887 and $73,416, respectively and is included within loans from affiliated companies on the accompanying Balance Sheets. This agreement bears interest of 4.0% per annum amortized over 15 years, maturing December 23, 2023.

One of the locations in operation as of December 29, 2019 and December 30, 2018, was owned and operated by a company affiliated through common ownership to the Company.

Unless otherwise noted, all related party balances owed to or by the Company are non-interest-bearing, unsecured and due on demand.

NOTE 6 – REVENUE RECOGNITION

The adoption of Topic 606 impacted the Company's accounting for initial fees charged to franchisees. In the past, the Company recognized initial franchise fees when all material services or conditions relating to the sale of the franchise had been substantially performed or satisfied by the Company, which was generally when a new franchise location opened. In accordance with the new guidance, the Company has determined that some of the initial franchise services are not distinct from the continuing rights or services offered during the term of the franchise agreement and those costs should be treated as a separate performance obligation. Therefore, the Company recognizes a portion of the initial fees received from the franchisees as revenue over the term of the respective franchise agreement, ranging from 5-10 years.

The Company also enters into Area Development Agreements. Under these agreements, a third party (the

"Developer") agrees to sell and open a certain number of franchises in the specified area over a period of time stipulated in the contract. The Company records the area development fees as deferred franchise fees when received and allocates the fee for each agreement to each individual franchise. Revenue is recognized over the term of the respective franchise agreement each time a new franchise opens in that area.

An adjustment to beginning retained earnings and deferred revenue of $21,888 was established on the date of adoption, December 31, 2018, associated with the initial fees received through December 31, 2018 that would have been deferred and recognized over the term of each respective franchise agreement if the new guidance had been applied in the past.

Under the new method, the Company recognized franchise fee revenue of $53,828 during the fiscal year 2019. Under the previous method, the Company recognized franchise fee revenue of $60,000. At December 29, 2019 and December 30, 2018, the balance of the deferred franchise fees was $378,690 and $391,725, respectively and is included in deferred revenue on the Balance Sheets.

Royalties and Other Related Fees

Royalties from franchise locations are based on a percentage of revenue and are recognized in the period the related franchised stores' sales occur. For the fiscal years ended December 29, 2019 and December 30, 2018, the Company recognized $1,720,012 and $1,779,371 in royalty and other related fee revenue, respectively.

Advertising Fees

The adoption of the new guidance changed the reporting of advertising fund contributions from franchisees and the related advertising fund expenditures, which were not previously included in the Statements of Income. The new guidance requires these advertising fund contributions and expenditures to be reported on a gross basis in the Statements of Income. The assets and liabilities held by the advertising funds, which were previously reported as restricted assets and liabilities of advertising funds, respectively, are now included within the respective Balance Sheet caption to which the assets and liabilities relate. Additionally, advertising costs that have been incurred by the Company outside of the advertising funds are also included within selling and marketing expenses in the Statements of Income.

NOTE 7 – LONG-TERM DEBT

Following is a summary of long-term debt at December 29, 2019 and December 30, 2018:

	2019	2018
Bank loan, secured by assets of the Company and by an affiliated entity, repayable in monthly installments of $8,213 at a fixed interest rate of 3.58% per annum, maturing August 2021.	$ 171,654	$ 250,149
Bank loan, secured by an automobile, repayable in monthly installments of $1,482 at a fixed interest rate of 9.15% per annum, maturing February 2021.	17,923	33,541
Bank loan, secured by an automobile, repayable in monthly installments of $1,393 at a fixed interest rate of 4.31% per annum, maturing July 2021.	26,857	42,074
Bank loan, secured by an automobile, repayable in monthly installments of $1,248 at a fixed interest rate of 0% per annum, maturing October 2021.	26,203	41,182
Bank loan, secured by an automobile, repayable in monthly installments of $894 at a fixed interest rate of 2.470% per annum, maturing August 2021.	16,649	26,831
	$ 259,286	$ 393,777
Less: Current portion of long-term debt	$ (164,623)	$ (138,199)
Long-term debt, net of current maturities	$ 94,663	$ 255,578

Following is a summary of principal maturities of long-term debt for each of the next five years and thereafter:

2020	$ 164,623
2021	94,663
2022	-
2023	-
2024	-
	$ 259,286

NOTE 8 – ACCRUED LIABILITIES

Following is a summary of accrued liabilities at December 29, 2019 and December 30, 2018:

	2019	2018
Accrued payroll expenses	$ 68,489	$ 67,432
Total accrued liabilities	$ 68,489	$ 67,432

NOTE 9 – EMPLOYEE BENEFIT PLAN

The Company has a 401(k) plan covering substantially all employees. The Company contributes 100% of the first 3% of employee compensation and 50% of the next 2% of employee compensation. Employer contributions for the fiscal years ended December 29, 2019 and December 30, 2018 were approximately $29,880 and $22,978, respectively, and are included in payroll and payroll taxes in the accompanying Statements of Income.

NOTE 10 - COMMITMENTS AND CONTINGENCIES

Legal Proceedings

The Company is involved in various legal matters arising in the ordinary course of business and accrues for such litigation and claims when payment is probable and reasonably estimable. Based on currently available information, including legal defenses available to the Company, the Company does not believe that the outcome of these legal matters will have a material or adverse effect on the Company's financial position, results of operations or cash flows.

Guarantees

In connection with financing arrangements entered into by certain companies which represent entities under common control, as co-borrowers, the Company is contingently liable to satisfy the claims of their creditor, a local financial institution, up to a maximum of $1,023,369, should these entities be unable to satisfy the financing arrangement. In the event the Company is required to fund amounts pursuant to the above arrangement, the Company may recover the amounts from the entities, although terms of such recovery may extend over several future periods. The guarantees expire starting in May 2020 and go through May 2022.

NOTE 11 – FAIR VALUE

Disclosure of fair value information about financial instruments, whether or not recognized in the balance sheets is required. Fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is best determined based upon quoted market prices. In cases where quoted market prices are not available, fair values are based on estimates using present value or other valuation techniques. Those techniques are significantly affected by the assumptions used, including the discount rate and estimates of future cash flows. Accordingly, the fair value estimates may not be realized in an immediate settlement of the instruments. Therefore, the aggregate fair value amounts presented do not represent the underlying value of the Company.

The recent fair value guidance provides a consistent definition of fair value, which focuses on exit price in an orderly transaction (that is, not a forced liquidation or distressed sale) between market participants at the measurement date under current market conditions. If there has been a significant decrease in the volume and level of activity for the asset or liability, a change in valuation technique or the use of multiple valuation techniques may be appropriate. In such instances, determining the price at which willing market participants would transact at the measurement date under current market conditions depends on the facts and circumstances and requires use of significant judgment. The fair value is a reasonable point within the range that is most representative of fair value under current market conditions. In accordance with this guidance, the Company groups its financial assets and financial liabilities generally measured at fair value in three levels:

Level 1 – Observable inputs such as quoted prices in active markets;

Level 2 – Inputs, other than the quoted prices in active markets that are observable either directly or indirectly; and

Level 3 – Unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions.

At December 29, 2019 and December 30, 2018, the Company did not have any financial assets or liabilities to value.

NOTE 12 – SUBSEQUENT EVENT

As a result of the spread of the COVID19 coronavirus, economic uncertainties have arisen which are likely to negatively impact revenues. Other financial impact could occur though such potential impact is unknown at this time.

Management has evaluated subsequent events through the date that the financial statements were available to be issued, April 30, 2020, and determined that there were no items for disclosure.

EXHIBIT G

WOW AMERICAN EATS OPERATIONS MANUAL – TABLE OF CONTENTS

SECTION	# OF PAGES
Welcome to WOW American Eats	4
Making Great Food	12
Page Total	**16**
Management Training Guide	
Introduction to Management Training	9
Managing Restaurant Operations	32
Managing Sanitation & Safety	8
Managing Exceptional Service	7
Managing Food & Labor Cost	8
Managing Reports & Documents	16
Managing Employee Selection	8
Managing Training & Development	7
Managing Employees	10
Restaurant Marketing	5
Leadership Skills	27
Certification	1
Page Total	**138**
Bartender/Server/Host Training Guide	
Introduction	6
Foodservice Sanitation	10
Restaurant Safety	4
Introduction to WOW AE Service	11
Tour of the restaurant	1
Bartender/Server/Host Job Description	3
Bartender/Server/Host Station Responsibilities	1
Menu Training	3
Customer Service	6
Restaurant Terminology	3
Suggestive Selling	3
Teamwork	2
Menu Training	1
Bartender/Server/Host Role Play	1
Serving Alcohol	8
POS Procedures	1
Mixing Specialty Drinks	1
Menu Training	1
Bartender/Server/Host Role Play	1
Sidework Duties	2
Alcohol Awareness	3

Presenting the Check	1
Final Check-out Procedures	1
Menu Training	1
WOW AE Phone Procedures	1
To-Go Service Standards	3
Menu Training	1
Seating Tables	1
Station Tips – Going Above & Beyond	1
Menu Training	1
Page Total	**83 (x3)**
Cook Training Guide	
Introduction	6
Foodservice Sanitation	10
Restaurant Safety	4
Introduction to WOW AE Service	11
Tour of the restaurant	1
Cook Job Description	3
Cook Station Responsibilities	1
Menu Training	3
Station Preparation	1
WOW AE Cook Terminology	5
Preparing a Prep List	2
Tips for Success	2
Station Observation	1
Menu Training	1
Checking in Orders	1
Food Storage & Rotation	2
Controlling Waste	2
Product Preparation	2
Safety Tips	5
Food Presentation	2
Menu Training	1
Sidework Duties	3
Teamwork	2
Menu Training	1
Page Total	**72**
Prep Cook Training Guide	
Introduction	6
Foodservice Sanitation	10
Restaurant Safety	4
Introduction to WOW AE Service	11
Tour of the restaurant	1
Prep Cook Job Description	3
Prep Cook Station Responsibilities	1
Menu Training	3

Station Preparation	1
Prep Cook Terminology	5
Prepping Standards	2
Tips for Success	2
Prep Cook Observation	1
Menu Training	1
Checking in Orders	1
Food Storage & Rotation	2
Controlling Waste	2
Product Preparation	2
Safety Tips	5
Food Presentation	2
Menu Training	1
Sidework Duties	3
Teamwork	2
Menu Training	1
Page Total	**72**
Grand Total Number of Pages	**547**

EXHIBIT H

STATE ADMINISTRATORS

CALIFORNIA: California Department of Business Oversight, at any of its offices. 1515 K Street, Suite 200, Sacramento, California 95814-4052, Phone: (916) 445-7205, (866) 275-2677

FLORIDA: Department of Agriculture and Consumer Services, Division of Consumer Services, City Centre Building, Suite 7200, 227 N. Bronough Street, Tallahassee, Florida 32301, Phone: (850) 410-3754

HAWAII: Hawaii Department of Commerce and Consumer Affairs, Business Registration Division, 335 Merchant St., Room 203, Honolulu, Hawaii 96813, Phone: (808) 586-2722

ILLINOIS: Illinois Attorney General's Office, Franchise Bureau, 500 South Second Street, Springfield, Illinois 62706, Phone: (217) 782-4465

INDIANA: Secretary of State, Franchise Section, 302 West Washington Street, Room E-111, Indianapolis, Indiana 46204, Phone: (317) 232-6681

MARYLAND: Office of the Attorney General, Securities Division, 200 St. Paul Place, Baltimore, Maryland 21202-2020, Phone: (410) 576-6368

MICHIGAN: Michigan Department of Attorney General, Consumer Protection Division, Franchise Section, 525 W. Ottawa St., 1st Floor, Lansing, Michigan 48913, Phone: (517) 373-7117

MINNESOTA: Securities Unit, Minnesota Department of Commerce, 85 7th Place East, Suite 500, St. Paul, Minnesota 55101-2198, Phone: (651) 539-1600

NEW YORK: NYS Department of Law, Investor Protection Bureau, 28 Liberty Street, 21st Floor, New York, New York 10005, Phone: (212) 416-8236

NORTH CAROLINA: Business Opportunities, Department of the Secretary of State, P.O. Box 29622, Raleigh, North Carolina 27626, Phone: (919) 807-2156

TEXAS: Secretary of State, Statutory Document Section, P.O. Box 12887, Austin, Texas 78711, Phone: (512) 475-1769

VIRGINIA: Virginia State Corporation Commission, Division of Securities and Retail Franchising, 1300 East Main Street, 9th Floor, Richmond, Virginia 23219, Phone: (804) 371-9051

WASHINGTON: State of Washington, Department of Financial Institutions, Securities Division, P.O. Box 9033, Olympia, Washington, 98501-9033 Phone: (360) 902-8760

WISCONSIN: Division of Securities, 345 W. Washington Avenue, 4th Floor, Madison, Wisconsin 53703, Phone: (608) 266-1064

EXHIBIT I

FRANCHISEE DISCLOSURE ACKNOWLEDGMENT STATEMENT

As you know, WOW Café & Wingery Franchising Account, LLC d/b/a WOW American Eats ("Franchisor", "WOW AE", "we", "us" or "our") and you are preparing to enter into a franchise agreement (the "Franchise Agreement") for the establishment and operation of a WOW AE franchise (the "Franchised Business"). The purpose of this Acknowledgement is to determine whether any statements or promises were made to you by employees or authorized representatives of the Franchisor, or by employees or authorized representatives of a broker acting on behalf of the Franchisor ("Broker") that have not been authorized, or that were not disclosed in the Disclosure Document or that may be untrue, inaccurate or misleading. The Franchisor, through the use of this document, desires to ascertain (a) that the undersigned, individually and as a representative of any legal entity established to acquire the franchise rights, fully understands and comprehends that the purchase of a franchise is a business decision, complete with its associated risks, and (b) that you are not relying upon any oral statement, representations, promises or assurances during the negotiations for the purchase of the franchise which have not been authorized by Franchisor.

Any acknowledgement or representations of the franchisee which disclaim the occurrence and/or acknowledge the non-occurrence of acts that would constitute a violation of the Franchise Law are not intended to nor shall they act as a release, estoppels or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

In the event that you are intending to purchase an existing Franchised Business from an existing Franchisee, you may have received information from the transferring Franchisee, who is not an employee or representative of the Franchisor. This Acknowledgement does not apply to any communications that you had with the transferring Franchisee. Please review each of the following statements carefully.

The undersigned acknowledges the following:

1. That you have you received and personally reviewed the Franchise Agreement, each addendum, and/or related agreement provided to you;

2. That you understand all of the information contained in the Franchise Agreement, each addendum, and/or related agreement provided to you;

3. That you have you received and personally reviewed the Franchisor's Disclosure Document, including all attached exhibits, that was provided to you;

4. That you understand all of the information contained in the Disclosure Document and any state-specific Addendum to the Disclosure Document;

5. That you have discussed the benefits and risks of establishing and operating a Franchised Business with an attorney, accountant, or other professional advisor or you have elected not to speak with any of the aforementioned individuals;

6. That you understand that the success or failure of your Franchised Business will depend in large part upon your skills and abilities, competition from other businesses, interest rates, inflation, labor and supply costs, location, lease terms, your management capabilities and other economic, and business factors;

7. That no employee of a Broker or other person speaking on behalf of the Franchisor have made any statement or promise concerning the actual or potential revenues, profits or operating costs of any particular Franchised Business operated by the Franchisor or its franchisees (or of any group of such businesses), that is contrary to or different from the information contained in the Disclosure Document;

8. That no employee of a Broker or other person speaking on behalf of the Franchisor have made any statement or promise regarding the amount of money you may earn in operating the franchised business that is contrary to or different from the information contained in the Disclosure Document;

9. That no employee of a Broker or other person speaking on behalf of the Franchisor have made any statement or promise regarding the amount of money you may earn in operating the franchised business that is contrary to or different from the information contained in the Disclosure Document;

10. That no employee of a Broker or other person speaking on behalf of the Franchisor have made any statement or promise concerning the total amount of revenue the Franchised Business will generate, that is contrary to or different from the information contained in the Disclosure Document;

11. That no employee of a Broker or other person speaking on behalf of the Franchisor have made any statement or promise regarding the costs you may incur in operating the Franchised Business that is contrary to or different from the information contained in the Disclosure Document;

12. That no employee of a Broker or other person speaking on behalf of the Franchisor have made any statement or promise concerning the likelihood of success that you should or might expect to achieve from operating a Franchised Business;

13. That no employee of a Broker or other person speaking on behalf of the Franchisor have made any statement, promise or agreement concerning the advertising, marketing, training, support service or assistance that the Franchisor will furnish to you that is contrary to, or different from, the information contained in the Disclosure Document or franchise agreement;

14. That no you have not entered into any binding agreement with the Franchisor concerning the purchase of this franchise prior to today and that you have not paid any money to the Franchisor concerning the purchase of this franchise prior to today;

Have you spoken to any other franchisee(s) of this system before deciding to purchase this franchise? If so, who?_____

You recognize and understand that business risks, which exist in connection with the purchase of any business, make the success or failure of the franchise subject to many variables, including among other things, your skills and abilities, the hours worked by you, competition, interest rates, the economy, inflation, franchise location, operation costs, lease terms and costs and the marketplace. You hereby acknowledge your awareness of and willingness to undertake these business risks.

You agree and state that the decision to enter into this business risk is in no manner predicated upon any oral representation, assurances, warranties, guarantees or promises made by Franchisor or any of its

officers, employees or agents (including the Broker or any other broker) as to the likelihood of success of the franchise. Except as contained in the Disclosure Document, you acknowledge that you have not received any information from the Franchisor or any of its officers, employees or agents (including the Broker or any other broker) concerning actual, projected or forecasted franchise sales, profits or earnings.

. You further acknowledge that the President of the United States of America has issued Executive Order 13224 (the "Executive Order") prohibiting transactions with terrorists and terrorist organizations and that the United States government has adopted, and in the future may adopt, other anti-terrorism measures (the "Anti-Terrorism Measures"). The Franchisor therefore requires certain certifications that the parties with whom it deals are not directly involved in terrorism. For that reason, you hereby certify that neither you nor any of your employees, agents or representatives, nor any other person or entity associated with you, is:

(i) a person or entity listed in the Annex to the Executive Order;

(ii) a person or entity otherwise determined by the Executive Order to have committed acts of terrorism or to pose a significant risk of committing acts of terrorism;

(iii) a person or entity who assists, sponsors, or supports terrorists or acts of terrorism; or

(iv) owned or controlled by terrorists or sponsors of terrorism.

You further covenant that neither you nor any of your employees, agents or representatives, nor any other person or entity associated with you, will during the term of the Franchise Agreement become a person or entity described above or otherwise become a target of any Anti-Terrorism Measure.

Franchisee:

_____
Name

_____
Title

_____
Date

EXHIBIT J

FRANCHISEES/LOCATIONS OF STORES

LIST OF EXISTING FRANCHISEES
As of January 1, 2022

State	City	Address	Active Owners	Phone	E-mail
AL	Birmingham	University of AL Birmingham 1000 14th St South	Sodexo	205-975-5914	Alan.Bergman@Sodexo.com
AL	Jacksonville	Jacksonville State 700 Pelham Rd. North	Sodexo	256-365-0117	saul.lomax@sodexo.com
AL	Huntsville	University of Alabama Huntsville 4750 Holmes Drive	Sodexo	256-824-3582	joe.fox@sodexo.com
AR	Little Rock	Univ. of Arkansas Little Rock 3101 S. Taylor Street	Sodexo	501-366-6286	Douglas.Britt@Sodexo.com
AZ	Prescott	Embry-Riddle Aeronautical Univ. 3700 Willow Creak Road	Sodexo	760-219-4751	julie.jensen@sodexo.com
CA	Camp Pendleton	Camp Pendleton Military Base West Mess 2204	Sodexo	760-575-700	terrance.mason@sodexo.com
CA	San Bernardino	CSU San Bernardino 5500 University Pkwy.	Sodexo	909-537-3540	dave.janosky@sodexo.com
CA	Walnut	Mt. San Antonio College 1100 N. Grand Ave.	Sodexo	951-488-4868	hector.castillo@sodexo.com
CA	San Marcos	CSU San Marcos 595 Campus View Drive	Sodexo	760-750-4764	donna.provost@sodexo.com
CO	Golden	Colorado School of Mines 1200 16th St.	Sodexo	303-384-2528	john.montano@sodexo.com
CT	West Haven	University of New Haven 300 Boston Post Road	Sodexo	203-479-4212	brittany.claiborne@sodexo.com
DC	Washington	Howard Univ. 2400 6th St. NW	Sodexo	202-617-4329	eric.brown@sodexo.com
GA	Augusta	Georgia Regents Univ. 1120 15th St.	Sodexo	706-830-3964	maureen.foster@sodexo.com
KY	Louisville	Bellarmine U. / 2001 Newburg Rd. Louisville, KY 40205	Sodexo	502-314-0280	Richard.Neuman@sodexo.com
KY	Frankfort	Kentucky State University 400 E Main Street	Sodexo	502-316-8516	Brian.Thompson@sodexo.com
LA	Chalmette	1720 East Judge Perez, Ste. C, Chalmette, LA 70043	Shane Songy & Shawn Breaud	504-271-8317	shane@wingery.com

LA	New Orleans	Tulane U. / 31 McAllister Dr. New Orleans, LA 70118	Sodexo	504-214-4937	jason.fibble@sodexo.com
LA	New Orleans	Tulane Univ. / Yulman Stadium / Audubon Boulevard	Sodexo	504-214-4937	jason.fibble@sodexo.com
LA	New Orleans	1415 Tulane Ave / Tulane Med Ctr. New Orleans, LA 70112	Cups and Mugs Kip Olsen	504-419-5019	dlentine@msginc.net
LA	Jefferson	Ochsner Hospital 1514 Jefferson Hwy	Morrisons	504-842-3425	kennynezat@iammorrison.com
LA	Shreveport	LSU Health & Medical School 1501 Kings Hwy	Sodexo	318-840-3778	james.galambos@sodexo.com
LA	Baton Rouge	Baton Rouge Regional Airport 9340 Jackie Cochran Drive	SSP America	504-352-5402	robert.cotton@ballardbrandsllc.com
LA	Covington	13130 LA-1085 Covington, LA 70433	WOW Copperstil	985-276-4978	scottc@ballardbrands.com
LA	New Orleans	Dillard University 2601 Gentilly Blvd. New Orleans, LA 70122	Sodexo	504-283-8822	kimberly.rosenmeier@sodexo.com
MD	Baltimore	Greater Baltimore Medical Center / 6701 N. Charles Street	Sodexo		Kelly.Bechtel@Sodexo.com
MI	Adrian	Adrian College 110 S. Madison St.	Sodexo	517-265-5161	tim.mclaughlin@sodexo.com
MN	Moorhead	Minnesota State University Moorhead / 1104 7th Ave South	Sodexo	218-979-9332	wade.eddy@sodexo.com
MO	St. Louis	Webster University / St. Louis, Missouri 63119	Sodexo	314-575-0925	brad.woodroffe@sodexo.com
MO	St. Louis	Univ. of Missouri St. Louis 1 University Blvd.	Sodexo	314-516-7365	antonio.mancarella@sodexo.com
MS	Lorman	Alcorn State University 1000 Asu Drive, Lorman, MS 39096	Sodexo	504-415-9626	kimberly.rosenmeier@sodexo.com
NC	Boiling Springs	Gardner Webb Univ. 110 S. Main St.	Sodexo	803-553-9995	william.weeks@sodexo.com
NC	Wesleyan	NC Wesleyan College 3400 N Wesleyan Blvd.	Sodexo	949-350-2064	armando.chacon@sodexo.com
NM	Portales	ENMU University Station 51 1500 S. Ave.	Sodexo	505-562-2110	Dustin.davis@enmu.edu
NY	Platz	SUNY New Platz 1 Hawk Drive, New Platz, NY 12561	Sodexo	845-257-7869	kimberly.rosenmeier@sodexo.com
OH	Wilberforce	Central State University 1400 Brush Row Road	Sodexo	937-376-6020	jeff.ervin@sodexo.com
OH	Ada	Ohio Northern Univ. 525 S. Main Street	Sodexo	304-590-3093	Dwight.Blankenship@Sodexo.com

OK	Tahlequah	Northeast State U. 600 N. Grand	Sodexo	918-456-5511	Mark.Graver@sodexo.com
SC	Orangeburg	South Carolina State 300 College St NE	Sodexo	803-536-8467	arthur.pinckney@sodexo.com
SC	Hartsville	Coker College 300 East College Ave.	Sodexo	920-369-6387	rick.gant@sodexo.com
SC	Spartanburg	University of South Carolina Upstate 800 University Way	Sodexo	864-503-5515	Jim.Shecter@sodexo.com
TX	El Paso	UTEP 500 W University Ave.	Sodexo	915-202-8316	Dwayne.Wisniewski@sodexo.com
TX	Sequine	Texas Lutheran Univ. 1000 West Court St.	Sodexo	830-372-8176	christopher.wright@sodexo.com
VA	Emory	Emory & Henry Univ. 1 Garnard Dr.	Sodexo	276-944-6586	treva.watson@sodexo.com
VA	Springfield	NGA 2700 Geoint Drive	Sodexo	703-913-5446	tiffany.sims@sodexo.com
WI	Kenisha	Carthage College 2001 Alford Park Dr.	Sodexo	262-515-1816	brian.smoko@sodexo.com
WI	Milwaukee	Marquette Univ. 804 N. 16th St.	Sodexo	414-750-2541	joseph.maiorelle@mu.edu
WV	West Liberty	West Liberty University 208 University Dr.	Sodexo	724-678-2422	Douglas.Orr@Sodexo.com

LIST OF FRANCHISEES WHO SIGNED A FRANCHISE AGREEMENT BUT WHO HAVE NOT YET OPENED AN OUTLET

As of January 1, 2022

State	City	Address	Franchisee	Phone	E-mail
IA	(Outlet Not Yet Opened)	403 Eastview Rd. Marshalltown, IA 50158	Kevin Vaughn	641-753-6280	
LA	(Outlet Not Yet Opened)	3421 N. Causeway Blvd., Ste. 301 Metairie, LA 70002	Bay-WOW Franchise 2	504-655-9410	

LIST OF FRANCHISEES WHO HAVE LEFT THE SYSTEM

As of January 1, 2022

State	City	Address	Exited Franchisee	Phone	E-mail
CA	Seaside	CSU Montery Bay 100 Campus Ctr. Bldg 14	Sodexo	931-582-5007	jeffrey.shaffer@sodexo.com
MA	Dudley	Nichols College 124 Center Rd.	Sodexo	508-213-2251	josh.fasano@nichols.edu
NY	Albany	University of Albany 1400 Washington Ave.	Sodexo	518-810-7648	Jeff.Kurto@Sodexo.com
NY	West Babylon	753 Sunrise Hwy., West Babylon, NY 11704	Vable, LLC	917-900-6973	zhuyi0908@gmail.com

EXHIBIT K

GENERAL RELEASE AGREEMENT

This General Release is entered into this _____ day of _____, 20____ by and between WOW Café & Wingery Franchising Account, L.L.C., a Louisiana limited liability company, located at: 4480 LA-22, Suite 2, Mandeville, Louisiana 70471 ("Franchisor"), and _____, a _____ ("Franchisee"), pursuant to the Franchise Agreement dated _____ between such parties.

Franchisee hereby acquits, releases, exonerates, covenants not to sue, and forever discharges Franchisor of and from any and all past, present, and future claims, demands, losses, causes of action, damages, costs, rights of reimbursement, loss of earnings, loss of services, and compensation whatsoever, which Franchisee now has or may hereinafter accrue on account of or in any way growing out of the Franchise Agreement or any association, relationship or rights relating thereto of resulting therefrom.

This General Release also applies to, and shall inure to the benefit of, Franchisor's past, present, and future directors, officers, shareholders, parent companies, agents, servants, employees, insurers, subcontractors, subsidiaries, affiliates, partners, predecessors, successors, assigns, heirs, executors, administrators, attorneys, and all other firms or corporations which any of the former have been, are now or may hereafter be affiliated. This General Release is also binding upon Franchisee's respective heirs, executors, administrators, successors, assigns, and subrogees.

Franchisee agrees to assume full and sole responsibility for the payment and satisfaction of any and all past, present, and future claims, liens and subrogation rights made or asserted by any third party (including, but not limited to, governmental agencies). Franchisee further agrees to indemnify, protect, defend, and save harmless Franchisor from all claims, liens and subrogation rights made or asserted by any third party. It is Franchisee's express intent that this General Release completely releases and discharges Franchisor from all liability in connection with or arising out of the Franchise Agreement or any association, relationship or rights relating thereto or resulting therefrom, including, but not limited to, liability to any person, entity, or party for contribution, indemnity, or subrogation.

Franchisee represents and warrants that no other person or entity has, or has had, an interest in any claim Franchisee may have against Franchisor, other than those specifically identified and released herein, and that no other relative(s) of Franchisee is entitled to recovery against Franchisor under any theory of recovery.

{Signatures begin on next page}

FRANCHISEE(S):

By: _____

Date: _____

By: _____

Date: _____

FRANCHISOR:
WOW CAFÉ & WINGERY FRANCHSING ACCOUNT, LLC

By: _____

Name: _____

Title: _____

Date:_____

EXHIBIT L

WOW AMERICAN EATS CONTINGENT ASSIGNMENT OF LEASE

This Contingent Assignment of Lease ("Agreement") is made and entered into as of the date set forth below by and among the following parties:

LESSOR:_____ LESSEE: _____

_____ _____

_____ _____

FRANCHISOR: WOW Café & Wingery Franchising Account, L.L.C. d/b/a
WOW American Eats ("WOW AE")
4480 LA-22, Suite 2
Mandeville, Louisiana 70433

RECITALS

WHEREAS, under the terms of the lease agreement entered into or intended to be entered into between Lessor and Lessee, ("Lease Agreement"), Lessor has agreed to lease to Lessee certain premises (the "Premises") and Wow AE has accepted the Premises as a suitable location for Lessee's WOW AE Unit, subject to the terms and conditions set forth herein, located at the following street address:

_____

_____

NOW, THEREFORE, in consideration of the mutual covenants herein contained and other good and valuable consideration, including the acceptance by WOW AE of the Premises as a location for a WOW AE Unit, the parties hereby agree as follows:

1. Notices. Lessor agrees to furnish WOW AE with copies of any and all letters and notices to Lessee pertaining to any default by Lessee under the Lease at the same time and in the same manner as any such notice is sent to Lessee. Lessee agrees to furnish WOW AE prompt written notice of any and all amendments, waivers, extensions, renewals or other modifications to the Lease. All notices hereunder shall be mailed or delivered to the addresses set forth above, unless changed from time to time by any party through written notice mailed or delivered to the other parties.

2. Assignment. In the event of termination or expiration of the Franchise Agreement or Lessee's default under the Lease, Lessee shall, at WOW Café's option, assign to WOW AE any and all interest of Lessee in the Lease, including any rights to renew the Lease or to sublease the Premises; and Lessor hereby consents to such assignment, subject to the following conditions:

(a) WOW Café shall notify Lessee and Lessor in writing (the "Election Notice") within thirty-five (35) days after termination or expiration of the Franchise Agreement, or WOW AE's receipt of any notice of default by Lessee under the Lease, if WOW AE elects to accept assignment of the Lease. Upon receipt of an Election Notice by Lessee and Lessor, WOW AE shall have the right as between Lessee and WOW AE to the Premises. Upon receipt of an Election Notice by Lessee from WOW AE, Lessee hereby grants, assigns, transfers and sets over to WOW AE all rights, title and interest in and to the Lease Agreement and the Premises leased thereunder and hereby abandons any existing leasehold improvements. WOW Café's failure to accept assignment of the Lease upon any default of Lessee under the Lease which has been

subsequently cured by Lessee shall not be deemed a waiver of WOW Café's future right to accept such assignment in the event of any future default of Lessee;

(b) Lessee agrees to take any and all actions necessary under the Lease Agreement to effectuate assignment of the Lease Agreement to WOW AE;

(c) Lessor agrees to the assignment of the Lease Agreement from Lessee to WOW AE upon Lessor's receipt of an Election Notice and agrees to take any and all present and/or future action reasonably necessary to assist WOW AE, when and as requested, in effecting the assignment of the lease to WOW AE; provided, however, that Lessor shall not be required to bear any expense thereof;

(d) If WOW AE elects to accept assignment of the Lease, WOW AE shall take possession of the Premises as soon as reasonably possible, but no later than thirty (30) days after receipt of the Election Notice by Lessor, and WOW AE shall commence payment of rent and other customary and reasonable charges under the Lease as of the date of receipt of the Election Notice by Lessor;

(e) If WOW Café elects to accept assignment of the Lease, it shall commence payment of rent and any other charges due under the Lease retroactive to date of the giving of election notice. If, at the time Landlord receives the election notice hereunder, there are any past due rents or other charges under the Lease, WOW Café shall only be obliged to pay to Landlord the sum of one (1) months rent and other charges in order to accept assignment of the Lease. Upon accepting same, Landlord shall be estopped and precluded from holding WOW Café responsible for any past defaults of Tenant under the lease that predate Landlord's receipt of the election notice pursuant to this contingent assignment.

(f) Nothing herein shall affect Lessor's right to require Lessee to remain liable as a guarantor for the remaining term of the Lease, to recover from Lessee any and all amounts due under the Lease or to exercise any rights of Lessor against Lessee as provided under the Lease.

3. Assignment to Third Party. At any time after receipt of the Election Notice by Lessor, WOW AE may request to assign its lease, or sublease the Premises, to a third party franchisee of WOW AE for the purpose of continuing to operate the WOW AE business at the Premises. Lessor agrees not to unreasonably withhold its consent to any such assignment or sublease and any such request shall be in accordance with the terms of the lease relating to assignment/sublease.

4. Entry by WOW AE. Lessee acknowledges that Lessee has agreed under the Franchise Agreement that WOW AE and its employees or agents shall have the right to enter the WOW AE Unit operated by Lessee at the Premises at any reasonable time for the purpose of conducting inspections, protecting WOW Café's proprietary marks, and correcting deficiencies of Lessee. Lessor and Lessee hereby agree not to interfere with or prevent such entry by WOW AE, its employees or agents.

5. De-Identification. Lessee acknowledges that in the event the Franchise Agreement expires or is terminated, Lessee is obligated under the Franchise Agreement to take certain steps to de-identify the location as a WOW Café Unit operated by Lessee. Lessor agrees to cooperate with WOW AE in allowing WOW AE to de-identify the Premises, including allowing WOW AE, its employees and agents to enter and remove signs, decor and materials bearing or displaying any marks, designs or logos of WOW AE; provided, however, that Lessor shall not be required to bear any expense thereof. Lessee agrees that if Lessee fails to de-identify the Premises promptly upon termination or expiration as required under the Franchise Agreement, WOW AE may cause all required de-identification to be completed at Lessee's expense.

6. General Provisions.

(a) This Agreement shall run with the land and be binding upon the parties hereto and their successors, assigns, heirs, executors, and administrators. The rights and obligations herein contained shall continue notwithstanding changes in the persons or entities that may hold any leasehold or ownership in the land or building. Any party hereto may record this agreement or a memorandum hereof.

(b) Any party hereto may seek equitable relief, including without limitation injunctive relief or specific performance, for actual or threatened violation or non-performance of this Agreement by any other party. Such remedies shall be in addition to all other rights provided for under law or other agreements between any of the parties. The prevailing party in any action shall be entitled to recover its legal fees together with court costs and expenses of litigation.

(c) This Agreement is directed to a specific Lease Agreement set forth herein but the Lessee, Lessor and WOW AE agree that this Agreement is applicable to any extensions, renewals or other options of Lessee with respect to the Lease Agreement and the Premises, as well as being applicable to any subsequent lease agreements between Lessee and Lessor concerning the WOW AE Unit with respect to the Premises.

(d) Nothing contained in this Agreement shall affect any term or condition in the Franchise Agreement between Lessee and WOW AE. Nothing herein shall be deemed to constitute a guaranty or endorsement by WOW AE of the terms and conditions of the Lease between Lessor and Lessee. In the event that WOW AE, in its sole discretion, determines not to accept assignment of the Lease as permitted hereunder, neither Lessor nor Lessee shall have any claims against WOW AE. No terms or conditions contained in the Lease shall be binding on WOW Café unless and until it elects to accept assignment of the Lease hereunder.

(e) In the event that the terms and conditions of this Agreement conflict with those terms and conditions set forth in the Lease between Lessor and Lessee, this Agreement shall prevail.

SIGNATURES TO FOLLOW ON NEXT PAGE

LESSOR:

BY:_____
Print Name:_____
Date:_____

LESSEE:

BY:_____
Print Name:_____
Date:_____

FRANCHISOR:
WOW Café & Wingery Franchising
Account, L.L.C.

BY:_____
Print Name:_____
Date:_____

EXHIBIT M

WOW CAFÉ & WINGERY FRANCHISING ACCOUNT, LLC
FRANCHISE DISCLOSURE DOCUMENT
STATE SPECIFIC ADDENDA

WOW CAFÉ & WINGERY FRANCHISING ACCOUNT, LLC
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
CONTAINING ADDITONAL INFORMATION
REQUIRED BY THE STATE OF CALIFORNIA

WOW CAFÉ & WINGERY FRANCHISING ACCOUNT, LLC
FRANCHISE DISCLOSURE DOCUMENT ("FDD")
CONTAINS INFORMATION REQUIRED BY BOTH THE FEDERAL TRADE COMMISSION AND THE STATE OF CALIFORNIA.
THIS ADDENDUM TO THE FDD CONTAINS INFORMATION REQUIRED EXCLUSIVELY BY THE STATE OF CALIFORNIA AND IS BEING PROVIDED TO YOU AT THE SAME TIME AS THE FDD.

*****

THE INFORMATION CONTAINED HEREIN MUST BE REVIEWED IN CONJUNCTION WITH THE FDD

WOW CAFÉ & WINGERY FRANCHISING ACCOUNT, LLC
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF CALIFORNIA

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1. ADDENDUM TO WOW CAFÉ & WINGERY FRANCHISING ACCOUNT, LLC FRANCHISE DISCLOSURE DOCUMENT REQUIRED BY THE STATE OF CALIFORNIA

ADDENDUM TO WOW CAFÉ & WINGERY FRANCHISING ACCOUNT, LLC
FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF CALIFORNIA

In recognition of the requirements of the California Franchise Investment Law, Cal. Corporations Code Sections 31000 et seq. the Franchise Disclosure Document for WOW Café & Wingery Franchising Account, LLC for use in the State of California shall be amended as follows:

SECTION 31125 OF THE CALIFORNIA CORPORATION CODE REQUIRES THE FRANCHISOR TO GIVE THE FRANCHISEE A DISCLOSURE DOCUMENT, IN A FORM AND CONTAINING SUCH INFORMATION AS THE COMMISSIONER MAY BY RULE OR ORDER REQUIRE, PRIOR TO A SOLICITATION OF A PROPOSED MATERIAL MODIFICATION OF AN EXISTING FRANCHISE.

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.

See the cover page of the Disclosure Document for our URL address. FRANCHISOR'S WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT AT WWW.DBO.CA.GOV.

Item 3 of the FDD is supplemented to include the following:

> Neither the franchisor, any person or franchise broker in Item 2 of the FDD is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 8.78(a) et seq., suspending or expelling such persons from membership in such association or exchange.

Item 17 of the FDD shall be supplemented to include the following:

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

The Franchise Agreement requires application of the laws and forum of Louisiana. These provisions may not be enforceable under California law.

California Corporations Code, Section 31125 requires us to give you a Disclosure Document, approved by the Department of Business Oversight prior to a solicitation of a proposed material modification of an existing franchise.

California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning termination or non-renewal of a franchise. If the franchise agreement contains a provision that is inconsistent with California law, California law will control.

The franchise agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages are unenforceable.

The franchise agreement requires binding arbitration to occur at American Arbitration Association's office in New Orleans, Louisiana, with each party bearing its own costs (including, but not limited to, attorney's fees, expert witness fees, and other costs incurred in connection with arbitration). Prospective franchisees are encouraged to consult with 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 provisions of a Franchise Agreement restricting venue to a forum outside the State of California.

Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

If the franchise agreement requires waiver of compliance with California franchise law, that provision is void.

The franchise agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A Sec. 101 *et seq*.).

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.

WOW CAFÉ & WINGERY FRANCHISING ACCOUNT, LLC
ADDENDUM TO THE FDD AND FRANCHISE AGREEMENT
CONTAINING ADDITIONAL INFORMATION
REQUIRED BY THE STATE OF ILLINOIS

WOW CAFÉ & WINGERY FRANCHISING ACCOUNT, LLC
FRANCHISE DISCLOSURE DOCUMENT ("FDD")
CONTAINS INFORMATION REQUIRED BY BOTH THE FEDERAL TRADE COMMISSION AND THE STATE OF ILLINOIS.
THIS ADDENDUM TO THE FDD AND FRANCHISE AGREEMENT CONTAINS INFORMATION
REQUIRED EXCLUSIVELY BY THE STATE OF ILLINOIS
AND IS BEING PROVIDED TO YOU AT THE SAME TIME AS THE FDD.

*****

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WOW CAFÉ & WINGERY FRANCHISING ACCOUNT, LLC
ADDENDUM TO FDD AND FRANCHISE AGREEMENT
REQUIRED BY THE STATE OF ILLINOIS

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1. ADDENDUM TO WOW CAFÉ & WINGERY FRANCHISING ACCOUNT, LLC FDD AND FRANCHISE AGREEMENT REQUIRED BY THE STATE OF ILLINOIS

ILLINOIS ADDENDUM TO THE FDD AND FRANCHISE AGREEMENT

Illinois law governs the Franchise Agreement(s).

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 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.

Franchisor: WOW Café and Wingery Franchising Account, L.L.C.

By: _____
Print Name: _____
Title: _____
Date: _____

Franchisee:

By: _____
Print Name: _____
Title: _____
Date: _____

WOW CAFÉ & WINGERY FRANCHISING ACCOUNT, LLC
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
CONTAINING ADDITIONAL INFORMATION
REQUIRED BY THE STATE OF INDIANA

WOW CAFÉ & WINGERY FRANCHISING ACCOUNT, LLC
FRANCHISE DISCLOSURE DOCUMENT ("FDD")
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WOW CAFÉ & WINGERY FRANCHISING ACCOUNT, LLC
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF INDIANA

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1. ADDENDUM TO WOW CAFÉ & WINGERY FRANCHISING ACCOUNT, LLC FRANCHISE DISCLOSURE DOCUMENT REQUIRED BY THE STATE OF INDIANA

ADDENDUM TO WOW CAFÉ & WINGERY FRANCHISING ACCOUNT, LLC
FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF INDIANA

For franchises and franchisees subject to the Indiana Franchise Disclosure Law and the Indiana Deceptive Franchise Practices Law, the following information supersedes or supplements, as the case may be, the corresponding disclosures in the main body of the text of the WOW Café & Wingery Franchising Account, LLC Franchise Disclosure Document ("FDD").

Item 8. Item 8 of the FDD is amended to include the following disclosure:

The Indiana Deceptive Franchise Practices Law Ind. Code §23-2-2.7-1(4) prohibits provisions in a franchise agreement subject to Indiana Law which allow the franchisor to obtain money, goods, services, or any other benefit from any other with whom the franchisee dos business, on account of, or in relation to, the transaction between the franchisee and the other person, other than for compensation for services rendered by the franchisor, unless the benefit is promptly accounted for, and transmitted to the franchisee. To the extent that any provision of the Franchise Agreement conflicts with Indiana Law, Indiana Law will control.

The Indiana Deceptive Franchise Practices Law ("Law"), Ind. Code §23-2-2.7-2(6) makes its unlawful for any franchisor to obtain money, goods, services, or any other benefit for any other person with whom the franchisee does business, on account of, or in relation to, the transaction between the franchisee and the other person, other than compensation for services rendered by the franchisor, unless the benefit is promptly accounted for, and transmitted to the franchisee. To the extent that any of WOW Café & Wingery Franchising Account, LLC's business practices conflicts with Indiana Law, Indiana Law will control.

Item 12. Item 12 of the disclosure document is amended to include the following disclosure:

Ind. Code §23-2-2.7-1(2) prohibits any provision in the Agreement which allows WOW Café & Wingery Franchising Account, LLC to establish a franchisor-owned outlet engaged in a substantially identical business to that of the franchised business within the exclusive territory. Ind. Code §23-2-2.7-2(4) prohibits any franchisor who has entered into any franchise agreement with a franchisee who is either a resident of Indiana or a nonresident operating a franchise in Indiana from establishing a franchisor-owned outlet engaged in a substantially identical business to that of the franchised business within the territory. To the extent that any provision of the Franchise Agreement or WOW Café & Wingery Franchising Account, LLC's business practices conflict with Indiana law, Indiana law will control.

Item 17. Item 17 of the disclosure document is amended to include the following disclosure:

Indiana prohibits the franchisor from requiring its franchisees to prospectively assent to a release, assignment, novation, waiver, or estoppels which purports to relieve any person from liability.
To the extent that you are required to execute a release in favor of WOW Café & Wingery Franchising Account, LLC, such release shall exclude liabilities arising under the Indiana Deceptive Franchise Practices Law, Ind. Code §23-2-2.7-1.

Ind. Code §23-2-2.7-2(3) makes it unlawful for a franchisor to deny the surviving spouse, heirs, or estate of a deceased franchisee the opportunity to participate in ownership of the franchise under a valid franchise agreement for a reasonable time after the death of the franchisee, provided that the surviving spouse, heirs or estate maintains all standards and obligations of the franchise. To the

extent that the Franchise Agreement requires a surviving spouse, heirs, or an estate representative to assume liability under the Franchise Agreement and to complete training, the Franchise Agreement has been amended in accordance with Indiana law to provide that all such conditions must be met within 6 months of the franchisee's date of death.

Ind. Code §23-2-2.7-1(10) prohibits any provision in the Agreement which limits litigation brought for breach of the Franchise Agreement in any manner whatsoever. To the extent that any provision of the Franchise Agreement conflicts with Indiana law, Indiana law will control.

The choice of law provision contained in the Franchise Agreement should not be considered a waiver of any right conferred upon you by the provisions of the Indiana Franchise Disclosure Law or the Indiana Deceptive Franchise Practices law with respect to the offer and sale of a franchise and the franchise relationship. Notwithstanding anything in this Agreement to the contrary, the Franchise Agreement shall be governed by the Indiana Franchise Disclosure Law Ind. Code §23-2-2.5 and the Indiana Deceptive Franchise Practices Law Ind. Code §23-2-2.7.

Indiana franchisees are allowed access to Indiana courts. Any provision in the Franchise Agreement which designates jurisdiction or venue or requires the franchisee to agree to jurisdiction or venue in a forum outside of Indiana with respect to any matter governed by the Indiana Deceptive Franchise Practices Law and Indiana Franchise Disclosure Law is void.

The post term covenant not to compete is limited to your non-exclusive area under the Franchise Agreement pursuant to Ind. Code §23-2-2.7-1(9).

WOW CAFÉ & WINGERY FRANCHISING ACCOUNT, LLC
AMENDMENT TO FRANCHISE AGREEMENT AND
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
CONTAINING ADDITIONAL INFORMATION
REQUIRED BY THE STATE OF MARYLAND

WOW CAFÉ & WINGERY FRANCHISING ACCOUNT, LLC
FRANCHISE DISCLOSURE DOCUMENT ("FDD")
CONTAINS INFORMATION REQUIRED BY BOTH THE FEDERAL TRADE COMMISSION AND THE STATE OF MARYLAND.
THIS ADDENDUM TO THE FDD CONTAINS INFORMATION REQUIRED EXCLUSIVELY BY THE STATE OF MARYLAND AND IS BEING PROVIDED TO YOU AT THE SAME TIME AS THE FDD.

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THE INFORMATION CONTAINED HEREIN MUST BE REVIEWED IN CONJUNCTION WITH THE FDD

WOW CAFÉ & WINGERY FRANCHISING ACCOUNT, LLC
AMENDMENT TO FRANCHISE AGREEMENT AND
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF MARYLAND

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1. AMENDMENT TO WOW CAFÉ & WINGERY FRANCHISING ACCOUNT, LLC FRANCHISE AGREEMENT REQUIRED BY THE STATE OF MARYLAND

2. ADDENDUM TO WOW CAFÉ & WINGERY FRANCHISING ACCOUNT, LLC FRANCHISE DISCLOSURE DOCUMENT REQUIRED BY THE STATE OF MARYLAND

AMENDMENT TO
WOW CAFÉ & WINGERY FRANCHISING ACCOUNT, LLC FRANCHISE AGREEMENT
REQUIRED BY THE STATE OF MARYLAND

This Amendment shall apply to residents of this State and franchises to be located in the State of Maryland and shall be for the purpose of complying with Maryland statutes and regulations. Notwithstanding anything which may be contained in the body of the Franchise Agreement to the contrary, the Franchise Agreement shall be amended as follows:

1. Franchisor has obtained a Franchisor Surety Bond with the Gray Casualty & Surety Company. The Franchisor Surety Bond shall remain in full force and effect until any franchisees signed are opened.

2. Any general release required as a condition of renewal, sale, assignment and/or transfer shall not apply to any release from liability under the Maryland Franchise Registration and Disclosure Law. Article 13 of the Franchise Agreement is amended accordingly.

3. Any provision in the Franchise Agreement which terminates the Franchise Agreement upon the bankruptcy of the franchisee may not be enforceable under Title 11, United States Code Section 101.

4. A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

5. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three (3) years after the grant of the franchise.

6. All representations requiring prospective franchisees 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.

Franchisor:
WOW Café & Wingery Franchising Account, L.L.C.

By:_____
Print Name:_____
Title: _____
Date: _____

Franchisee:

By:_____
Print Name:_____
Title: _____
Date: _____

ADDENDUM TO WOW CAFÉ & WINGERY FRANCHISING ACCOUNT, LLC
FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF MARYLAND

This Addendum shall apply to residents of this State and franchises to be located in the State of Maryland. For franchises and franchisees subject to the Maryland Franchise Registration and Disclosure Law, the following information replaces or supplements, as the case may be, the corresponding disclosures in the main body of the text of the WOW Café & Wingery Franchising Account, LLC Franchise Disclosure Document:

Item 5.

Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, we secured a Surety Bond in the amount of $65,000 from Gray Casualty & Surety Company. A copy of the bond is on file at Maryland's State authority in the Office of the Attorney General, Securities Division, 200 St. Paul Place, Baltimore, Maryland 21202. Also a copy is attached as Exhibit A.

Item 17.

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

Termination of the franchise agreement upon bankruptcy of the franchisee may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101 *et seq*.).

A franchisee may bring a lawsuit in Maryland for claims under the Maryland Franchise Registration and Disclosure Law.

Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three (3) years after the grant of the franchise.

All representations requiring prospective franchisees 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. The franchisee disclosure acknowledgement statement is hereby amended.

WOW CAFÉ & WINGERY FRANCHISING ACCOUNT, LLC
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
CONTAINING ADDITIONAL INFORMATION
REQUIRED BY THE STATE OF MICHIGAN

WOW CAFÉ & WINGERY FRANCHISING ACCOUNT, LLC
FRANCHISE DISCLOSURE DOCUMENT ("FDD")
CONTAINS INFORMATION REQUIRED BY BOTH THE FEDERAL TRADE COMMISSION AND THE STATE OF MICHIGAN.
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WOW CAFÉ & WINGERY FRANCHISING ACCOUNT, LLC
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF MICHIGAN

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1. NOTICE REQUIRED BY THE STATE OF MICHIGAN

MICHIGAN DISCLOSURE NOTICE PURSUANT TO MCL 445.1508

The State of Michigan prohibits certain unfair provisions that are sometimes in franchise documents. If any of the following provisions are in the franchise documents, the provisions are void and cannot be enforced against you.

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

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

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

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

(d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) the term of the franchise is less than 5 years and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise.

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

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

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

(i) The failure of the proposed transferee to meet the franchisor's then current reasonable qualifications or standards.

(ii) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor.

(iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.

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

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

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

The fact that the Notice of Intent is on file with the attorney general in Michigan does not constitute approval, recommendation, or endorsement by the attorney general of the franchise offering.

Any questions regarding this notice should be directed to:

Michigan Department of the Attorney General
G. Mennen Williams Building, 7th Floor
525 W. Ottawa St.
P.O. Box 30212
Lansing, MI 48909
Telephone: (517) 373-1110

WOW CAFÉ & WINGERY FRANCHISING ACCOUNT, LLC
AMENDMENT TO FRANCHISE AGREEMENT AND
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
CONTAINING ADDITIONAL INFORMATION
REQUIRED BY THE STATE OF MINNESOTA

WOW CAFÉ & WINGERY FRANCHISING ACCOUNT, LLC
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WOW CAFÉ & WINGERY FRANCHISING ACCOUNT, LLC
AMENDMENT TO FRANCHISE AGREEMENT AND
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF MINNESOTA

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ADMENDMENT TO
WOW CAFÉ & WINGERY FRANCHISING ACCOUNT, LLC FRANCHISE AGREEMENT
REQUIRED BY THE STATE OF MINNESOTA

This Amendment shall pertain to those franchises sold in the State of Minnesota and shall be for the purpose of complying with Minnesota statutes and regulations. Notwithstanding anything which may be contained in the body of the Franchise Agreement to the contrary, the Franchise Agreement shall be amended as follows.

The Minnesota Department of Commerce requires that we indemnify Minnesota franchisees against liability to third parties resulting from claims by third parties that their use of our Marks infringes upon the trademark rights of the third party. We will not indemnify any franchisee against the consequences of their use of our Marks except in accordance with the requirements of the Franchise Agreement, and as the condition to an indemnification, the franchisee must provide notice to us of any such claim immediately and tender the defense of the claim to us. If we accept tender of defense, we have the right to manage the defense of the claim, including the right to compromise, settle or otherwise resolve the claim, or to determine whether to appeal a final determination of the claim.

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

With respect to franchises governed by Minnesota law, WOW Café & Wingery Franchising Account, LLC will comply with Minnesota Statute Section 80C.14. Subd. 3 – 5, which requires (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.

Minnesota Rule 2860.4400D prohibits us from requiring you to assent to a release, assignment, novation, or waiver that would relieve any person from liability imposed by Minnesota Statute §§ 80C.01 - 80C.22.

Minnesota Rule 2860.4400J, among other things, prohibits us from requiring you to waive your rights to a jury trial or to consent to liquidated damages, termination penalties, or judgment notes.

_____	_____
Franchisee's Initials	Franchisor's Initials
Date: _____	Date: _____

ADDENDUM TO WOW CAFÉ & WINGERY FRANCHISING ACCOUNT, LLC
FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF MINNESOTA

For franchises and franchisees subject to the Minnesota Franchise Act, the following information supersedes or supplements, as the case may be, the corresponding disclosures in the main body of the text of the WOW Café & Wingery Franchising Account, LLC Franchise Disclosure Document.

Item 13

The Minnesota Department of Commerce requires that we indemnify Minnesota franchisees against liability to third parties resulting from claims by third parties that their use of our Marks infringes upon the trademark rights of the third party. We will not indemnify any franchisee against the consequences of their use of our Marks except in accordance with the requirements of the Franchise Agreement, and as the condition to an indemnification, the franchisee must provide notice to us of any such claim immediately and tender the defense of the claim to us. If we accept tender of defense, we have the right to manage the defense of the claim, including the right to compromise, settle or otherwise resolve the claim, or to determine whether to appeal a final determination of the claim.

Item 17

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

With respect to franchises governed by Minnesota law, WOW Café & Wingery Franchising Account, LLC will comply with Minnesota Statute Section 80C.14. Subd. 3 – 5, which requires (except in certain specified cases) (1) that a franchisee be given 90 days' notice of termination (within 60 days to cure) and 180 days' notice for non-renewal of the Franchise Agreement.

Minnesota Rules 2860.4400(D) prohibits us from requiring you to assent to a general release assignment, novation, or waiver that would relieve any person from liability imposed by Minnesota Statute §§ 80C.01 - 80C.22.

Minnesota Rule 2860.4400J, among other things, prohibits us from requiring you to waive your rights to a jury trial or to consent to liquidated damages, termination penalties, or judgment notes.

WOW CAFÉ & WINGERY FRANCHISING ACCOUNT, LLC
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
CONTAINING ADDITIONAL INFORMATION
REQUIRED BY THE STATE OF NEW YORK

WOW CAFÉ & WINGERY FRANCHISING ACCOUNT, LLC
FRANCHISE DISCLOSURE DOCUMENT ("FDD")
CONTAINS INFORMATION REQUIRED BY BOTH THE FEDERAL TRADE COMMISSION AND THE STATE OF NEW YORK.
THIS ADDENDUM TO THE FDD CONTAINS INFORMATION REQUIRED EXCLUSIVELY BY THE STATE OF NEW YORK AND IS BEING PROVIDED TO YOU AT THE SAME TIME AS THE FDD.

*****

THE INFORMATION CONTAINED HEREIN MUST BE REVIEWED IN CONJUNCTION WITH THE FDD

WOW CAFÉ & WINGERY FRANCHISING ACCOUNT, LLC
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STATEMENT REQUIRED BY THE STATE OF NEW YORK

THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE PROSPECTUS. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS PROSPECTUS.

ADDENDUM TO
WOW CAFÉ & WINGERY FRANCHISING ACCOUNT, LLC
FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF NEW YORK

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

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SOURCES OF 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 THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NYS DEPARTMENT OF LAW, INVESTOR PROTECTION BUREAU, 28 LIBERTY STREET, 21ST FLOOR, NEW YORK, NEW YORK 10005.

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 is added at the end of Item 3:

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 Item 4:

Neither the franchisor, its affiliate, its predecessor, officers, or general partner during the 10-year period immediately before the date of the offering circular: (a) filed as debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; (b) obtained a discharge of its debts under the bankruptcy code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the U.S. Bankruptcy Code during or within 1 year after that officer or general partner of the franchisor held this position in the company or partnership.

4. The following is added to the end of Item 5:

The initial franchise fee constitutes part of our general operating funds and will be used as such in our discretion.

5. 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.

6. 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.

7. The following is added to the end of the "Summary" section of Item 17(j), titled "**Assignment of contract by franchisor"**:

However, no assignment will be made except to an assignee who in good faith and judgment of the franchisor, is willing and financially able to assume the franchisor's obligations under the Franchise Agreement.

8. The following is added to the end of the "Summary" sections of Item 17(v), titled "**Choice of forum"**, and Item 17(w), titled "**Choice of law"**:

The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or upon the franchisee by Article 33 of the General Business Law of the State of New York.

WOW CAFÉ & WINGERY FRANCHISING ACCOUNT, LLC
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF VIRGINIA

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ADDENDUM TO WOW CAFÉ & WINGERY FRANCHISING ACCOUNT, LLC
FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF VIRGINIA

Item 5.

The Virginia State Corporation Commission's Division of Securities and Retail Franchising requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement.

WOW CAFÉ & WINGERY FRANCHISING ACCOUNT, LLC
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT AND
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
CONTAINING ADDITIONAL INFORMATION
REQUIRED BY THE STATE OF WISCONSIN

WOW CAFÉ & WINGERY FRANCHISING ACCOUNT, LLC
FRANCHISE DISCLOSURE DOCUMENT ("FDD")
CONTAINS INFORMATION REQUIRED BY BOTH THE FEDERAL TRADE COMMISSION AND THE STATE OF WISCONSIN.
THIS ADDENDUM TO THE FRANCHISE AGREEMENT CONTAINS INFORMATION REQUIRED EXCLUSIVELY BY THE STATE OF WISCONSIN AND IS BEING PROVIDED TO YOU AT THE SAME TIME AS THE FDD.

*****

THE INFORMATION CONTAINED HEREIN MUST BE REVIEWED IN CONJUNCTION WITH THE FDD

WOW CAFÉ & WINGERY FRANCHISING ACCOUNT, LLC
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AMENDMENT TO WOW CAFÉ & WINGERY FRANCHISING ACCOUNT, LLC FRANCHISE AGREEMENT
REQUIRED BY THE STATE OF WISCONSIN

This Amendment shall pertain to franchises sold in the State of Wisconsin and shall be for the purpose of complying with the Wisconsin Fair Dealership Law. Notwithstanding anything which may be contained in the body of the Franchise Agreement to be contrary, the Agreement shall be amended as follows:

The Wisconsin Fair Dealership Law (Wis. Stats. Ch. 135, *et seq.*) supersedes any provisions of this Agreement or a related document between Franchisor and Franchisee inconsistent with the Law.

_____	_____
Franchisee's Initials	Franchisor's Initials
Date:_____	Date:_____

ADDENDUM TO WOW CAFÉ & WINGERY FRANCHISING ACCOUNT, LLC
FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF WISCONSIN

For franchises and Franchisees subject to the Wisconsin Fair Dealership Law, the following information supersedes or supplements, as the case may be, the corresponding disclosures in the main body of the text of the WOW Café & Wingery Franchising Account, LLC's Wisconsin Franchise Disclosure Document.

Item 17

For Wisconsin Franchisees, ch. 135, Stats., the Wisconsin Fair Dealership Law, supersedes any provisions of the Franchise Agreement or a related contract between Franchisor and Franchisee inconsistent with the Law.

EXHIBIT N

MULTI-UNIT OPTION AGREEMENT

This Multi-Unit Option Agreement ("Agreement") made this ____ day of _____, 20____ ("Effective Date"), by and between WOW Café and Wingery Franchising Account, LLC, a Louisiana limited liability company d/b/a WOW American Eats, located at 4480 LA-22, Suite 2, Mandeville, Louisiana 70471 ("Franchisor"), and _____ with a mailing address of: _____ (the "Franchisee"):

Background

A. Franchisee and the Franchisor have entered into a Franchise Agreement ("Franchise Agreement") for the right to establish and operate one (1) WOW AE Unit, and Franchisee has paid Franchisor the Initial Franchise Fee of $_____.
B. Franchisor offers qualified franchisees the right and option to establish and operate additional WOW AE Units during the term of the option period (defined below) and otherwise upon the terms and conditions of this Agreement.
C. Franchisee wishes to purchase an option to establish and operate additional WOW AE Units under the terms and conditions set forth herein.
D. Franchisor wishes to grant Franchisee the right to purchase the option to establish and operate additional WOW AE Units under the terms and conditions set forth herein.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

Agreement

1. **Grant of Option and Option Fee**. In consideration of Franchisee's payment to Franchisor the sum of _____ ("Option Fee"), which is due and payable upon Franchisee's execution of this Agreement, Franchisor grants Franchisee the option to establish and operate _____ additional WOW AE Unit(s) under the terms and conditions of this Agreement (the "Option"). This Option Fee is deemed fully earned upon payment and is nonrefundable.

2. **Eligibility**. Franchisee shall be an existing, qualified Franchisee in good standing with the Franchisor.

3. **Term**. Subject to any right of earlier termination as provided for herein, Franchisee shall be granted the Option for a term of no longer than _____ years, subject to the conditions herein ("**Term**"). The Term shall commence on the Effective Date and shall terminate immediately upon the occurrence of any of the following events (1) Franchisee's execution of the Franchise Agreement to establish and operate a _____ WOW AE Unit in the Development Area; or (2) _____ years from the Effective Date of this Agreement, whichever should first occur.

4. **Option Period**. Franchisee shall not execute a lease for any additional WOW AE Unit(s) prior to exercising Franchisee's option, pursuant to Section 6 below. Franchisee shall establish and operate WOW AE Units in accordance with the Development Schedule (Exhibit B) within the Development Area (Exhibit A).

   4.1. For purposes of determining compliance with the Development Schedule, only the WOW AE Units actually open or in active stages of development, including site selection, as of the last day

of the Option Period will be counted toward the number of WOW AE Units required to be open and continuously operating for the applicable period.

4.2. Franchisee acknowledges and recognizes that the Development Schedule is fair and reasonable for the development of WOW AE Units in the Development Area and is an accurate reflection of market demand without over saturation of Franchisor's proprietary services offered under the System. If Franchisee fails to establish and open WOW AE Units as set forth in the Development Schedule, Franchisee no longer has an option for those additional WOW AE Units for which Franchisee has not opened, unless Franchisee requests an extension of the Option Period in writing which will be approved at Franchisor's sole discretion.

5. **Development Area**. Franchisee shall have the right to develop WOW AE Units in accordance with Development Schedule within the Development Area defined on Exhibit A, pursuant to the terms and conditions defined in this Agreement.

5.1. Franchisee acknowledges that during the Term of this Agreement, Franchisor may award and develop Traditional WOW AE Units within the Development Area. "Traditional WOW AE Units" are defined as WOW AE Units located within free-standing buildings, strip malls, multi-tenant developments, or the like, which feature street-level storefront entrances.

5.2. Franchisee acknowledges that during the Term of this Agreement, Franchisor may award and develop Non-traditional WOW AE Units within the Development Area. "Non-traditional WOW AE Units" include, without limitation, WOW AE Units located within (1) military bases or government facilities; (2) public transportation facilities; (3) sports facilities or arenas, including race tracks; (4) student unions or other similar buildings on college or university campuses; (5) amusement and theme parks; (6) community and special events; (7) hotels, casinos, and resorts; (8) airports; (9) hospitals; (10) shopping malls; or (11) corporate dining facilities. "Non-traditional WOW AE Units" may or may not be established and operated pursuant to a franchise agreement. Franchisee acknowledges that Franchisor may perform this act freely and without paying Franchisee any compensation.

5.2.1. Notwithstanding the foregoing, Franchisee and Franchisor acknowledge that should an opportunity be presented for Franchisee to establish and operate a Non-traditional WOW AE Unit within the Development Area, Franchisee may do so pursuant to the terms and conditions of this Agreement.

5.2.2. Franchisee acknowledges that although Franchisor may offer Franchisee the opportunity to establish and operate the Non-traditional WOW AE Unit, the owner/operator of the facility that houses the Non-traditional WOW AE Unit may reserve the right to approve Franchisee. Franchisee acknowledges that Franchisee indemnifies and holds Franchisor harmless as it relates to any acceptance or rejection of Franchisee by the owner/operator of the facility that houses the Non-traditional WOW AE Unit. Franchisee acknowledges that Franchisor is not responsible for any actions performed by or decisions of any such third party and Franchisee is not entitled to any compensation related hereto.

5.2.3. Franchisee further acknowledges that a Non-traditional WOW AE Unit may be established and operated by the institution or entity where the Non-traditional WOW AE Unit is located (e.g. the military base where the Non-traditional WOW AE Unit is located), or it may be established by the institution/entity and operated by a third party, or some other non-traditional arrangement. In any such event, Franchisee shall have no right to establish and operate such a Non-traditional WOW AE Unit. Franchisee

acknowledges that Franchisor may perform this act freely and without paying Franchisee any compensation.

5.3. Franchisee acknowledges that Franchisor has the exclusive right to offer, sell or distribute any products or services associated with the System (now or in the future) under the Marks or any other trademarks, service marks or trade names or through any distribution channel or method, all without paying Franchisee any compensation. The distribution channels or methods include, without limitation, grocery stores, club stores, convenience stores, wholesale, business or industry locations (e.g. manufacturing site, office building), military installations, military commissaries, or the internet, including but not limited to sales through Franchisor's website(s).

5.4. Franchisee further acknowledges and agrees that Franchisor and our affiliates have the right to grant other franchises or develop and operate company or affiliate-owned WOW AE Units at any location anywhere outside of the Development Area. Franchisee acknowledges that Franchisor may perform this act freely and without paying Franchisee any compensation.

6. **Exercise of Option**. In order to exercise the Option for each additional WOW AE Unit, Franchisee must satisfy all of the following conditions, upon the exercise of each Option:

6.1. Execute a new and then-current franchise agreement ("Additional Franchise Agreement(s)") for each Additional WOW AE Units, subject to the terms and conditions thereof;

6.2. Franchisee is not in default under this Agreement, or any other agreement with Franchisor and/or its affiliates, including any other franchise agreement or development agreement, and has fully and faithfully performed all of Franchisee's material obligations under any such agreements throughout their respective terms;

6.3. Neither this Agreement, Franchisee's Franchise Agreement or any other agreement with you has expired or been terminated by Franchisor and/or its affiliate;

6.4. Franchisee has timely paid any fees or other monies due to Franchisor as and when they become due under the terms of the Franchise Agreement(s) or any other agreement with Franchisor, including interest or principal due under any note payable to Franchisor;

6.5. There has been no change in the effective control of Franchisee (by way of change in share ownership, membership or partnership interest, or otherwise) without Franchisor's written consent; and

6.6. Franchisee or Franchisees designated manager has successfully completed Franchisor's required training programs.

Franchisee's Option may be applied only to opening a new WOW AE Unit and may not be applied to already existing locations.

7. **Termination; Default.**

7.1. If Franchisee is placed in default for any reason, Franchisor may, at its option, and without waiving any rights hereunder or any other rights available at law or in equity, including its rights to damages, terminate this Agreement and all of Franchisee's rights hereunder effectively immediately upon the date Franchisor gives written notice of termination or upon such other date as may be set forth in such notice of termination or in those instances set forth

below, automatically upon the occurrence of, or the lapse of the specified period following an event of default. From the date of such termination or expiration of this Agreement, Franchisee shall have no rights under this Agreement and shall have no rights to operate in the Development Area.

7.2. The occurrence of any one or more of the following events shall constitute an event of default and grounds for termination of this Agreement by Franchisor:

7.2.1. If Franchisee fails to open or cause to be open a WOW AE Unit pursuant to the Development Schedule as set forth in Exhibit B;

7.2.2. If Franchisee makes, or has made, any materially false statement report to Franchisor in connection with this Agreement, or any other agreement;

7.2.3. If Franchise receives from Franchisor two (2) or more notices to cure under the Franchise Agreement during any twelve (12) month period;

7.2.4. If Franchisee violates any covenant of confidentiality or non-disclosure under the Franchise Agreement;

7.2.5. If Franchisee or any person owning an interest in Franchisee is tried or convicted of a felony; or

7.2.6. If Franchisee or any person owning an interest in Franchisee files for bankruptcy protection in any court of competent jurisdiction.

8. **Post-Termination Rights, Obligations and Covenants.** Franchisee shall not, in any communication to any other representative or third party, disparage Franchisor or interfere with any contract to which Franchisor is a party.

9. **Sale or Assignment.** Franchisee's rights under this Agreement are personal and any right granted herein may not be sold, transferred, or assigned. Notwithstanding, if Franchisee is an individual or a partnership, Franchisee has the right to assign Franchisee's rights under this Agreement to a corporation or limited liability company upon the same terms and conditions as provided in Section 13.1 (vi) of the Franchise Agreement. Franchisor has the right to assign this Agreement in whole or in part in its sole discretion.

10. **Time of the Essence**. Time is of the essence with respect to any time fixed for performance of any requirement set forth in this Agreement.

11. **Acknowledgment**. Franchisee acknowledges that this Agreement is not a franchise agreement and does not confer upon you any rights to use the Franchisor Proprietary Marks or the System. Franchisee has no right under this Agreement to sublicense or subfranchise others to operate a business or store or use the System or the Marks.

12. **Notices**. All notices, requests and reports to be given under this Agreement are to be in writing, and delivered by either hand, e-mail with a confirming receipt, overnight mail, or certified mail, return receipt requested, prepaid, to the addresses set forth above (which may be changed by written notice).

13. **Governing Law.** This Agreement shall be deemed to have been made in the State of Louisiana and shall be construed according to the laws of Louisiana without regard to its conflict of laws,

La. CC Arts. 3515 et seq., and any amendments and/or revisions thereto.

14. **Dispute Resolution.** All claims and disputes arising under or relating to this Agreement are to be settled by binding arbitration in the state of Louisiana or another location mutually agreeable to the parties. The arbitration shall be conducted on a confidential basis pursuant to the Commercial Arbitration Rules of the American Arbitration Association. Any decision or award as a result of any such arbitration proceeding shall be in writing and shall provide an explanation for all conclusions of law and fact. Any such arbitration shall be conducted by an arbitrator experienced in franchise law and shall include a written record of the arbitration hearing. The parties reserve the right to object to any individual who shall be employed by or affiliated with a competing organization or entity. An award of arbitration may be confirmed in a court of competent jurisdiction. This franchise agreement provides that disputes are resolved through arbitration. A Maryland franchise regulation states that it is unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.

    The terms of this Section 14 shall survive termination, expiration or cancellation of this Agreement.

15. **Third Party Beneficiaries.** Franchisor's officers, directors, shareholders, agents, employees and/or affiliates are express third party beneficiaries of this Agreement and the mediation and arbitration provisions contained herein, each having authority to specifically enforce the right to mediate and arbitrate claims asserted against such person(s) by Franchisee.

16. **Injunctive Relief.** Nothing contained in this Agreement herein shall prevent Franchisor from applying to or obtaining from any court having jurisdiction, without bond, a writ of attachment, temporary injunction, preliminary injunction and/or other emergency relief available to safeguard and protect Franchisor's interest prior to the filing of any arbitration proceeding or pending the trial or handing down of a decision or award pursuant to any arbitration proceeding conducted hereunder.

17. **Jurisdiction and Venue.** With respect to any proceeding not subject to arbitration, the parties agree that any action at law or in equity instituted against either party to this Agreement shall be commenced only in the 22nd Judicial District for the Parish of St. Tammany, Louisiana or the United States District Court for the Eastern District of Louisiana at Franchisor's discretion.

18. **Jury Trial Waiver.** With respect to any proceeding not subject to arbitration, the parties hereby agree to waive trial by jury in any action, proceeding or counterclaim, whether at law or equity, regardless of which party brings suit. This waiver shall apply to any matter whatsoever between the parties hereto which arises out of or is related in any way to this Agreement, the performance of either party, and/or Franchisee's purchase from Franchisor of the franchise, option and/or any goods or services.

19. **Waiver of Punitive Damages**. Franchisee waives to the fullest extent permitted by law, any right to or claim for any punitive, exemplary, incidental, indirect, special or consequential damages (including, without limitation, lost profits) which Franchisee may have against Franchisor, its affiliates, successors or assigns, arising out of any cause whatsoever (whether such cause be based in contract, negligence, strict liability, other tort or otherwise) and agree that in the event of a dispute, recovery shall be limited to actual damages. If any other term of this Agreement is found or determined to be unconscionable or unenforceable for any reason, the foregoing provisions shall continue in full force and effect, including, without limitation, the waiver of any right to claim any consequential damages.

20. **Class Action Waiver.** Franchisee hereby agrees to waive any class action proceeding or counterclaim against Franchisor, its affiliates, successors or assigns, whether at law or equity, regardless of which party brings suit. This waiver shall apply to any matter whatsoever between the parties hereto which arises out of or is related in any way to this Agreement, the performance of either party, and/or Franchisee's purchase from Franchisor, its affiliates, successors or assigns of the franchise and/or any goods or services.

21. **Attorneys' Fees.** If either party institutes any judicial or arbitration proceeding to enforce any monetary or non-monetary obligation or interpret the terms of this Agreement, each party will bear its own attorneys' fees incurred in connection with any judicial or arbitration proceeding.

22. **Non-waiver.** Franchisor's failure to insist upon strict compliance with any provision of this Agreement shall not be a waiver of Franchisor's right to do so, any law, custom, usage or rule to the contrary notwithstanding. Delay or omission by Franchisor respecting any breach or default shall not affect Franchisor's rights respecting any subsequent breaches or defaults. All rights and remedies granted in this Agreement shall be cumulative. Franchisor's election to exercise any remedy available by law or contract shall not be deemed a waiver or preclude exercise of any other remedy.

23. **Severability.** The parties agree that if any provisions of this Agreement may be construed in two ways, one of which would render the provision illegal or otherwise voidable or unenforceable and the other which would render it valid and enforceable, such provision shall have the meaning, which renders it valid and enforceable. The language of all provisions of this Agreement shall be construed according to fair meaning and not strictly construed against either party. The provisions of this Agreement are severable, and this Agreement shall be interpreted and enforced as if all completely invalid or unenforceable provisions were not contained herein, and partially valid and enforceable provisions shall be enforced to the extent that they are valid and enforceable. If any material provision of this Agreement shall be stricken or declared invalid, the parties agree to negotiate mutually acceptable substitute provisions. In the event that the parties are unable to agree upon such provisions, Franchisor reserves the right to terminate this Agreement.

24. **Construction of Language.** Any term defined in the Franchise Agreement which is not defined in this Agreement will be ascribed the meaning given to it in the Franchise Agreement. The language of this Agreement will be construed according to its fair meaning, and not strictly for or against either party. All words in this Agreement refer to whatever number or gender the context requires. If more than one party or person is referred to as you, their obligations and liabilities must be joint and several. Headings are for reference purposes and do not control interpretation.

25. **Successors**. References to "Franchisor" or "Franchisee" include the respective parties' successors, assigns or transferees, subject to the limitations of Section 6 of this Agreement.

26. **Additional Documentation.** Franchisee must from time to time, subsequent to the date first set forth above, at Franchisor's request and without further consideration, execute and deliver such other documentation or agreement and take such other action as Franchisor may reasonably require in order to effectuate the transactions contemplated in this Agreement. In the event that Franchisee fails to comply with the provisions of this Section, Franchisee hereby appoints Franchisor as Franchisee's attorney-in-fact to execute any and all documents on Franchisee's behalf, reasonably necessary to effectuate the transactions contemplated herein.

27. **No Right to Offset.** Franchisee may not withhold all or any part of any payment to Franchisor or any of its affiliates on the grounds of the alleged nonperformance of Franchisor or any of its

affiliates or as an offset against any amount Franchisor or any of its affiliates may owe or allegedly owe you under this Agreement or any related agreements.

28. **Entire Agreement**. This Agreement contains the entire agreement between the parties concerning the purchase and operation of additional WOW AE Units; no promises, inducements or representations (other than those in the Franchise Disclosure Document) have been made, nor shall any be of any force or effect, or binding on the parties. Nothing in this or any related agreement, however, is intended to disclaim the representations Franchisor made in the Franchise Disclosure Document that Franchisor furnished the franchisee. Modifications of this Agreement must be in writing and signed by both parties. Franchisor reserves the right to change Franchisor's policies, procedures, standards, specifications or manuals at Franchisor's discretion. In the event of a conflict between this Agreement and any Additional Franchise Agreement(s), the terms, conditions and intent of this Agreement shall control.

INTENDING TO BE LEGALLY BOUND HEREBY, THE PARTIES HERETO HAVE CAUSED THIS AGREEMENT TO BE EXECUTED EFFECTIVE THE DATE FIRST SET FORTH ABOVE.

FRANCHISEE:

_____
Name:

Date: _____

FRANCHISOR:
WOW CAFÉ AND WINGERY FRANCHISING ACCOUNT, LLC

_____
Print Name:

Title: _____

Date: _____

MULTI-UNIT OPTION AGREEMENT
EXHIBIT A

DEVELOPMENT AREA

The Development Area referred to in this Agreement shall be the geographic area described as follows:

The Development Area is defined as _____

FRANCHISEE:

_____
Name:

MULTI-UNIT OPTION AGREEMENT
EXHIBIT B

DEVELOPMENT SCHEDULE

Option Period	Minimum Number of WOW AE Units to be opened during the Option Period Term	Cumulative Number of WOW AE Units Operational at the end of the Option Period Term
Effective Date		
Within 12 months of Effective Date		
Within 24 months of Effective Date		
Within 36 months of Effective Date		
Within 48 months of Effective Date		
Within 60 months of Effective Date		

FRANCHISEE:

_____
Name:

STATE EFFECTIVE DATES

The following states 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 Franchise Disclosure Document is registered, on file or exempt from registration in the following states having franchise regulation and disclosure laws, with the following effective dates:

STATE	EFFECTIVE DATE
Maryland	Pending
Virginia	Pending

EXHIBIT O

RECEIPT

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

If WOW Café & Wingery Franchising Account, LLC offers you a franchise, WOW Café & Wingery Franchising Account, LLC must provide this Disclosure Document to you 14 calendar-days before you sign a binding agreement or make payment with the franchisor or an affiliate in connection with the proposed franchise sale. [However, certain New York State law requires WOW Café & Wingery Franchising Account, LLC to provide this Disclosure Document to you at the first personal meeting held to discuss the franchise sale or at least 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.]

If WOW Café & Wingery Franchising Account, LLC does not deliver this Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the appropriate state agency identified in Exhibit H.

The franchisor is WOW Café & Wingery Franchising Account, LLC, located at 4480 LA-22, Suite 2, Mandeville, LA 70471Its telephone number is 985-792-5776

The name, principal business address, and telephone number of each franchise seller offering the franchise is as follows:

Ryan J. Stansbury, 4480 LA-22, Suite 2, Mandeville, LA 70471, (985) 792-5776

David Mesa Jr., 4480 LA-22, Suite 2, Mandeville, LA 70471, (985) 792-5776

Victoria Bermond, 4480 LA-22, Suite 2, Mandeville, LA 70471, (985) 792-5776

The issuance date of this Franchise Disclosure Document is May 5, 2022.

We authorize the respective agencies identified in Exhibit E to receive service of process for us in the particular states.

I received a Disclosure Document from WOW Café and Wingery Franchising Account, LLC d/b/a WOW American Eats dated May 5, 2022 that included the following Exhibits:

EXHIBITS

A.	Franchise Agreement
B.	Confidentiality and Nondisclosure Agreement
C.	Guaranty Agreement
D.	Direct Debit Authorization Form
E.	Agents for Service of Process
F.	Financial Statements
G.	Manuals– Table of Contents
H.	State Administrators
I.	Franchise Disclosure Acknowledgment Statement
J.	List of Existing Franchisees and Franchisees How Have Left the System
K.	General Release
L.	Contingent Assignment of Lease
M.	State Specific Addenda

N. Multi-Unit Option Agreement
O. Receipts

Dated: _____
(Do not leave blank)

If a corporation or LLC:

_____
(Name of corporation or LLC)

By:_____

Its_____
(Title)

_____
(Print Name)

PROSPECTIVE FRANCHISEE:

If an individual:

_____
(Signature)

_____
(Print Name)

_____
(Signature)

_____
(Print Name)

_____
(Signature)

_____
(Print Name)

Address of corporation, LLC, or individual(s): _____

_____

You may return the signed receipt either by signing, dating, and mailing it to WOW Café & Wingery Franchising Account, LLC at 4480 LA-22, Suite 2, Mandeville, LA 70471or by faxing a copy of the signed and dated receipt to WOW Café & Wingery Franchising Account, LLC at 985-792-1201.

YOUR COPY- RETAIN FOR YOUR FILES

RECEIPT

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

If WOW Café & Wingery Franchising Account, LLC offers you a franchise, WOW Café & Wingery Franchising Account, LLC must provide this Disclosure Document to you 14 calendar-days before you sign a binding agreement or make payment with the franchisor or an affiliate in connection with the proposed franchise sale. [However, New York law requires WOW Café & Wingery Franchising Account, LLC to provide this Disclosure Document to you at the first personal meeting held to discuss the franchise sale or at least 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.]

If WOW Café & Wingery Franchising Account, LLC does not deliver this Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the appropriate state agency identified in Exhibit H.

The franchisor is WOW Café & Wingery Franchising Account, LLC, located at 4480 LA-22, Suite 2, Mandeville, LA 70471. Its telephone number is 985-792-5776.

The name, principal business address, and telephone number of each franchise seller offering the franchise is as follows:

Ryan J. Stansbury, 4480 LA-22, Suite 2, Mandeville, LA 70471, (985) 792-5776

David Mesa, Jr., 4480 LA-22, Suite 2, Mandeville, LA 70471, (985) 792-5776

Victoria Bermond, 4480 LA-22, Suite 2, Mandeville, LA 70471, (985) 792-5776

The issuance date of this Franchise Disclosure Document is May 5, 2022.

We authorize the respective agents identified in Exhibit E to receive service of process for us in the particular states.

I received a Disclosure Document from WOW Café and Wingery Franchising Account, LLC d/b/a WOW American Eats dated May 5, 2022, that included the following Exhibits:

EXHIBITS

A. Franchise Agreement
B. Confidentiality and Nondisclosure Agreement
C. Guaranty Agreement
D. Direct Debit Authorization Form
E. Agents for Service of Process
F. Financial Statements
G. Manuals – Table of Contents
H. State Administrators
I. List of Existing Franchisees and Franchisees who have left the system
J. State Specific Addenda
K. Franchisee Disclosure Acknowledgement Statement
L. General Release Agreement
M. Contingent Assignment of Lease Agreement
N. Multi-Unit Option Agreement
O. Receipt

Dated: _____
(Do not leave blank)

If a corporation or LLC:

_____
(Name of corporation or LLC)

By:_____

Its_____
(Title)

_____
(Print Name)

PROSPECTIVE FRANCHISEE:

If an individual:

_____
(Signature)

_____
(Print Name)

_____
(Signature)

_____
(Print Name)

_____
(Signature)

_____
(Print Name)

Address of corporation, LLC, or individual(s): _____

_____

You may return the signed receipt either by signing, dating, and mailing it to WOW Café & Wingery Franchising Account, LLC at 4480 LA-22, Suite 2, Mandeville, LA 70471or by faxing a copy of the signed and dated receipt to WOW Café & Wingery Franchising Account, LLC at 985-792-1201.

FRANCHISOR COPY- PLEASE RETURN TO FRANCHISOR