



FRANCHISE DISCLOSURE DOCUMENT

EVA USA Inc.
A Delaware corporation
251 Little Falls Drive
Wilmington, DE 19808
Tel: (888) 556-0150
contact@eva.gg
www.eva.gg

The franchise that we offer is to operate an entertainment and leisure venue (each, a “Franchised Business”) featuring free-roaming multi-player virtual reality arena with arcade options and multiple bar and lounge areas serving cocktails, craft beers, wine, and dining options under the ESPORTS VIRTUAL ARENAS (“EVA”) brand name.

The total investment necessary to begin operation of a Franchised Business under a franchise agreement is \$992,000 to \$1,898,500. This includes \$196,000 to \$347,000 that must be paid to the franchisor or its affiliates. The total investment necessary to begin operation of Franchised Business under a development agreement assuming three total units is \$1,042,000 to \$1,948,500. This includes \$246,000 to \$397,000 that must be paid to the franchisor or its affiliates.

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

You may wish to receive your disclosure document in another form that is more convenient for you. To discuss the availability of disclosures in different forms, contact Benjamin Gautier, Chief Revenue Officer, EVA USA Inc., 251 Little Falls Drive, Wilmington, DE 19808, ben@eva.gg.

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

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

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

Issuance Date: April 26, 2024



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 Exhibits G and H.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit D 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 EVA 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 an EVA franchisee?	Item 20 or Exhibits G and H list current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need to Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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 and multi-unit development agreement require you to resolve disputes with the franchisor by mediation, arbitration, and/or litigation only in Delaware. 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 Delaware than in your own state.
2. **Financial Condition.** The Franchisor's financial condition, as reflected in its financial statements (see Item 21), calls into question the Franchisor's financial ability to provide services and support to you.
3. **Short Operating History.** The Franchisor is at an early stage of development and has a limited operating history. This franchise is likely to be a riskier investment than a franchise in a system with a longer operating history.

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.

**(THE FOLLOWING APPLY TO TRANSACTIONS GOVERNED BY
THE MICHIGAN FRANCHISE INVESTMENT LAW ONLY)**

The state of Michigan prohibits certain unfair provisions that are sometimes in franchise documents. If any of the following provisions are in these franchise documents, the provisions are void and cannot be enforced against you.

- (a) A prohibition on the right of a franchisee to join an association of franchisees.
- (b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protection 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 sub-franchisor.

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

Any questions regarding this notice should be directed to:

State of Michigan Department of Attorney General
G. Mennen Williams Building, 7th Floor
525 W. Ottawa Street
P.O. Box 30755
Lansing, Michigan 48909
Telephone Number: (517) 335-7632

EVA Franchise Disclosure Document

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ITEM 1

THE FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES

EVA USA Inc., the franchisor of the EVA franchise system, is referred to in this franchise disclosure document (the “Disclosure Document”) as “we”, “us” or “our” as the context requires. A franchisee is referred to in this Disclosure Document as “you” and “your” as the context requires. If you are a corporation, partnership or other legal entity (a “Corporate Entity”), our franchise agreement will also apply to your individual owners, shareholders, members, officers, directors and other principals.

The Franchisor

We are a Delaware corporation established on April 26, 2022. Our principal place of business is 251 Little Falls Drive, Wilmington, DE 19808. We conduct business under our corporate name EVA USA Inc. and under the EVA trade name. Our business is operating the EVA franchise system and granting franchises to third parties like you to develop and operate a Franchised Business. We began offering franchises on November 21, 2022.

Other than as discussed above, we are not in any other business, we have not conducted business in any other line of business, we do not conduct or operate a Franchised Business of the type to be operated by a franchisee, and we have not offered or sold franchises in any other line of business.

We do not have any predecessors. Our registered agent for service of process is disclosed in Exhibit A of this Disclosure Document.

Parents, Predecessors and Affiliates

Our parent company is EVA S.A.S, a French company incorporated in France on January 18, 2018, with its principal place of business at 12-20 rue Voltaire, 93100 Montreuil, France. EVA S.A.S. develops, owns and continues to develop, and has the rights to use certain technology, designs and source code for virtual reality or “VR” gaming (the “EVA Gaming Technology”). EVA S.A.S. licenses EA Gaming Technology and sells equipment and other products and services to franchisees in the EVA franchise system in the U.S. who establish and operate franchised EVA-branded VR esports arenas.

EVA S.A.S. offers franchises internationally. The first EVA opened in June 2021 in France. As of the date of this Disclosure Document, there are 30 franchised EVA locations as of December 31, 2023. EVA S.A.S. did but does not currently offer franchises in the United States in any lines of business and does not operate a business of the type offered in this Disclosure Document. EVA S.A.S.’s subsidiary EVA USA, Inc. is the franchisor of EVA franchises in the United States.

We do not have any predecessors. We do not currently have any affiliates that sell products or services to our franchisees in the United States, but we reserve the right to designate suppliers, including the sole suppliers of certain products and services you will be required to purchase as a franchisee, that may be owned by us or our parent company in the future.

The Franchised Business

We grant franchises to qualified individuals to open and operate an entertainment and leisure venue for competitive VR gaming and a lounge, bar, and dining areas throughout the facility where customers can enjoy beer, wine, full bar, and dining menu items. Your Franchised Business will operate using certain business processes, technologies, trade secrets, contracts, customer lists, knowledge, know-how, trade names, service marks, trademarks, logos, emblems, Trade Dress, layout, and other intellectual property, distinctive signage, standards and specifications for services, products, supplies, appearance, operations and management control, training and assistance, purchasing programs, and advertising, marketing, promotional and sales programs which may be developed or changed, discontinued, improved, modified and further developed by us from time to time (the “System”).

The System is presently identified by the EVA trademark, the EVA logo and other trademarks, service-marks, logotypes, and commercial symbols as we may designate, modify and adopt from time to time for use in the System and as same may or may not be registered with the United States Patent and Trademark Office (collectively referred to as the “Licensed Marks”). The System features the prominent display of the Licensed Marks and our Trade Dress. We grant you the right to sell products bearing the Licensed Marks (the “Branded Products”) including t-shirts, sweatshirts, glass wear, and hats.

We refer to EVA franchised businesses in our System as “Franchised Businesses” and we refer to the Franchised Business that you will develop and operate as either “your Franchised Business” or the “Franchised Business”. You may enter into a franchise agreement in the form attached to this Disclosure Document as Exhibit E (the “Franchise Agreement”) to develop and operate a Franchised Business from a single Approved Location. Under the Franchise Agreement you will develop and operate your Franchised Business in conformity with the requirements of our System. The System includes services and products that we currently designate and that we may modify, add to or discontinue from time to time (the “Approved Services and Products”) and our specifications, methods and procedures for marketing, selling, offering, and providing the Approved Services and Products. Your Franchised Business may include an arcade, electronic dart throwing, licensed games, a locker room, and refreshment for customers.

The System also features and requires, as designated by us, your exclusive purchase, use, and maintenance of certain merchandise, inventory, products, supplies, and goods constituting or comprising the Approved Services and Products offered for sale and/or the services provided and, further includes, displays, equipment, furniture, and fixtures designated by us (collectively, the “System Supplies”). You must operate your Franchised Business in conformity with the specifications, procedures, criteria and requirements that we designate in our confidential operations manual and other proprietary manuals that we may designate and loan to you and, as we may from time-to-time supplement and modify other manuals and communications (collectively, the “Operations Manual” or “Manual”).

Franchise Agreement

You may enter into a Franchise Agreement in the form attached to this Disclosure Document as Exhibit E to develop and operate one Franchised Business from a single Approved Location within a designated territory. If you sign a Franchise Agreement, you will be required to develop and operate the Franchised Business in conformity with the requirements of our System and at an Approved Location that we approve in writing.

Your Franchised Business will, ordinarily, be in a commercial, warehouse or industrial premises ranging between 10,000 to 20,000 square feet. If you do not have an approved site for your Approved Location, you must select a site in accordance with the Franchise Agreement and obtain our written approval of the Approved Location. Your rights in the System will be limited to the establishment and operation of a single Franchised Business offering, selling, and/or providing only our Approved Services and Products from your Approved Location and using only our System Supplies.

Your Franchised Business must conform to the requirements of our System. The size of your Approved Location will determine the arena size and the maximum number of players that may play at a time as well as the Approved Services and Products that will be offered through your Franchised Business.

Multi-Unit Development Agreement

We may grant you the option, in addition to signing a Franchise Agreement, to sign the multi-unit development agreement (the “Multi-Unit Development Agreement”) attached to this Disclosure Document as Exhibit E, to develop and operate multiple Franchised Businesses. The total number of Franchised Businesses that you will be required to develop and operate under a Multi-Unit Development Agreement will vary, as negotiated at the time of signing the Multi-Unit Development Agreement.

Each Franchised Business must be developed by you within a designated geographic area (the “Development Area”). For each Franchised Business to be developed pursuant to the Multi-Unit Development Agreement, you will sign our then-current individual unit Franchise Agreement which may materially differ from the Franchise Agreement included with this Disclosure Document. Your Multi-Unit Development Agreement will include a development schedule (the “Development Schedule”) containing a deadline by which you must have each Franchised Business open and operating. Your Development Schedule may vary depending on your Development Area and the number of Franchised Businesses that we have approved you to develop.

Unless otherwise specified, the information contained in this Disclosure Document applies to single unit development under a Franchise Agreement and multi-unit development under a Multi-Unit Development Agreement. If you are not contracting for the right to develop multiple Franchised Businesses, you will not be signing a Multi-Unit Development Agreement. Even if you sign a Multi-Unit Development Agreement, you will also be signing individual Franchise Agreements with the first Franchise Agreement being the Franchise Agreement attached to this Disclosure Document as Exhibit E and signed simultaneous with the signing of the Multi-Unit Development Agreement.

Market and Competition

The market for VR esports arenas is developing. You will offer Approved Services and Products to the general public, but the majority of your customers will be adults. Sales are not seasonal. You will be competing with entertainment venues that offer VR gaming concepts, some of which are regional or national in scope. You will compete with other entertainment venues offering similar services to adults and their families, based on many factors including price, customer service, promotions and marketing programs, location, and quality of services and products offered.

Industry Specific Laws

You must operate your Franchised Business in full compliance with all general business, employment and other laws and regulations including employment regulations, safety regulations and child protection laws. We require your compliance with all provisions of the USA Patriot Act and Executive Order 13224. Because your Franchised Business will serve food and beverages, you must comply with the U.S. Food and Drug Administration, the U.S. Department of Agriculture and various state and local health departments which administer and enforce laws and regulations that govern food preparation and service, and sanitary conditions. You must obtain an alcoholic beverage license in order to serve beer, wine and spirits from your Franchised Business, and you must comply with all state and federal laws concerning the sale or service of alcohol. State and local agencies inspect restaurants for compliance with these requirements.

You may be responsible for complying with the Payment Card Industry Data Security Standard (“PCI”) and federal and state laws and regulations concerning data security, data privacy and security breaches. PCI applies to all organizations or merchants, regardless of size or number of transactions, that accepts, transmits or stores any cardholder data.

You should consider these laws and regulations when evaluating your purchase of this franchise, and you should consult with your attorney and local, state and federal government agencies to determine all legal requirements and consider their effects on you and cost of compliance. You must keep current and maintain in good standing all licenses, permits, and certifications required by any federal, state or local government agency in connection with the operation of your Franchised Business. It is your sole responsibility to investigate, satisfy and remain in compliance with all local, state and federal laws, because they vary from place to place and can change over time.

ITEM 2 **BUSINESS EXPERIENCE**

Jean Mariotte – President and CEO

Jean Mariotte has been our President and CEO since the date of our inception. From January 2018 through the present, Mr. Mariotte has served in the same position for our parent company EVA S.A.S. in Montreuil, France.

Stephanie Belle – Chief Operating Officer

Stephanie Belle has been our General Manager and COO since the date of our inception. From January 2018 through the present, Ms. Belle has served in the same position for our parent company EVA S.A.S. in Montreuil, France

William Klein – Chief Technology Officer

William Klein has been our Chief Technology Officer since the date of our inception. From January 2018 through the present, Mr. Klein has served in the same position for our parent company EVA S.A.S. in Montreuil, France

Benjamin Gautier – Chief Revenue Officer

Benjamin Gautier has been our Chief Revenue Office since June 2023. From January 2018 through May 31, 2023, Mr. Gautier served as the Chief Commercial Officer for talent.io, a recruitment agency, in Paris, France.

Jeremy Voyer – Director of Sales

Jeremy Voyer has been our Director of Sales since the date of our inception. From February 2019 through the present, Mr. Voyer has served in the same position for our parent company EVA S.A.S. in Montreuil, France.

ITEM 3 LITIGATION

No litigation is required to be disclosed in this Item.

ITEM 4 BANKRUPTCY

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

ITEM 5 INITIAL FEES

Initial Franchise Fee

When you sign a Franchise Agreement you will pay us a non-refundable initial franchise fee in the amount of \$30,000 (the “Initial Franchise Fee”). The Initial Franchise Fee is fully earned by us upon payment. The method we use to calculate the Initial Franchise Fee is uniform for all franchises that we offer through this Disclosure Document.

Opening Package

You must license and purchase your opening inventory of certain System Supplies, including the virtual reality gaming technology, gaming equipment, project management, configuration required by our web platform, ongoing research and development of EVA’s proprietary VR gaming, and all

electronic hardware and software from us or our affiliate (the “Opening Package”). The Opening Package will range from \$130,000 to \$260,000 per Franchised Business depending on whether your Approved Location will operate one or two arenas. You will pay for the Opening Package no later than six (6) months after the Effective Date of the Franchise Agreement or four (4) months before your Franchised Business opens for business, whichever is earlier. This price range is exclusive of costs such as taxes, transport for delivery, customs fees, and installation, and does not include all of the furniture, fixtures, and equipment you will need to operate your Franchised Business. The amount paid toward the Opening Package is fully earned by us upon payment and non-refundable.

Refundable Deposit

At the time you sign the Franchise Agreement, you must pay to us a refundable deposit that will range from \$9,000 if you will have one arena to \$18,000 if you will have two arenas (the “Refundable Deposit”). The Refundable Deposit shall be used by the Franchisor in its discretion to fund any late payments or non-payments of amounts due to the Franchisor under the Franchise Agreement. If the Refundable Deposit is used by the Franchisor, the Franchisee must replenish the amount used by the Franchisor within two (2) weeks of the Franchisor’s request. We will return the amount being held as the Refundable Deposit at the end of the term of the Franchise Agreement unless renewed.

Digital Marketing Program

You will pay us \$5,000 per month for the Digital Marketing Program for the management of your digital marketing initiatives, including geo-localized ad campaigns, social media management, email marketing, and digital ads management. This program will commence one month prior to opening of your Franchised Business and we estimate the initial investment for the Digital Marketing Program is approximately \$15,000 for the first three months. The amount paid toward the Digital Marketing Program is fully earned by us upon payment and is non-refundable.

License and Support Fee

You will pay us a License and Support Fee of \$3,000 per month per arena. The initial investment estimate includes three months of License and Support Fee payments for one to two arenas which is \$9,000 to \$18,000. The amount paid toward the License and Support Fee is fully earned by us upon payment and is non-refundable.

Installation and Opening Fee

You will pay us a one-time Installation and Opening Fee for calibration and configuration of technical equipment at your Franchised Business in the amount of \$3,000 per arena. We estimate the initial investment cost for the Installation and Opening Fee is \$3,000 to \$6,000. The amount paid toward the Installation and Opening Fee is fully earned by us upon payment and is non-refundable.

Multi-Unit Development Agreement

If you sign a Multi-Unit Development Agreement, you must pay a fixed non-refundable Development Fee of \$25,000 for each additional franchise you wish to purchase and that we grant to you (the “Development Fee”), over and above the first Franchised Business authorized by the

Franchise Agreement. The minimum number of Franchised Businesses that you may agree to develop is two. At the time of signing the Franchise Agreement for each additional Franchised Business authorized by the Multi-Unit Development Agreement, you will not be required to pay us an additional Initial Franchise Fee. The Development Fee is fully earned by us upon payment, represents consideration for a designated development area as referenced in Item 12 of this Disclosure Document. The method we use to calculate the Development Fee is uniform for all franchises that we offer through this Disclosure Document.

ITEM 6

OTHER FEES

Type of Fee (Note 1)	Amount	Due Date	Remarks
Royalty Fee (Notes 2 and 3)	5% of Gross Sales	Monthly on or before the 5 th of the month for the prior month's Gross Sales	Will be collected from your designated bank account by ACH or other means designated by us.
Brand Development Fund (Note 4)	Currently, None. If implemented, up to 2% of Gross Sales.	Monthly on or before the 5 th of the month for the prior month's Gross Sales	Will be collected from your designated bank account by ACH or other means designated by us.
Local Marketing (Note 5)	2% of Gross Sales or \$5,000 per month, whichever is greater.	As incurred	We recommend that you spend the greater of 2% of your Gross Sales or \$5,000 per month on pre-approved marketing within your designated territory. We may require you to pay this amount to us for us to spend on your behalf in your local market.
Digital Marketing Program	\$5,000 per month	On demand	You must participate in our digital marketing program as set forth by us in our Operations Manual. The digital marketing program provides comprehensive management of your digital marketing initiatives, including geo-localized ad campaigns, social media management, email marketing, and digital ads management. The digital marketing program fee may vary depending on the services provided and we can adjust this fee upon notice to you.
External Game Fee	Up to 15% of Gross Sales from games that EVA does not own the intellectual property.	Monthly on or before the 5 th of the month for the prior month's Gross Sales	This fee is applicable only to games that are licensed from third parties and offered at your Franchised Business.

License and Support Fee (Note 6)	\$3,000 per arena per month	Monthly on or before the 5 th of the month	Will be collected from your designated bank account by ACH or other means designated by us.
Online Ordering, Customer Rewards, and Gift Cards	Currently not implemented by us but may be implemented in the future.	As invoiced and as incurred	Fees for access to ordering and other systems we designate for online ordering, customer rewards, and/or gift card system management and redemption.
Supplemental On-Site Training	Our then-current daily rate plus expenses we incur. Current rate is \$1,500 per day.	When invoiced and prior to training	If you request or we require on-site training at your Franchised Business, you must pay our then current trainer fee plus our expenses related to travel and accommodations.
Interest	18% per annum from due date	On demand	Payable on all overdue amounts, fees, charges, and payments due to us under the Franchise Agreement. Interest rate cannot exceed the legal rate allowed by law and may be adjusted to reflect same.
Non-Compliance Fees	\$500 per day	As invoiced	Payable for failure to timely submit Royalty and Activity Reports, and other reports and financial statements as required under Franchise Agreement; for failure to comply with operational standards as required and specified under Franchise Agreement, plus inspection and re-inspection costs incurred by us; and failure to timely pay, when due, a fee or payment due to us under the Franchise Agreement, plus interest, costs and legal fees.
Liquidated Damages	An amount equal to the greater of \$50,000 or the average Royalty Fees earned by us for the last 12 months (or shorter period, if your Franchised Business has been in operation less than 12 months), multiplied by 36 or the number of months remaining in the term, whichever is less.	On demand	We may require you to pay us this amount in the event you terminate the Franchise Agreement without cause, or we terminate the Franchise Agreement for cause.
Failure to Return	\$1,000 per day	On demand	Upon termination or expiration, we

Proprietary Materials Fee			require you to return all proprietary materials including all Branded Products, computers, headsets, guns, and anything bearing the Licensed Marks.
Audit	Cost of audit	On demand	For costs incurred by us for each financial audit, provided the audit determines underreporting of 2% or greater during any designated audit period. Includes fees incurred by us including audit, legal, travel and reasonable accommodations.
Quality Assurance Audit	Actual costs incurred by us.	As invoiced	Payable if we engage a third party to perform periodic quality assurance audits, including mystery shopper programs.
Collections	Actual fees, costs, and expenses	On demand	For fees, costs and expenses incurred by us in collecting fees due to us, and/or to enforce the terms of the Franchise Agreement or a termination of the Franchise Agreement. Includes costs and expenses of re-inspections required by quality assurance audit.
NSF Check Fee of Failed Electronic Fund Transfer	5% of amount or \$50, whichever is greater, or maximum fee allowed by law.	On demand	Payable if your bank account possesses insufficient funds and/or fails to process a payment or transfer related to a fee due from you to us.
Supplier Review	Actual fees, costs, and expenses	As invoiced	You must pay us the costs incurred by us to review and evaluate a potential supplier, product, or service that you submit to us for approval.
Management Service Fee	Our expenses plus an administrative fee of 10% of Gross Sales	As invoiced	Payable if we elect to manage the Franchised Business due to a failure by you to have the Franchised Business managed by an authorized Managing Owner or Manager.
Transfer	\$10,000	On demand	Payable if we approve your transfer request, but prior to execution of final transfer agreements and authorization.
Renewal	\$5,000	On signing renewal Franchise Agreement	Payable if we approve your renewal request and upon signing our then current Franchise Agreement.

Explanatory Notes

Note 1: Fees Generally and Payment Requirements. The above table describes fees and payments that you must pay to us, our affiliates, or that we may impose or collect on behalf of a third party. We require payment from you subject to our specification and instruction, including, our election to have fees automatically drafted from your business bank account or automatically debited or charged to your business bank account. You will be required to sign an ACH Authorization Form (Franchise Agreement, Schedule 10) permitting us to electronically debit your designated bank account for payment of all fees payable to us and/or our affiliates. All fees are uniformly imposed for all franchises offered under this Disclosure Document, are recurring, are not refundable, and are payable to us, unless otherwise specified. You must install and use, at your expense, the pre-authorized payment, point of sale, credit card processing, automatic payment, automated banking, electronic debit and/or electronic funds transfer systems that we designate and require in the operation of your Franchised Business. You must pay all service charges and fees charged to you by your bank so that we may electronically debit your bank account.

Note 2: Royalty Fees. You must pay us a continuing royalty fee (the “Royalty Fee”). The continuing Royalty Fee is payable and due monthly and is equal to 5% of all Gross Sales (defined in Note 3) of your Franchised Business.

Note 3: Gross Sales. “Gross Sales” means the sales, revenues, charges and receipts from whatever source (whether in the form of cash, check, credit or debit card, barter exchange, trade credit or other credit transactions) that arise, directly or indirectly, from the operation of or in connection with your Franchised Business. Gross Sales includes all revenues earned from services offered and products sold at your Franchised Business, leasing space in your Franchised Business (if approved by us), usage income, and insurance proceeds you receive for loss or interruption of business due to a casualty or similar event at your Franchised Business. Gross Sales excludes sales taxes collected from customers and paid to the appropriate taxing authority and any other bona fide refunds to customers.

Note 4: Brand Development Fund. This fee is a continuing monthly fee equal to an amount of up to 2% of your Gross Sales (the “Brand Development Fund”). Currently we do not charge fees for the Brand Development Fund (the “Brand Fund Contribution”) but reserve the right to implement one at any time in the future.

Note 5: Local Marketing. We recommend, and reserve the right in the future to require, that you spend the greater of: (i) 2% of your monthly Gross Sales; or (ii) \$5,000 per month on the local marketing of your Franchised Business within your Designated Territory and in accordance with our standards and specifications.

Note 6: License and Support Fee. This fee includes preparation and technical tests of the VR gaming equipment; installation, technical connections, and configuration of the gaming equipment; testing of the VR gaming equipment; activation of license keys; routine maintenance of the VR gaming equipment; remote diagnosis by telephone of any defect or technical malfunction; replacement of technically-deficient gaming equipment but does not include damage, defects, or malfunctions of the VR gaming equipment caused by Franchisee’s lack of care or lack of maintenance, misuse, abusive or inappropriate conduct, Franchisee mishandling, accidental or negligent care, electric shock, moisture, environmental conditions of any kind, variations in temperature, theft, fire, and normal wear and tear or aging.

ITEM 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Franchise Agreement

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is Made
Initial Franchise Fee (Note 1)	\$30,000	Lump sum	When Franchise Agreement is signed	Us
Construction and Leasehold Improvements (Note 2)	\$500,000 – \$950,000	As arranged	As incurred	Contractors, third party vendors, and/or landlord
Architect and Design Fees	\$6,000 – \$10,000	As arranged	Before opening	Third party vendor
Lease Deposits and Rent – Three Months (Note 3)	\$45,000 – \$85,000	As arranged	As incurred	Landlord
Furniture, Fixtures and Equipment (Note 4)	\$125,000 – \$245,000	As arranged	As incurred	Third party vendors
Digital Marketing Program – Three Months (Note 5)	\$15,000	As arranged	As incurred	Us or Suppliers
License and Support Fee – Three Months (Note 6)	\$9,000 – \$18,000	As arranged	As incurred	Us
Installation and Opening Fee (Note 7)	\$3,000 – \$6,000	As invoiced	Prior to training	Us
Signage (Note 8)	\$10,000 – \$30,000	As arranged	As incurred	Third party vendors
Computer, Software and Point of Sale System (Note 9)	\$1,500 – \$2,500	As arranged	As incurred	Third party vendors
Grand Opening Marketing (Note 10)	\$5,000 – \$10,000	As arranged	As incurred	Third party marketing vendors

Opening Package (Note 11)	\$130,000 – \$260,000	Lump sum	As incurred	Us
Utility Deposits (Note 12)	\$1,000 – \$3,000	As arranged	As incurred	Suppliers
Insurance Deposits – Three Months (Note 13)	\$2,500 – \$5,000	As arranged	As incurred	Insurers
Initial Training Fees and Travel Expenses (Note 14)	\$6,500 – \$8,500	As arranged	As incurred	Airlines, hotels, restaurants
Professional Fees (Note 15)	\$2,500 – \$15,000	As arranged	As incurred	Attorneys, accountants, architects, advisors
Licenses and Permits (Note 16)	\$1,000 – \$7,500	As arranged	As incurred	Government
Refundable Deposit	\$9,000 - \$18,000	Lump sum	When Franchise Agreement is signed	Us
Additional Funds Three Months (Note 17)	\$90,000 – \$180,000	As arranged	As incurred	Employees, suppliers, landlord, utility suppliers
Total Estimate (Note 18)	\$996,000 – \$1,898,500			

Explanatory Notes

Note 1: Initial Franchise Fee. The Initial Franchise Fee for a single franchise under a Franchise Agreement is \$30,000.

Note 2: Construction and Leasehold Improvements. This estimate is for the cost of construction, construction management and build-out of a Franchised Business including our proprietary esports area featuring two 5,500 square foot arenas along with our lounge and bar areas. Our estimates are based on the assumption that the typical square footage of a Franchised Business ranges from 10,000 to 20,000 square feet. These estimates are also based on the assumption that the location that you select for your Franchised Business is a site delivered to you with only interior dry wall/sheetrock completed (“vanilla box” condition) without pre-existing interior improvements, heating/cooling systems, electrical systems, and a concrete slab floor. This estimate does not include architectural fees or other fees charged by licensed professionals other than general contractors and licensed tradesmen and does not include any special heating cooling or ductwork. You may receive a leasehold allowance covering a portion of the costs of constructing the leasehold improvements from the landlord. You should hire a broker and/or a leasing attorney to maximize the amount of tenant allowance received. The costs for developing your Franchised Business may be higher or lower than the estimates provided based on cost of labor and supplies your geographic area, inflation, supply chain issues, and fluctuating economic conditions. As of the date of this Disclosure Document, inflation rates, contractor costs and building supplies are at all-time highs. You should evaluate your estimated costs for any specific site that might be considered with a realtor or broker in your geographic region before you sign your lease.

Note 3: Lease Deposits – Three Months. You must operate your Franchised Business from an Approved Location that we approve and complies with state and local laws. Assuming you do not already own or lease a suitable location, you will be required to lease a location that meets our standards and is approved by us. This estimate is based on the assumption that you will be leasing your Approved Location and is for the estimated amount of the initial lease deposit that you will be required to pay to the landlord at the time of signing your lease and before opening your Franchised Business plus three months of rent. The amount of your lease deposit and rent is something that you will directly negotiate with the landlord and will vary significantly based on a number of factors that include location and your own negotiations. The cost per square foot for leasing commercial space varies considerably depending upon the location and market conditions affecting commercial property. This estimate does not include the purchase of real property should you elect to purchase the real property of your Franchised Business.

Note 4: Furniture, Fixtures and Equipment. You must purchase or lease certain furniture, fixture and equipment (including kitchen equipment), machinery, and décor that comply with our specifications and standards. Costs will vary depending on a number of factors including, without limitation, the size of your Franchised Business, building codes and health code requirements of the state where your Franchised Business is located. This range does not include any transportation or set up costs.

Note 5: Digital Marketing Program. You are required to participate in the Digital Marketing Program which currently in the amount of \$5,000 per month to be paid to us or third-party marketing partners at our option. You will start the Digital Marketing Program a month prior to opening your Franchised Business.

Note 6: License and Support Fee. You will pay a License and Support Fee of \$3,000 per month per arena. The estimate above includes three months of License and Support Fees for one to two arenas.

Note 7: Installation and Opening Fee. You will pay us a one-time Installation and Opening Fee for calibration and configuration of technical equipment at your Franchised Business in the amount of \$3,000 per arena.

Note 8: Signs. Signage includes the exterior storefront signs as well as interior signage package and EVA branding elements. Your municipality and/or landlord may have specific requirements and regulations dictating the size, layout and illumination of the exterior signage. You will be required to abide by these regulations, and as a result may experience higher or lower costs for your exterior signage. This estimate is for the cost to produce wall signage to be mounted to the outside of the building as well as all interior signage. This estimate includes other elements of brand identification within the Franchised Business such as wall graphics.

Note 9: Computer, Software and Point of Sale System. You will be required to purchase, license and use the point-of-sale systems, ordering systems, and applications that we designate which are currently Lightspeed. Information about the point of sale and computer systems are disclosed in Item 11 of this Disclosure Document.

Note 10: Grand Opening Marketing Expense. You must spend a minimum of \$5,000 prior to the opening of your Franchised Business to promote your grand opening. You must submit your grand opening marketing plan to us for our pre-approval.

Note 11: Opening Package. Your Opening Package comprised of the VR gaming technology typically situated at an EVA location including gaming equipment and all electronic hardware and software and includes the installation. You will pay for the Opening Package no later than six (6) months after the Effective Date of the Franchise Agreement or four (4) months before your Franchised Business opens for business, whichever is sooner.

Note 12: Utility Deposits. To secure the appropriate utilities required for the operation of your Franchised Business, including gas, electric, water, sewer and internet access, you will be required to pay upfront deposits to each applicable utility company.

Note 13: Insurance Deposits – Three Months. You must obtain certain insurance included in Item 8. Factors that may affect your cost of insurance include the size and location of your Franchised Business, the number of employees you have and other factors. The amounts you pay for insurance are typically non-refundable. You should inquire about the cancellation and refund policy of the insurance carrier or agent at or before the time you sign the Franchise Agreement. We recommend that you consult with your insurance agent before signing a Franchise Agreement.

Note 14: Initial Training Fees and Travel Expenses. You must complete our pre-opening training program before opening your Franchised Business in which we will train you or your Managing Owner and one Operating Manager. Initial training is conducted at your facility, and you must pay for all other expenses of your trainees, including salary, travel and accommodations. This estimate includes the Training Fees of \$5,000 for two EVA trainers and estimated travel and lodging expenses for our trainers who will visit your Franchised Business before you open for training purposes.

Note 15: Professional Fees. This estimate is for costs associated with the engagement of professionals such as attorneys, accountants and architects for advice on the start-up of a Franchised Business. You will be required to hire an architect to develop plans that meet our standards and specifications and comply with applicable laws, rules and regulations for the development and operation of your Franchised Business. We recommend that you seek the assistance of professional advisors when evaluating this franchise opportunity, this Disclosure Document, the Franchise Agreement and, if applicable, the Multi-Unit Development Agreement. It is also advisable to consult these professionals to review your lease and other contracts that you will enter into as part of the development and operation of your Franchised Business.

Note 16: Licenses and Permits. You must apply for, obtain and maintain all required permits and licenses necessary to operate a Franchised Business. The licenses will vary depending on local, municipal, county and state regulations. All licensing fees are paid directly to the governmental authorities when incurred and are due prior to opening the Franchised Business. This estimate does not include the cost of specialized licenses such as, for example, liquor licenses that involve a specialized application process and involve costs that vary significantly depending on state and location.

Note 17: Additional Funds. You will need additional capital to support on-going expenses, such as utilities, insurance, licenses, inventory, labor, security, repairs and maintenance, and miscellaneous expenses. This estimate includes wages for employees but does not include a salary or draw for you. The estimate also does not include Royalty Fee or any other fee payments due to us. We estimate that the amount given will be sufficient to cover on-going expenses for the start-up phase of the business, which we calculate to be approximately three months. You will need to have staff on hand before opening to prepare your Franchised Business for opening, for training, orientation, and related purposes. In formulating this estimate, we have relied on the initial development costs of the EVA franchised location in the Dallas, Texas, area which may vary from your geographic area. We recommend you review these figures carefully with your business advisor and other hired professionals.

Note 18: About Your Estimated Initial Investment. This is an estimate of the initial start-up expenses for a single Franchised Business. We have based these estimates on the experiences of our parent company in franchising EVA businesses internationally and our franchised unit in the Dallas, Texas market. These are only estimates, and your costs and the range of those costs may vary. Factors that may influence your costs include the size of your Franchised Business; local geographic market and economic conditions including rent, labor, and construction rates; local licensing costs; competition; the facilities and existing build-out of the Approved Location that you select; tenant improvement allowances; the capabilities of your management team; and the level of sales achieved by your Franchised Business. These estimates do not include interest and financing charges that you may incur, and they do not include management level compensation payable to you or your owners. You should carefully review these estimates with your business, accounting and legal advisors before making any decision to sign a Franchise Agreement. These estimates are for one Franchised Business only. If you sign a Multi-Unit Development Agreement, the estimated amount will be required for each Franchised Business that you develop, and the estimated costs may increase or decrease in the future. We will not finance any part of the initial investment.

Multi-Unit Development Agreement

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is Made
Development Fee (Note 1)	\$50,000 (assuming two additional Franchised Businesses)	Lump sum	When Franchise Agreement and Multi-Unit Development Agreement are signed	Us
Estimated Initial Investment to Open One Franchised Business (Note 2)	\$992,000 – \$1,898,500	Estimated Initial Investment is based on the estimate contained in the Table above of this Item 7 for a Franchise Agreement.		
Total Estimate (Note 3)	\$1,042,000 – \$1,948,500			

Explanatory Notes to Item 7
For a Franchise Agreement and a Multi-Unit Development Agreement

Note 1: Development Fee and Franchise Fees. When you sign a Multi-Unit Development Agreement, you must also sign a Franchise Agreement for the first Franchised Business that you will be required to develop under your Multi-Unit Development Agreement. In addition to paying us the Initial Franchise Fee for your first Franchise Agreement, you will pay us a Development Fee equal to \$25,000 per additional location we grant you to develop and open. The amount of the Development Fee varies depending on the number and type of additional Franchised Businesses that you will be authorized to develop within the Development Area. The minimum number of Franchised Businesses you can open under the Multi-Unit Development Agreement is two and the number contemplated in this chart is three Franchised Businesses.

Note 2: Estimated Initial Investment. This is the estimated initial investment for the development of one (1) Franchised Business as reflected in the Table above.

Note 3: Total Estimate. This is the total estimated investment to enter into a Franchise Agreement and a Multi-Unit Development Agreement. This estimate does not include the estimated initial investment that you will incur each and every time you develop a Franchised Business under your Multi-Unit Development Agreement, except for your first Franchised Business. We cannot assure you that you will not have additional expenses toward the development of EVA businesses under the Multi-Unit Development Agreement. We recommend you review these estimates carefully with your business advisor, accountant or attorney before making any decision to sign the Multi-Unit Development Agreement.

ITEM 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

You may only offer and sell the Approved Services and Products. You may only use those products, supplies, equipment, non-gaming technology systems, point-of-sale system, décor items, uniforms, and services that we authorize and designate in writing. To ensure that our standards and specifications of quality, service and System development are maintained, you must operate your Franchised Business in strict conformity with the Franchise Agreement and the methods, standards, specifications and sources of supply that we designate and prescribe in the Operations Manual.

Restricted Source of Services and Products

We require that you purchase or lease certain source-restricted services and products for the development and operation of your Franchised Business. Source-restricted services and products are those that must meet our specifications and/or that must be purchased from an approved or designated supplier that may include us or our affiliates. We may designate a supplier, including us or our affiliates, as the exclusive supplier for the System. Our specifications and list of approved and designated suppliers is contained in our Manual. We will notify you of any changes to our specifications or list of approved or designated suppliers. We may notify you of these changes in various ways, including written or electronic correspondence, amendments and updates to our Manual, and other forms of communication. We formulate and modify our standards and specifications for services and products based on our business judgment, industry experience and our management decisions as to the overall operation and expansion of the System. If we have previously approved a supplier, and their standards fall below our designated standards, we will revoke our approval. We will notify you in writing of us revoking our approval.

Suppliers and Supplier Criteria

We may designate us and/or our affiliates as exclusive suppliers of source restricted goods and services including consumable technology required to offer VR gaming, inventory, equipment, apparel, supplies, uniforms, marketing materials and other branded items. We may designate us or a third party as the sole and exclusive supplier irrespective of the existence of competing suppliers. If, in the Operations Manual, we do not designate a supplier for a particular item, you will purchase all such products, supplies and services from suppliers who meet our specifications and standards. During the fiscal year ending December 31, 2023, we derived \$47,179 as a result of franchisee purchases which is equal to 100% of our total revenue. During the fiscal year ending December 31, 2023, none of our affiliates derived any revenue as a result of franchisees purchases.

If you would like to use any goods or services in establishing and operating your Franchised Business that we have not approved (for goods and services that must meet our standards, specifications or that require supplier approval), you must first send us sufficient information, specifications and samples for us to determine whether the goods or services comply with our standards and specifications or the supplier meets our Approved Supplier criteria. You must pay our expenses to evaluate goods, services or suppliers regardless of whether we provide our approval or not. We will decide within a reasonable time after receiving the required information whether you may purchase or lease the goods or services from the supplier. Our criteria for approving or revoking approval of suppliers includes: the supplier's ability to provide sufficient quantity of goods; quality of goods or services at competitive prices; production and delivery capability; our existing relationships with competitive vendors; and experience, dependability and general reputation. We will notify you in our Manual or other written communications if we revoke approval of any supplier.

We estimate that your purchase of goods and services from suppliers according to our specifications, including your purchase of goods or services from our designated exclusive suppliers, to represent approximately 50% to 60 % of your total purchases and leases in establishing the Franchised Business and approximately 25% to 35% of the on-going operating expenses of the Franchised Business.

Your Franchised Business must maintain an initial and ongoing inventory of System Supplies. You must purchase the System Supplies, as designated by us, from us, our affiliates, and/or our designated suppliers. Your Franchised Business must be equipped with branded and unbranded furniture and fixtures that we designate and that meet our standards and specifications. You may purchase unbranded furniture and fixtures from any supplier of your choosing, provided that the furniture and fixtures meet our specifications and standards, which may also include specified manufacturers, brands and models. If the furniture and fixtures that we designate are specified to be branded with the Licensed Marks, then you may only purchase them from our designated exclusive suppliers. The signage for your Franchised Business must meet our standards and specifications and must be purchased from our designated suppliers.

Credit Card Processing

You must use our designated supplier and vendor for credit card processing, which may be integrated with the point-of-sale system that we designate. Credit card processing fees will, generally, be based on a percentage of all credit cards processed.

Computer System

You are required to purchase and utilize a computer system described in Item 11 below on-site at your Approved Location. Generally, the computer system will consist of certain hardware, software such as our point-of-sale system, and peripheral devices such as a printer. You will be required to meet our requirements involving back office and point of sale systems, security systems, printers, back-up systems, and high-speed internet access.

Online Ordering, Customer Rewards, and Gift Cards

You must use our designated supplier and vendor for the ability to access and use online, point of sale integrated, web based, and/or app based, ordering, customer rewards, and/or gift card systems. As you access and utilize these systems you will pay usage fees based on a percentage of your processed Gross Sales.

Branded Items and Marketing Materials

All services and products bearing the Licensed Marks (including, but not limited to, stationary, business cards, brochures, uniforms, merchandise, apparel, signs and displays) must meet our standards and specifications and must be purchased from either us directly or our designated suppliers. All of your marketing materials must comply with our standards and specifications and must be approved by us before you use them. With our written consent, you may market your Franchised Business through approved Social and Digital Media platforms provided that you do so in accordance with our Social and Digital Media policies set forth in our Manual and other written directives from us. You must purchase all branded marketing materials from either us or our designated exclusive supplier. We may require that you exclusively use, at your cost, our designated supplier for social and Social and Digital Media marketing services and exclusively use, at your cost, our social media platforms, vendors and marketing channels.

Insurance

You must obtain the insurance coverage that we require from time to time as presently disclosed in the Operations Manual and as we may modify. All insurance policies required under your Franchise Agreement and as set forth in the Franchise Agreement must be written by carrier with a rating reasonably acceptable to us and all insurance (excluding workers' compensation) must name us, our officers, directors, shareholders, partners, agents, representatives and independent contractors as additional insureds. The insurance policies must include a provision that the insurance carrier must provide us with no less than 30 days' prior written notice in the event of a material alteration to, or cancellation of, any insurance policy. A certificate of insurance must be furnished by you prior to the commencement of our initial training program. Insurance coverage must be at least as comprehensive as the minimum requirements in the Franchise Agreement (Franchise Agreement, Section 8). You must consult an insurance broker to determine whether the level of coverage necessary for the Franchised Business is more than our requirements.

We currently require that you carry comprehensive general liability insurance, written on an occurrence basis, extended to include contractual liability, products and completed operations, and personal and advertising injury, with a combined bodily injury and property damage limit of at least \$1,000,000 per occurrence and \$2,000,000 in the aggregate; coverage against direct physical loss or damage to real and personal property, including improvements and betterments, written on a special form peril basis in an amount equal to 100% of the Franchised Business's property value; statutory workers' compensation insurance and employers' liability insurance as required by the law of the state in which the Franchised Business is located, including statutory workers' compensation limits and employers' liability limits of at least \$1,000,000; automobile insurance, including liability insurance coverage for hired and non-owned automobiles, with a combined single bodily injury and property damage limit of at least \$1,000,000 per occurrence; business interruption insurance equal to 12 months of your net income and continuing expenses including Royalty Fees; commercial umbrella liability insurance with total liability limit of at least \$5,000,000 above the required commercial general liability policy; cyber insurance in the amount of at least \$1,000,000 protecting against first party and third-party claims; coverage for claims under the Americans with Disability Act (physical and website); employment practices liability insurance with a limit of at least \$2,000,000 including actions of a third party and a minimum limit of \$100,000 for wage and hour disputes; and all other insurance that we require in the Operations Manual or that is required by law or by the lease or sublease for the Franchised Business.

Purchase Agreements and Cooperatives

We may, in our discretion, negotiate purchase agreements, including price terms, with designated suppliers for source-restricted goods and services on behalf of the System. We may establish preferred vendor programs with suppliers on behalf of some or all of the System. We may limit the number of approved vendors and/or suppliers that you may purchase from, and we may designate one vendor as your sole supplier. Presently, there are no purchasing or distribution cooperatives that you must join. You will not receive any material benefits for using our designated or approved suppliers.

Our Right to Receive Compensation and Our Revenue from Source Restricted Purchases

We and/or our affiliates may receive rebates, payments and other material benefits from suppliers based on your purchases and we reserve the right to institute and expand rebate programs in the future. During the fiscal year ended December 31, 2023, we earned no revenue from approved third-party suppliers based on our franchisees' purchases. We do not provide our franchisees with any material benefits based on a franchisee's purchase of particular products or services or use of particular suppliers.

ITEM 9

FRANCHISEE'S OBLIGATIONS

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

Obligation	Sections in Agreement	Disclosure Document Item
a. Site selection and acquisition/lease	FA*: 2.A, 3.1 and 3.2 MUDA: 3, 4 and 8	7 and 11
b. Pre-opening purchases and leases	FA: 3 and 8 MUDA: Not applicable	7 and 8
c. Site development and other pre-opening requirements	FA: 3, 4, 7.6, 7.7, 7.9, 7.10, 8 and 9.2 MUDA: 1, 3 and 4	6, 7 and 11
d. Initial and ongoing training	FA: 4 and 7.10 MUDA: Not applicable	11
e. Opening	FA: 2, 3, 4 and 9.2 MUDA: 4	11
f. Fees	FA: 3, 4.1, 5, 9, 12, 13, 14, 15, 16 and 18.14. MUDA: 2	5, 6 and 7
g. Compliance with standards and policies/manual	FA: 3, 4, 7, 8, 9 and 12 MUDA: Not applicable	8 and 11
h. Trademarks and proprietary information	FA: 6, 7 and 11 MUDA: Not applicable	13 and 14
i. Restrictions on products and services offered	FA: 3, 4.3, 7.6, 7.7, 7.8, 7.9, 7.10 and 8 MUDA: Not applicable	8, 11 and 16
j. Warranty and customer service requirements	FA: 7 MUDA: Not applicable	16
k. Territorial development and sales quotas	FA: 2 MUDA: 4	12
l. Ongoing product and service purchases	FA: 3, 4.3, 5 and 7 MUDA: Not applicable	8
m. Maintenance, appearance and remodeling requirements	FA: 7 MUDA: Not applicable	7 and 17
n. Insurance	FA: 8 MUDA: Not applicable	7 and 8
o. Advertising	FA: 3.6, 4.3, 7.13, 9 and 11 MUDA: Not applicable	6 and 11
p. Indemnification	FA: 10 MUDA: 14	6
q. Owner's participation, management, and staffing	FA: 4, 6, and 7 MUDA: 7	11 and 15
r. Records and reports	FA: 5 and 12 MUDA: Not applicable	6
s. Inspections and audits	FA: 13 MUDA: Not applicable	6 and 11
t. Transfer	FA: 14 MUDA: 11	17
u. Renewal	FA: 15 MUDA: 5	17
v. Post-termination obligations	FA: 6, 17 and 18 MUDA: 10	17
w. Non-Competition Covenants	FA: 6, 17 and 18 MUDA: 12	17

x.	Dispute Resolution	FA: 18.F and 18.7 MUDA: 19	17
y.	Individual guarantee of franchisee obligations	FA: 2.C, 6, 14.C and 14.5 MUDA: Attachments A and B	9

*Table Abbreviations: “FA” = Franchise Agreement; “MUDA” = Multi-Unit Development Agreement

ITEM 10 **FINANCING**

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

ITEM 11 **FRANCHISOR’S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING**

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

Pre-Opening Assistance

Before you open your Franchised Business, we will do the following:

1. Grant you the right to operate a Franchised Business at a single Approved Location within a Designated Territory. (Franchise Agreement, Section 2).
2. After you secure an Approved Location, we will define the Designated Territory for your Franchised Business and include the geographic boundaries and/or a description of your Designated Territory within Schedule 2 of the Franchise Agreement which may occur after you sign the Franchise Agreement. (Franchise Agreement, Section 2, and Schedule 2).
3. Provide site selection criteria and guidelines and approve or disapprove your site for the location of your Franchised Business. (Franchise Agreement, Section 2).
4. Provide you with a list of our approved signage, equipment, furniture, fixtures and suppliers, either as part of the Manual or otherwise in writing and we will review and approve, in our discretion, your proposed signage, equipment, furniture and fixtures. (Franchise Agreement, Sections 3 and 4).
5. Provide you (or, if you are a Corporate Entity, the Managing Owner) and/or your Operating Manager(s) with training in accordance with our initial training program and provide you with a compliance certificate. (Franchise Agreement, Section 4).
6. Review your preliminary and final drawings and layout specifications and notify you of our approval or disapproval of your plans (Franchise Agreement, Section 3.2).
7. Identify your Franchised Business on our website at the URL www.eva.gg (the “System Website”). (Franchise Agreement, Sections 3.6. and 9).

Site Selection

You are responsible for selecting a site for your Approved Location, and you must obtain our approval of your site. You are responsible for all costs and expenses in locating and evaluating proposed sites and the demographic data associated with your proposed sites. We do not typically own or lease the real property for your Franchised Business.

In conjunction with signing the Franchise Agreement, we will provide you with an area to search for an Approved Location. You will enter into the Site Selection Acknowledgment attached to the Franchise Agreement as Schedule 6. The geographic area designated by us for you to locate your Approved Location will be defined in the Site Selection Acknowledgment as the “Site Selection Area”. The Site Selection Area shall be exclusive for 90 days while you search for your site. After the 90-day period of exclusivity, you must continue to locate a site for your Franchised Business, but we have the right to offer a franchise to a third party in your Site Selection Area. You agree that the Site Selection Area designated in the Site Selection Acknowledgment does not constitute our approval of a proposed Approved Location, does not constitute our designation of your Designated Territory, does not afford you any territorial rights in or to the Site Selection Area, and does not extend and/or modify any obligation on your part to timely secure an Approved Location.

We will provide you with site selection guidelines. Your Approved Location must be located within the Site Selection Area at a site that we approve of. If you sign a Multi-Unit Development Agreement, then each Approved Location must be located within the Development Area designated in the Multi-Unit Development Agreement and at sites that we approve within the Development Area.

We will approve your site within a reasonable time period, not exceeding 30 days from our receipt of your written request for our review of a proposed site and your submission to us of the information and documentation that we may request. In determining whether to approve or disapprove a proposed site for your Franchised Business, factors that we take into consideration include: (a) population density, demographic factors, traffic patterns, parking, building structures, visibility and available sign locations; (b) the location of your proposed site relative to your overall Designated Territory and proximity to other EVA businesses and competitors; (c) the location of your proposed site relative to your overall Development Area and proximity to other Franchised Businesses, if you signed a Multi-Unit Development Agreement; and (d) whether or not the landlord is amenable to our Lease Agreement Rider in substantially the same form as contained in Schedule 7 of the Franchise Agreement.

Within 90 days of signing your Franchise Agreement, you must secure a site and a lease that we approve. It is your obligation to consult with government agencies, architects and legal professionals to evaluate and determine that your proposed site permits the establishment and operation of an EVA business and that you possess the necessary licenses and authority to operate a Franchised Business that offers and provides the Approved Services and Products.

We may review the terms of the lease for your Approved Location and require that your landlord acknowledge our rights as set forth in the lease agreement rider attached as Schedule 7 to the Franchise Agreement (the “Lease Agreement Rider”) and that you collaterally assign the lease to us

as set forth in the Collateral Assignment of Lease attached as Schedule 8 to the Franchise Agreement. Neither our acceptance of the premises nor any information communicated to you regarding our standard site selection criteria for EVA businesses nor the specific location of your Franchised Business will constitute a warranty or representation of any kind, express or implied, as to the suitability of the site for your Franchised Business. Our acceptance of your proposed site merely signifies that we are willing to grant you an EVA franchise at the proposed site.

Time to Open

You may not open your Franchised Business until you have completed our initial training requirements, obtained the necessary licensing and authorization from state and regulatory agencies within your Designated Territory, obtained and provided us with written proof of the required insurance, and have timely secured a leased or purchased site that we have approved.

We estimate that the length of time between the signing of your Franchise Agreement and opening your Franchised Business and commencing business will typically be nine to 12 months. Factors that may affect this estimated time period include: (a) evaluating and selecting a suitable site for your Approved Location; (b) timeliness of your submission to us of information and documentation that we may request in determining whether or not to approve of the proposed site; (c) negotiating and obtaining a suitable lease for your Approved Location; (d) obtaining third party lender financing, if necessary; and (e) obtaining the necessary licenses for the operation of your Franchised Business. Other factors that may affect this time period include time to ship equipment, time for equipment installation, and the construction and/or installation of your leasehold improvements and fixtures. You must open your Franchised Business within 12 months of the Effective Date of your Franchise Agreement (the “Opening Deadline”). If you do not, we may terminate your Franchise Agreement without refunding any fees to you.

Post-Opening Obligations

After you open your Franchised Business, we will do the following:

1. Provide supplemental on-site training that we may designate and require. You will pay our then-current supplemental training fee plus travel expenses, meals and accommodation expenses incurred by us and our trainers. (Franchise Agreement, Section 4.1.).
2. Offer and make available to you (or, if you are a Corporate Entity, your Managing Owner) and/or your replacement Operating Manager our initial training program which must be completed to our satisfaction. You will pay our then-current supplemental training fee for your replacement Operating Manager each day. You will also be responsible for all costs incurred by us and your representatives attending our initial training (Franchise Agreement, Sections 4.1.).
3. Provide updated information as to the standards, procedures and System requirements including, but not limited to, updates to the Manual, Approved Services and Products, System Supplies, marketing and promotion standards, and as we may, in our discretion, designate, modify, supplement and amend and modify from time to time. (Franchise Agreement, Sections 4.2. and 4.3.).

4. Establish, update and communicate to you our standards for the marketing and promotion of the Franchised Business including, but not limited to, the marketing materials and mediums that you may utilize. (Franchise Agreement, Section 4.2.).
5. Provide the names and addresses of approved vendors and suppliers for the Approved Services and Products and the System Supplies. (Franchise Agreement, Sections 4.2. and 4.3.).
6. Administer and manage System-wide marketing funds comprised of a Brand Development Fund in a manner that we deem necessary in our sole discretion to promote the EVA brand and our franchisees. (Franchise Agreement, Sections 9.1. and 9.6.).

Advertising Generally

All advertising, marketing, marketing materials and all marketing avenues used by you in the marketing and promotion of your Franchised Business must be pre-approved by us in writing and conform to our standards and specifications. You may only utilize the advertising and marketing materials and avenues that we designate and approve in writing. In our discretion, we may make available to you approved marketing templates comprised of pre-approved ads, ad copy and Social and Digital Media that you may utilize at your own expense. If you wish to utilize marketing materials and/or marketing avenues that are not currently approved by us in writing, you may submit a written request requesting permission and we will approve or disapprove of your request within 15 days of your submission of the written request and sample marketing materials. We are not required to spend any amount on your behalf on advertising in your Designated Territory, and we are not required to conduct any advertising on your behalf.

Grand Opening Marketing

You must spend a minimum of \$5,000 but no more than \$10,000 on your grand opening which includes local advertising, promotion, and other marketing activities that we specify or approve of. This amount must be spent within 30 days before your Franchised Business opens and on the opening date. You must submit to us proof of these expenditures within 120 days after your Franchised Business first opens for business.

Brand Development Fund

We do not currently but reserve the right to implement, control and administer the Brand Development Fund first discussed in Item 6. Your Brand Fund Contribution will not exceed 2% of Gross Sales per month upon implementation of the Brand Development Fund by the Franchisor. We will maintain and administer the Brand Development Fund as follows:

1. We will control the creative concepts and the materials and media to be used, and we will determine the placement and allocation of advertisements. We may use print, television, radio, Internet, or other media for advertisements and promotions. We do not guarantee that any particular EVA franchisee will benefit directly or in proportion to their contribution from the placement of advertising by the Brand Development Fund. We are not obligated to spend any amount of Brand Fund Contributions in your Designated Territory or in any particular franchisee's territory.

2. We will use Brand Fund Contributions for producing, maintaining, administering and directing consumer advertising on a national and/or regional level as we deem necessary or appropriate, in our sole discretion. We may use multiple sources for advertising including in-house and regional or national agencies. We will maintain your contributions in a separate account from our funds. We will not use Brand Fund Contributions for any of our general operating expenses, except for our reasonable administrative costs and overhead related to the administration of the Brand Development Fund. We will not use Brand Fund Contributions for the direct solicitation of franchise sales; however, we may include a statement regarding the availability of information about the purchase of EVA franchises in advertising and other items produced or distributed using the Brand Development Fund.
3. We shall attempt to use all contributions in the fiscal year they are made; however, if less than all monies in the Brand Development Fund are spent in the fiscal year in which they accrue, the money will remain in the Brand Development Fund to be spent in subsequent years. We will use any interest or other earnings of the Brand Development Fund before we use current contributions. We intend for the Brand Development Fund to be perpetual, but we have the right to terminate it if necessary. We will not terminate the fund until all contributions and earnings have been used for advertising and promotional purposes or we have returned your *pro rata* share. In the last fiscal year, we did not administer a Brand Development Fund and, therefore, we did not collect or spend any Brand Fund Contributions.
4. The Brand Development Fund is not audited. The Brand Development Fund is not a trust, and we assume no fiduciary duty in administering it. Upon your written request, we will provide you, within 120 days of our fiscal year end, a written statement for such fiscal period setting forth in brief detail the total amounts collected, and disbursements made by us in connection with the Brand Development Fund.
5. Except for the salaries of marketing personnel employed by us, we do not receive compensation for providing goods or services to the Brand Development Fund. The Brand Development Fund is not and will not be our asset. If amounts are unspent in the Brand Development Fund at fiscal year-end, those amounts are carried over by the Brand Development Fund for expenditure in the following year. Except as described above, we are not obligated to advertise.

Local and Regional Advertising Cooperative

We have the exclusive right to authorize, establish, designate and de-authorize a local or regional advertising cooperative within those markets that we designate. We will exclusively determine the geographic and other boundaries constituting each respective cooperative and factors that we will consider include media markets including print, television and digital. If we establish a cooperative within a market that includes your Franchised Business, you must contribute to the cooperative in such amounts and frequency as determined by the cooperative. Members of the cooperative will be responsible for administering the cooperative, including determining the amount of contributions, marketing expenditures and allocations.

We reserve the right to form, change, dissolve, or merge with any advertising cooperative. If we elect to form a local or regional cooperative or if a cooperative already exists as to the area of your

Franchised Business, you will be required to participate in the cooperative in accordance with the provisions of our Manual which we may supplement and modify from time to time. If established, the cooperative will operate under written governing documents prepared by us or our designee, which will be made available to you upon reasonable written request. An accounting of the operation of the cooperative will be prepared annually by the cooperative, at the cooperative's expense, and made available to cooperative members upon request. Our EVA business and our affiliate EVA business may but will not be required to participate in any cooperative. You will not be required to make contributions to a Local or Regional Advertising Cooperative in amounts exceeding 2% of your monthly Gross Sales. As of December 31, 2023, we have not implemented any local or regional advertising cooperatives but reserve the right to do so in the future.

Advertising Council

We have not established an advertising council but reserve the right to do so in the future.

Computer System

You must purchase, license and use the computer, point of sale, business management, and ordering systems that we designate. Currently, we use Lightspeed as our point-of-sale vendor. You must purchase at least one point of sale hardware terminal but may need more depending on the size of your Franchised Business. Additionally, you must purchase and maintain a non-gaming computer system on-site at your Approved Location. Generally, you will be required to obtain a computer system that will consist of certain hardware and software and, among other things, you will be required to meet our requirements for: (a) back office and point of sale systems; (b) security systems; (c) printers and other peripheral devices; (d) archive and back-up systems; and (e) high speed internet access. The computer system will collect and store data on customer transactions, sales, cost of goods sold, labor, customer data, and marketing data. The initial upfront cost of the point of sale and computer system that you will be required to purchase ranges from \$1,500 to \$2,500.

You are obligated to install and/or access all required points-of-sale and software upgrades. You are responsible for hardware repairs or replacement of systems. Your estimated costs for the maintenance, repair and updates for the computer and point of sale systems are estimated not to exceed \$1,000 per year. There are no contractual obligations imposed on us to maintain, repair, update, or upgrade your computer systems. We will have independent access to all of the information and data that is electronically transmitted on your point-of-sale system and will have access to all data related to the financial performance of your Franchised Business. There are no contractual limitations on our right to access your computer system in its entirety.

Initial Training

If this is your first EVA business being opened, we will provide initial training for you, or if you are a Corporate Entity, your Managing Owner, plus your Operating Manager(s) at your Approved Location. You or your Managing Owner and your Operating Manager(s) must successfully attend and complete the initial training program to our satisfaction before the opening of your Franchised Business. The initial training program takes place over an approximate one-week period and is conducted periodically as needed.

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
B2B training - Introduction to network offers - Targets / ICPs - Outbound tactics - Sales process	1.5	0	Your Approved Location, virtually or another location we designate
Hubspot training - Customer Relationship Management; - Create and update clients files; - Salescycle and pipeline management (qualification, quotes, follow-up, etc.).	2	0	Your Approved Location, virtually or another location we designate
Marketing & Communication - Approval process - Guidelines - Assets	2	0	Your Approved Location, virtually or another location we designate
Lightspeed / POS training	1	0	Your Approved Location, virtually or another location we designate
Web booking training: - How to use back-office and booking platform on eva.gg - Sharing of training docs	1	0	Your Approved Location, virtually or another location we designate
Operating: introduction to equipment, hygiene and safety routines	0	5	Your Approved Location
Operating: how to operate properly and basic troubleshooting	0	5	Your Approved Location
Operating: playtests before opening with EVA support teams	0	12	Your Approved Location
Creation of an account on the EVA Help Center - Sharing of all docs regarding operating and routines; - Database of most common issues and troubleshooting; - Possibility to create tickets to require additional help from support team	1	0	Your Approved Location, virtually or another location we designate
Operating: Hyper-care program during 4-first weeks of operating - Priority treatment of requests - Weekly call with a dedicated support team member	4	0	Your Approved Location, virtually or another location we designate
Total Hours	12.5	22	

The number of hours listed in the chart above are estimates only, and the number of hours we will spend training you will depend on your experience in the “eatertainment” industry, bar/restaurant industry, and the franchise industry as well as job history, business acumen, and other related factors. We use our Manual, live instruction, and handouts during the initial training program. The Table of Contents to our Manual is attached as Exhibit B. The Manual is online and consists of 24 pages. Initial training will be conducted under the direction and supervision of Stephanie Belle who has served as our COO since the date of our inception and in the same role with our parent company since January 2018. All trainers will minimal be experienced in the field and with us and pass our training program.

In addition to initial training, you will also be required to participate in and satisfy all other training programs that we may designate respecting the Franchised Business. If in our reasonable business judgment and upon request if we are available, we may offer you supplemental training at the Approved Location or, at our election, remotely through online web-based conferencing (“Supplemental Onsite Training”). If we provide Supplemental Onsite Training, you shall pay us our then-current supplemental onsite training fee which is currently at the rate of \$1,500 per day per on-site trainer (the “Supplemental Training Fee”) and reimburse us and our trainers for all travel-related expenses. If you hire a new Operating Manager, or if we determine that you are not satisfying and/or meeting our operational standards, then, we may require that you, and/or, as applicable, your Operating Manager participate in and, successfully complete, Supplemental Training and pay the Supplemental Training Fees before training upon submission of our invoice.

ITEM 12 **TERRITORY**

Grant of Territory

Once you identify a site that we approve for your Approved Location, we will designate an area around your site as your designated territory (the “Designated Territory”) which will be based on the particular area surrounding your Accepted Location and determined by us, in our sole discretion, using the mapping service, program and/or software selected by us. The typical Designated Territory will be the greater of eight miles drive-able distance around your Accepted Location as determined by us through our mapping technology or 300,000 people. In our sole discretion, we may grant you a Designated Territory of less than eight miles or 300,000 people and less than other franchisees based on the demographics of the area in which you wish to open your Franchised Business.

Your Location

Your Franchised Business will be located at a single site, which must meet our standards and specifications and must be approved by us. Under the Franchise Agreement, we will grant you the right to develop and operate one Franchised Business at a specific Approved Location.

Relocation

You are not allowed to relocate your Franchised Business without our approval, which will not be

unreasonably withheld. We evaluate relocation requests on a case-by-case basis and consider factors such as operational history, the location of other EVA businesses, our System expansion plans, the Designated Territory, demographics of your proposed relocation site and other factors that, at the time of a relocation request, are relevant to us.

Establishment of Additional Franchised Businesses

You do not have the right to establish additional EVA franchises unless you sign a Multi-Unit Development Agreement. Our approval of future Approved Locations and their respective designated territories will be based on our then-current site and territory criteria. You are not granted any options, rights of first refusal, or similar rights to acquire additional franchises. If you wish to develop additional EVA franchises, you must enter into a new franchise agreement and meet all our current requirements for franchisees.

Territory Rights

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 we control. However, during the term of the Franchise Agreement, provided that you are not in default of your obligations to us or our affiliates and except as to our Reserved Rights set forth below, we will not establish or open and we will not grant another franchisee the right to establish or open an EVA business at an Approved Location within your Designated Territory.

We and our affiliates reserve the exclusive right on any and all terms and conditions that we deem advisable and, without any compensation or consideration to you to engage in the following activities (our “Reserved Rights”): (a) operate and grant to others the right to operate a Franchised Business using the System and Licensed Marks at locations outside of your Designated Territory; (b) acquire or merge with or otherwise affiliate with one or more businesses of any kind, including businesses that are Competitive Businesses, and after such acquisition, merger or affiliation to own and operate and to franchise or license others to own and operate and to continue to own and operate such businesses, including Competitive Businesses (but not utilizing the Licensed Marks) within your Designated Territory; (c) be acquired by or merge with or otherwise affiliate with one or more businesses of any kind, including businesses that are Competitive Businesses, even if such business or businesses presently or, in the future, own and operate and franchise or license others to own and operate such businesses, including Competitive Businesses (but not utilizing the Licensed Marks) within your Designated Territory; (d) use the Licensed Marks and System to distribute the Approved Services and Products or products and services similar to the Approved Services and Products in Alternative Channels of Distribution within or outside your Designated Territory; (e) use the Licensed Marks and System and to license others to use the Licensed Marks and System to engage in all other activities not expressly prohibited by this Agreement; (f) the right to operate EVA-branded trade show booth or “pop-up” location in your Designated Territory; and (g) the right to open EVA facilities at non-traditional sites in your Designated Territory including, without limitation military bases, hotels, college campuses, airports, train stations, travel plazas, casinos, and sports or entertainment venues or stadiums (“Non-Traditional Sites”).

Our reserved right authorizing us to sell services and products in your Designated Territory through other channels of distribution may affect your ability to sell those services and products. There are

no restrictions on our right to solicit or accept orders from consumers inside your Designated Territory. We are not required to pay you any compensation for soliciting or accepting orders from inside your Designated Territory. Neither we nor our affiliates currently plan to operate or franchise any business under any different trademarks that sell or distribute similar products or services to those that you will offer but we reserve the right to do so in the future. Neither we nor our affiliates are restricted from establishing other franchises or company-owned outlets, or other channels of distribution, selling or leasing similar products or services under a different trademark.

Soliciting by You Outside Your Territory

You are required to target and direct the marketing of your Franchised Business to customers located within your Designated Territory. You may only offer and sell Approved Services and Products from your Approved Location located within your Designated Territory. You are not allowed to directly solicit consumers outside your territory, and you do not have the right to use other channels of distribution, such as the internet, catalog sales, telemarketing or other direct marketing to make sales outside your territory. Except in conjunction with approved advertising promotions, you may not directly market or solicit business outside your Designated Territory without prior written authorization from us, including Internet marketing, postcards, letters, fliers, emails, or other marketing communications. You may not make telemarketing calls to customers or prospective customers located outside your Designated Territory or advertise in print or other media where two-thirds or more of the media circulation base or broadcast area is located outside your Designated Territory.

Multi-Unit Development Agreement

Under the Multi-Unit Development Agreement, the developer will receive a designated territory and neither we nor any of our affiliates will develop or operate or grant franchises for the development or operation of EVA businesses within the Development Area, except the franchises that are granted to the developer pursuant to the Multi-Unit Development Agreement and except as otherwise expressly provided in the Development Agreement. However, we have the right to terminate the protection if the developer is not in full compliance with all of the terms and conditions of the Multi-Unit Development Agreement and all of the Franchise Agreements signed under it. Your territorial rights may not, in our discretion, include the right to develop EVA franchised businesses any Non-Traditional Sites. You are not granted any other option, right of first refusal or similar right to acquire additional Eva Franchised Businesses in your Development Area under the Multi-Unit Development Agreement. To maintain your rights under the Multi-Unit Development Agreement, you must have open and in operation the cumulative number of Franchised Businesses as stated on the Development Schedule by the dates agreed upon in the Development Schedule. Failure to do so will be grounds for termination of the Multi-Unit Development Agreement. 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 we control.

ITEM 13

TRADEMARKS

We grant you the right to operate your Franchised Business under the name “EVA” and other names we designate from time to time. Our parent company, EVA S.A.S., has the following registrations filed under Section 66a as international trademarks which have pending registration on the United States Patent and Trademark Office (“USPTO”) Principal Register:

Mark	USPTO International Registration Number	Registration Type	Date of Automatic Protection
EVA	1647528	International (Sec. 66a)	September 3, 2023
	1647544	International (Sec. 66a)	September 3, 2023

The principal trademarks identified in the chart above are a part of the Licensed Marks, our System, are registered with the USPTO and, unless otherwise designated by us, will be used by you in the operations of the Franchised Business. As to these marks all required affidavits have been filed with the USPTO. While we have registered these trademarks internationally and have a date of automatic protection under Section 66(a) of the Trademark Act, we do not have a federal USPTO registration for these trademarks as of the date of this Disclosure Document. Therefore, these trademarks do not have as many legal benefits and rights as our federally registered trademarks. If our right to use these trademarks is challenged, you may have to change to an alternative trademark, which may increase your expenses.

Pursuant to a license agreement between us and our parent company, we have the exclusive right to license the use of the trademarks to others within the United States. The license granted to us by EVA S.A.S. is perpetual and can only be terminated if we misuse the trademarks or willfully allow our franchisees to misuse the trademarks. If the trademark license agreement is terminated or modified, you may have to change to an alternative trademark for your business which may increase your expenses. Other than the license agreement with our affiliate, there are no agreements that limit our right to use or license the use of the trademarks.

As of the issuance date of this Disclosure Document, there is a pending Request for Reconsideration of a refusal by the USPTO’s examiner due to a likelihood of confusion with prior-filed trademarks. Other than that, there are no currently effective determinations of the USPTO, the Trademark Trial and Appeal Board, or any state trademark administrator or any court; or any pending infringement, opposition, or cancellation proceeding in which we unsuccessfully sought to prevent registration of a trademark in order to protect a trademark licensed by the franchisor. There is no other pending material in federal or state court litigation regarding our use or ownership rights in a trademark. We know of no other infringing or prior superior uses that could materially affect the use of these trademarks and the Licensed Marks generally.

You do not receive any rights to these trademarks other than the right to use them in the operation of your Franchised Business. You must follow our rules when you use these trademarks. You must

use these trademarks as the sole trade identification of the Franchised Business. You cannot use any of these trademarks or portion thereof as part of any business entity name. You may not use any of these trademarks in connection with the sale of any unauthorized services or products, or in any other manner that we do not authorize in writing. You must obtain a fictitious or assumed name registration if required by your state or local law. Any unauthorized use of the Licensed Marks by you is a breach of the Franchise Agreement and an infringement of our rights in the Licensed Marks. You must not contest the validity or ownership of the Licensed Marks, including any Marks that we license to you after you sign the Franchise Agreement. You must not assist any other person in contesting the validity or ownership of the Licensed Marks.

You must immediately notify us in writing when you learn about any claim of infringement, unfair competition, or similar claims about the Licensed Marks. You must not communicate with any person other than us and our counsel regarding any infringements, challenges or claims unless you are legally required to do so; however, you may communicate with your own counsel at your own expense.

We will protect your right to use the Licensed Marks and other related rights and to protect you against claims of infringement and unfair competition related to the Licensed Marks, provided that you use the Licensed Marks in accordance with the terms of your Franchise Agreement, as designated by us in the Operations Manual, and, otherwise, as we instruct you. We will indemnify you against direct damages for trademark infringement in a proceeding arising out of your use of the Licensed Marks, provided your use of the Licensed Marks comply with the terms of your Franchise Agreement, the Manual, our written instructions and, that you have timely notified us of the claim, have given us sole control of the defense and settlement of the claim, and you are in compliance with your Franchise Agreement and, if applicable, Multi-Unit Development Agreement. If we defend the claim, we have no obligation to indemnify or reimburse you with respect to any fees or disbursements of any attorney that you retain. You must take any actions that, in the opinion of our counsel, may be advisable to protect and maintain our interests in any proceeding or to otherwise protect and maintain our interests in the Licensed Marks.

We reserve the right to substitute different Licensed Marks for use in identifying the System and the businesses operating as part of the System if our currently owned trademarks no longer can be used, or if we determine, exercising our right to do so, that substitution of different Licensed Marks will be beneficial to the System. In such cases, you must implement and use such different Licensed Marks at your cost and in the manner we require. If we require, you must modify or discontinue the use of any Licensed Mark and use other trademarks or service marks we designate. We have no obligation to reimburse you for modifying or discontinuing the use of a Licensed Mark or for substituting another trademark or service mark for a discontinued Licensed Mark. If we adopt and use new or modified Licensed Marks, you must add or replace equipment, supplies and fixtures, and you must make other modifications we designate as necessary to adapt your Franchised Business for the new or modified Licensed Marks. We do not reimburse you for any loss of goodwill associated with a modified or discontinued Licensed Mark.

We will protect your right to use the Licensed Marks and other related rights and to protect you against claims of infringement and unfair competition related to the Licensed Marks, provided that you use the Licensed Marks in accordance with the terms of your Franchise Agreement, as designated by us in the Operations Manual, and, otherwise, as we instruct you. We will indemnify

you against direct damages for trademark infringement in a proceeding arising out of your use of the Licensed Marks, provided your use of the Licensed Marks comply with the terms of your Franchise Agreement, the Operations Manual, our written instructions and, that you have timely notified us of the claim, have given us sole control of the defense and settlement of the claim, and you are in compliance with your Franchise Agreement and, if applicable, Multi-Unit Development Agreement. If we defend the claim, we have no obligation to indemnify or reimburse you with respect to any fees or disbursements of any attorney that you retain.

If we undertake the defense or prosecution of any litigation concerning the Marks, you must sign any documents and agree to do the things as may, in our counsel's opinion, be necessary to carry out such defense or prosecution, such as becoming a nominal party to any legal action. Except to the extent that the litigation is the result of your use of the Marks in a manner inconsistent with the terms of the Franchise Agreement, we agree to reimburse you for your out-of-pocket costs in doing these things, except that you will bear the salary costs of your employees, and we will bear the costs of any judgment or settlement. To the extent that the litigation is the result of your use of the Marks in a manner inconsistent with the terms of the Franchise Agreement, you must reimburse us for the cost of the litigation, including attorneys' fees, as well as the cost of any judgment or settlement.

ITEM 14

PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

There are no patents that are material to the franchise. We claim common law copyright protection in the Manual, our System Website, our menus, our marketing materials, training manuals or videos, and other copyrightable items that are part of the System. While we claim copyrights in these and similar items, we have not registered these copyrights with the United States Register of Copyrights, but we reserve the right to register these copyrights in the future. You may use these items only as we specify while operating the Franchised Business and you must stop using them if we direct you to do so.

We know of no effective determinations of the U.S. Copyright Office or any court regarding any of our copyrighted materials. Our right to use or license copyrighted items is not materially limited by any agreement or known infringing use.

We have developed certain trade secrets and other confidential information, including technical and non-technical information used in or related to the operation of your Franchised Business and not commonly known by or available to the public, including, without limitation, methods and products, customer service techniques, menus and recipes, VR gaming techniques and methodologies not generally known to the industry or public, customer lists, services and products, the Manual, and any other information identified or labeled as confidential when delivered by us but shall not include any information that: (a) is now or subsequently becomes generally available to the public through no fault of you; (b) you can demonstrate it was rightfully in your possession, without obligation of nondisclosure, pursuant to the Franchise Agreement; (c) is independently developed; or (d) is rightfully obtained from a third party who has the right, without obligation of nondisclosure, to transfer or disclose such information ("Confidential Information").

We will provide our trade secrets and other Confidential Information to you during training, in the Manual and as a result of the assistance we furnish you during the term of the Franchise Agreement.

You may only use the trade secrets and other Confidential Information for the purpose of operating your Franchised Business. You may only disclose trade secrets and/or other Confidential Information to employees who must have access to it to operate your Franchised Business. You are responsible for enforcing the confidentiality provisions regarding your employees.

Certain individuals with access to trade secrets or other Confidential Information, including your shareholders (and members of their immediate families and households), officers, directors, partners, members, if you are a corporation, limited liability company or other business entity, and your Operating Manager(s), executives, employees, agents, independent contractors, consultants and staff are required to sign nondisclosure and non-competition agreements in a form the same as or similar to the Nondisclosure and Non-Competition Agreement attached as Schedule 5 to the Franchise Agreement. We will be a third-party beneficiary with the right to enforce those agreements.

All ideas, concepts, techniques or materials concerning your Franchised Business and the System, whether or not protectable intellectual property and whether created by or for you or your owners or employees, must be promptly disclosed to us and will be deemed our sole and exclusive property and a part of the System that we may choose to adopt and/or disclose to other franchisees and you agree to assign to us all right, title and interest in any intellectual property so developed without additional compensation to you. Likewise, we will disclose to you concepts and developments of other franchisees that we make part of the System. You must also assist us in obtaining intellectual property rights in any concept or development if requested.

Your use of the Manual, trade secrets or other Confidential Information in an unauthorized manner is a default of the Franchise Agreement that may result in automatic termination of the Franchise Agreement. Further information about termination of the Franchise Agreement following a default is included in Item 17. You must comply with our System standards, other directions from us, and all applicable laws and regulations, regarding the organizational, physical, administrative and technical measures, and security procedures to safeguard the confidentiality and security of customer's information on your Computer System or otherwise in your possession or control and, in any case, employ reasonable means to safeguard the confidentiality and security of Customer Information. "Customer Information" means names, contact information, financial information, and other personal identifiable information of or relating to your Franchised Business's customers, and Prospective Customers. "Prospective Customer (s)" includes any person or entity that received a quote for services and products at your Franchised Business, or any person or entity whose information was provided to your Franchised Business, at any time during the six-month period preceding the termination, expiration, non-renewal or transfer of the Franchise Agreement. If there is a suspected or actual breach of security or unauthorized access involving your Customer Information, you must notify us immediately after becoming aware of the occurrence and specify the extent to which Customer Information was compromised or disclosed.

We and our affiliates will, through the Computer System or otherwise, have access to Customer Information. We and our affiliates may use Customer Information in our and their business activities. When the Franchise Agreement expires or terminates, we and our affiliates may make all disclosures and use the Customer Information in any manner that we or they deem necessary or appropriate. You must secure from your customers and Prospective Customers all consents and authorizations, and provide them all disclosures, that applicable law requires to transmit the

Customer Information to us and our affiliates, and for us and our affiliates to use that Customer Information, in the manner that the Franchise Agreement contemplates.

ITEM 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

The Franchise Agreement requires that you or, if you are a Corporate Entity, your designated managing shareholder, member or partner (your “Managing Owner”) be personally responsible for the management and overall supervision of your Franchised Business. Your Managing Owner must complete, to our satisfaction, our initial training program and be approved by us before you open. While we recommend that your Managing Owner personally participate in the day-to-day management and on-site supervision and operations of your Franchised Business, you may hire an operating manager (“Operating Manager”) to supervise and manage the day-to-day on-site operations of your Franchised Business provided that your operating manager: (a) meets all of our minimum standards and criteria for managers; (b) completes our initial training program; and (c) signs our confidentiality agreements. At all times, your Franchised Business must be managed and supervised on-site by either a Managing Owner or Operating Manager. If you own and operate multiple EVA franchises, then each Approved Location must be managed and supervised on-site by an Operating Manager. Your Operating Manager is not required to possess an equity interest in the franchised business. You and, if you are a Corporate Entity, each of your members, shareholders and/or partners (collectively, “Owners”), must personally guarantee all of your obligations to us under the Franchise Agreement. Each Owner must personally guarantee your obligations to us under the Franchise Agreement.

ITEM 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must offer and sell all the services and products we specify. You may not sell any services or products that we have not authorized, and you must discontinue offering any services or products that we may disapprove of. We may take action, including terminating your Franchise Agreement, if you purchase or sell unapproved products or services or make purchases from unapproved suppliers. Periodically, we may allow certain services or products that are not otherwise authorized for general use as a part of the System to be offered locally or regionally based on factors, including test marketing, your qualifications, and regional or local differences. There are no limits on our right to do so. Your Franchised Business may not be used for any purpose other than the operation of an EVA business, in compliance with the Franchise Agreement.

ITEM 17

RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

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

Table Abbreviations: “FA” = Franchise Agreement; “MUDA” = Multi-Unit Development Agreement

Provision	Section in Agreement	Summary
a. Length of the franchise term	FA: 2.2. MUDA: 5, 6	FA: The term of your Franchise Agreement is 10 years. MUDA: Varies depending on the number of Franchised Businesses to be developed and the Development Area. The agreement commences on the effective date and the term automatically expires at the earlier of the opening of the final Franchised Business required for development, or the last day of the calendar month in which the final Franchised Business was required to be open under the Multi-Unit Development Agreement.
b. Renewal or extension of the term	FA: 15 MUDA: 5	FA: If you meet our conditions for renewal, you may renew your franchise for one additional 10-year term.
c. Requirements for franchisee to renew or extend	FA: 15 MUDA: N/A	FA: Renewal means that you are allowed to remain as a franchisee after the initial term of your Franchise Agreement expires. To renew your franchise you must be in compliance with the terms of your Franchise Agreement, provide us with 180 days prior written notice of your request to renew, sign our then current form of Franchise Agreement and related agreements for the renewal term, sign a general release in our favor, pay a Renewal Fee, remodel and upgrade your Franchised Business to meet our standards and specifications, secure and possess the legal right to continue to occupy the premises of your Approved Location, and meet all other renewal requirements contained in the Franchise Agreement. Your Owners must be in compliance with their agreements with us, including the Owner's Guaranty, and they must personally guarantee the terms of your renewal Franchise Agreement which may contain terms and conditions materially different from your current original Franchise Agreement.
d. Termination by franchisee	FA: 16.2. MUDA: N/A	FA: You may not terminate the Franchise Agreement without cause.
e. Termination by franchisor without cause	FA: N/A MUDA: N/A	Not applicable.
f. Termination by franchisor with "cause"	FA: 16.1. MUDA: 9	FA: We can terminate if you are in default of the terms of the Franchise Agreement. MUDA: We may terminate your MUDA with cause. Your MUDA can be terminated by us if: (a) you abandon your obligations under the Multi-Unit Development Agreement; (b) if you for four consecutive months, or any shorter period that indicates an intent by you to discontinue your development of EVA franchises within the Development Area; (c) if you become insolvent or you are adjudicated bankrupt, or if any action is taken by you, or by others against you, under any insolvency, bankruptcy or reorganization act, or if you make an assignment for the benefit or creditors or a receiver is appointed by you; (d) if you fail

		to meet your development obligations under the Development Schedule for any single Development Period including, but not limited to, your failure to establish, open and/or maintain the cumulative number of Franchised Businesses in accordance with Development Schedule; and/or (e) in the event that any one Franchise Agreement is terminated respecting any Franchised Business and/or any other Franchise Agreement between you and us.
g. "Cause" defined-curable defaults	FA: 16.1. MUDA: 9	FA: You have 10 days to cure a default where you fail to pay any fees and/or obligations due to us and/or to an affiliate of ours, or if you fail to pay a supplier without, as determined by us, a legal justification, provided that the foregoing defaults were not intentionally and knowingly in violation of the Franchise Agreement. You will have 30 days to cure a default where you, fail to: timely lease a location that we approve for your Franchised Business; timely develop and open your Franchised Business; operate your Franchised Business in accordance with the specifications, standards, and requirements set forth in our Operations Manual; develop or operate your Franchised Business in compliance with all federal, state, and local laws, rules, and regulations, unless, such violation poses a threat to public health or safety; maintain insurance coverage that we require; comply with our standards, systems or specifications as we may designate or as otherwise designated in the operations manual; and/or fail to operate your Franchised Business in conformity with our System or otherwise violate the Franchise Agreement, except as to events of default that are not curable.
h. "Cause" defined-non-curable defaults	FA: 16.1. MUDA: 9	FA: The following are defaults that cannot be cured: three or more instances where you commit a curable default, whether or not you timely cured such default in each instance; you intentionally and knowingly refuse to comply with the terms of the Franchise Agreement, and/or the standards specifications, and/or requirements set forth in the Manual and/or as communicated to you by us from time to time; you intentionally, knowingly, or negligently operate the Franchised Business in violation of applicable laws, rules, and regulations and, in doing so, create a foreseeable, imminent, and/or immediate threat to the health and safety of others; you abandon the Franchised Business for three (3) or more days and/or fail to maintain the required leasehold and/or ownership interests in your Approved Location; you or your Owners make a material statement or omission in questionnaires submitted to us; the data, information, and/or records that you record and/or submit to us are

		intentionally misleading or false; you transfer or attempt to transfer the Franchised Business or the ownership interests in your franchise company without our approval; you disclose or permit the disclosure of information contained in the Manual and/or of Confidential Information; you or your Owners engage in intentionally dishonest or unethical conduct that impacts the goodwill of our System; you and/or your Owners breach and, if such breach is capable of a cure, fail to timely cure another agreement with us including the Owner Agreement and Guaranty; you and your Owners and managers fail to complete, to our satisfaction, our initial and on-going training programs; you fail to notify us of the misuse of Confidential Information and you fail to protect same; you misappropriate or misuse the Licensed Marks; you are deemed insolvent, make an assignment for the benefit of creditors, admit in writing your inability to pay debts; are adjudicated bankrupt, file a voluntary bankruptcy petition or have one filed against you, and/or you acquiesce to the appointment of a trustee or receiver, or a court orders one; execution is levied against the Franchised Business; a final judgment is entered against the Franchised Business and is not satisfied within 30 days; you (if you are a Corporate Entity) are dissolved; a lawsuit or action is commenced against the Franchised Business to foreclose on a lien on equipment of the Franchised Business and such action is not dismissed after 60 days; and/or real or personal property used by the Franchised Business is sold or levied by a sheriff or other law enforcement officer. MUDA: Your MUDA can be terminated if: (a) you abandon your obligations under the MUDA; (b) if you for four consecutive months, or any shorter period that indicates an intent by you to discontinue your development of EVA franchises within the Development Area; (c) if you become insolvent or you are adjudicated bankrupt, or if any action is taken by you, or by others against you, under any insolvency, bankruptcy or reorganization act, or if you make an assignment for the benefit of creditors or a receiver is appointed by you; (d) if you fail to meet your development obligations under the Development Schedule for any single Development Period including, but not limited to, your failure to establish, open and/or maintain the cumulative number of Franchised Businesses in accordance with Development Schedule; and/or (e) in the event that any one FA is terminated respecting any Franchised Business and/or any other FA between you and us.
i. Franchisee's obligations on	FA: 6, 17	FA: You must: pay all sums that you owe to us under

termination/non-renewal	MUDA: 10	the FA and all other agreements with us; cease owning and operating the Franchised Business; cease representing yourself as a franchisee of ours; permanently cease using and/or accessing the System, the Licensed Marks, our Confidential Information, the Manual, the Management System (as defined in the FA), the Management System Data (as defined in the FA), and the System Supplies; return the operations manual and all confidential information to us in the original form provided to you and document the destruction of all electronic files related to same; completely de-identify the location and/or facility associated with the Franchised Business; as requested by us, transfer to us all data, telephone listings, Social and Digital Media, accounts, web listings and websites associated with the Franchised Business; abide by the post-termination non-competition covenants and restrictions; and pay an amount equal to the average Royalty Fees and Brand Fund Contributions earned by us for the last 12 months (or shorter period, if your Franchised Business has been in operation less than 12 months), multiplied by 36 or the number of months remaining in the term, whichever is less.
j. Assignment of the contract by franchisor	FA: 14.1. MUDA: 7.1.2	FA: No restriction on our right to assign. MUDA: There are no restrictions on our right to assign.
k. "Transfer" by franchisee-definition	FA: 14.2. MUDA: 11	FA: A transfer means and includes, whether voluntary or involuntary, conditional or unconditional, direct or indirect: (a) an assignment, sale, gift, transfer, pledge or sub-franchise; (b) the grant of a mortgage, charge, lien or security interest, including, without limitation, the grant of a collateral assignment; (c) a merger, consolidation, exchange of shares or other ownership interests, issuance of additional ownership interests or securities representing or potentially representing ownership interests, or redemption of ownership interests; and (d) a sale or exchange of voting interests or securities convertible to voting interests, or an agreement granting the right to exercise or control the exercise of the voting rights of any holder of ownership interests or to control the operations or affairs of Franchisee. MUDA: You have no right to transfer the MUDA.
l. Franchisor's approval of transfer by franchisee	FA: 14.2. MUDA: 11	FA: Transfers require our prior written consent, which may be granted or withheld in our discretion. MUDA: You have no right to transfer the MUDA.
m. Conditions for franchisor's approval of transfer	FA: 14.3. MUDA: 11	FA: For approval of your transfer, you must provide us with 30 days prior written notice of the proposed transfer; you and your Owners must not have defaulted in your obligations under the Franchise Agreement and all other agreements with us; you and your Owners must be in compliance with your obligations under the

		FA and all other agreements with us; the transferee must agree to be bound by all of the terms and provisions of the FA; the transferee's owners must personally guarantee all of the terms and provisions of the FA; you and your Owners must sign a general release in favor of us; the transfer must provide for the assignment and/or ownership of the approved location for the Franchised Business, and the transferees continued use and occupancy of such location throughout the term of the Franchise Agreement; the assets of the Franchised Business must be transferred to the transferee; the transferee and the transferee's owners and managers, at the transferee's expense must complete our training programs; we waive our right of first refusal; and we approve of the transfer and transferee in writing and subject to our discretion; and you pay the Transfer Fee. MUDA: You have no right to transfer the MUDA.
n. Franchisor's right of first refusal to acquire franchisee's business	FA: 14.6. MUDA: N/A	FA: We have the right to match any offer to purchase your Franchised Business or the Corporate Entity operating your Franchised Business.
o. Franchisor's option to purchase franchisee's business	FA: N/A MUDA: 11	Not applicable.
p. Death or disability of franchisee	FA: 14.4. MUDA: 11	FA: If you are an individual, within 30 days of the death or permanent disability of Franchisee, your executor and/or legal representative must appoint an Operating Manager approved by us and within 60 days of such appointment the Operating Manager must complete, to our satisfaction, our initial training program. Within 12 months of the date of death or disability, the Franchise Agreement must be transferred to a transferee approved by us and otherwise transferred in accordance with the terms of the Franchise Agreement. If the franchisee is a Corporate Entity, within 30 days of the death or permanent disability of your Managing Owner, if there are other Owners, must appoint a replacement Operating Manager approved by us and within 60 days of such appointment the replacement Operating Manager must complete, to our satisfaction, our initial training program.
q. Non-competition covenants during the term of the franchise	FA: 6 MUDA: 12	FA: No involvement in any competitive business and must comply with confidentiality, non-disclosure and non-solicitation covenants.
r. Non-competition covenants after the franchise is terminated or expires	FA: 6, 17.5. MUDA: 12	FA: No involvement, ownership or interest whatsoever for 24 months in any competing business in: your Designated Territory; a 50-mile radius of your Designated Territory; a 25-mile radius of the Designated Territory of any other EVA business; and you must comply with confidentiality, non-disclosure and non-solicitation covenants.

s. Modification of the agreement	FA: 18.12. MUDA: N/A	FA: Requires writing signed by you and us, except for unilateral changes that we may make to the Operations Manual or our unilateral reduction of the scope of a restrictive covenant that we may make in our discretion. MUDA: Only by written agreement between you and us or if governing law requires a modification. We can change the form of the FA for future Franchised Businesses which will not alter your obligations under the MUDA.
t. Integration/merger clauses	FA: 18.13. MUDA: 18	FA: Only the terms of the FA and schedules to the FA and the respective signed exhibits to the FA are binding, subject to state law. Nothing in any agreement is intended to disclaim the express representations made in this Disclosure Document, its exhibits and amendments. MUDA: The MUDA is the entire agreement between you and us relating to the development in the Development Area. Notwithstanding the foregoing, nothing in any agreement is intended to disclaim the express representations made in this Disclosure Document, its exhibits and amendments.
u. Dispute resolution by arbitration or mediation	FA: 18.7. MUDA: 19	FA and MUDA: Except for certain claims for injunctive relief, all disputes must first be submitted to non-binding mediation and then arbitration under the Commercial Rules of Arbitration of the American Arbitration Association (“AAA”) in Wilmington, Delaware, and, if mediation is unsuccessful, then to binding arbitration in Wilmington, Delaware. This provision is subject to applicable state law.
v. Choice of forum	FA: 18.7. MUDA: 18	FA and MUDA: All mediation, arbitration and, if applicable, litigation proceedings must be conducted in Wilmington, Delaware. This provision is subject to applicable state law.
w. Choice of law	FA: 18.6. MUDA: 18	FA and MUDA: Delaware law will govern. However, this provision is subject to applicable state law and as otherwise disclosed in <u>Exhibit I</u> to this Disclosure Document.

ITEM 18

PUBLIC FIGURES

We do not currently use any public figure to promote our franchise. No public figure is currently involved in our management.

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) 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.

As of December 31, 2023, there are 30 operating franchised EVA outlets internationally and one unit open in Flower Mound, Texas. Only seven of the 30 franchised units have two (2) arenas of a standard 5,500 square feet plus a restaurant and bar which are substantially similar to the franchises sold through this Disclosure Document. Table I below represents the Gross Sales of the seven franchised outlets that have been open and operating for 12 months or more from January 2022 to December 2023. All dollar amounts have been converted from Euros to U.S. Dollars using the exchange rate on the Issuance Date.

TABLE I

Setup	Locations with 2 arenas + bar/restaurant						
Area	USA	Europe					
Country		France	France	France	France	France	France
Location	Flower Mound, TX	Beauchamp	Lille	Lyon	Maurepas	Bordeaux	Marseille
Opening date	Dec-22	Jun-21	Apr-22	Jun-22		Feb-23	
Jan-22	0	71,615	0	0	0	0	0
Feb-22	0	78,470	0	0	0	0	0
Mar-22	0	91,189	0	0	0	0	0
Apr-22	0	89,585	19,795	0	0	0	0
May-22	0	96,975	81,795	0	0	0	0
Jun-22	0	86,939	91,002	14,446	0	0	0
Jul-22	0	98,367	60,996	51,016	0	0	0
Aug-22	0	54,458	62,630	62,052	0	0	0
Sep-22	0	71,924	86,774	95,759	0	0	0
Oct-22	0	95,562	110,775	81,046	0	0	0
Nov-22	0	97,634	94,281	84,065	0	0	0
Dec-22	22,576	113,555	120,225	86,230	10,874	0	0
Jan-23	62,071	93,719	104,493	113,995	36,220	0	0
Feb-23	131,161	96,453	97,108	80,089	49,079	13,006	0
Mar-23	172,607	104,661	99,580	83,034	50,912	58,362	0
Apr-23	150,488	107,094	109,075	90,187	58,342	55,498	0
May-23	114,134	92,810	97,505	69,752	43,919	52,508	53,476
Jun-23	119,471	84,790	93,431	75,415	54,020	39,134	51,089
Jul-23	127,198	97,346	85,383	66,812	60,134	46,857	56,611
Aug-23	119,035	81,220	78,660	44,324	40,644	51,631	78,004
Sep-23	102,373	101,049	92,250	58,512	51,430	55,541	60,123
Oct-23	131,072	119,900	94,469	76,515	57,254	59,004	75,492
Nov-23	110,459	129,052	120,562	80,749	89,771	99,823	82,966
Dec-23	183,185	141,011	158,258	117,482	111,701	67,629	96,474

1. **Some Outlets have earned this amount. Your individual results may differ. There is no assurance that you'll earn as much.**
2. The pricing model for VR gaming in our Europe locations is lower than in our Flower Mound (TX) location. The price difference is \$23-\$25 USD per gaming session in Europe versus \$34-\$44 USD in Flower Mound (TX) (peak vs. off-peak hours).
3. The financial information was not prepared on a basis consistent with generally accepted accounting principles.
4. The information in this analysis has not been audited, is based on historical financial data and is not a forecast or projection of future financial performance.
5. Written substantiation for the financial performance representation will be made available to the prospective franchisee upon reasonable request.

Other than the preceding financial performance data, EVA USA, Inc. does not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Benjamin Gautier, EVA USA Inc., 251 Little Falls Drive, Wilmington, DE 19808, ben@eva.gg, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20

OUTLETS AND FRANCHISEE INFORMATION

TABLE NO. 1
SYSTEMWIDE OUTLET SUMMARY
FOR YEARS 2021 to 2023

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2021	0	0	0
	2022	0	1	+1
	2023	1	1	0
Company Owned	2021	0	0	0
	2022	0	0	0
	2023	0	0	0
Total Outlets	2021	0	0	0
	2022	0	1	+1
	2023	1	1	0

TABLE NO. 2
TRANSFER OF OUTLETS FROM FRANCHISEES TO NEW OWNERS
(OTHER THAN THE FRANCHISOR)
FOR YEARS 2021 to 2023

State	Year	Number of Transfers
All States	2021	0
	2022	0
	2023	0
Total	2021	0
	2022	0
	2023	0

TABLE NO. 3
STATUS OF FRANCHISED OWNED OUTLETS
FOR YEARS 2021 to 2023

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations for Other Reasons	Outlets at End of Year
Texas	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1
	2023	1	0	0	0	0	0	1
Totals	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1
	2023	1	0	0	0	0	0	1

TABLE NO. 4
STATUS OF COMPANY OWNED OUTLETS
FOR YEARS 2021 to 2023

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired by Franchisor	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of Year
All States	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0
Totals	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0

TABLE NO. 5
PROJECTED OPENINGS
AS OF DECEMBER 31, 2024

State	Franchise Agreement Signed but Outlet Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company Owned Outlets in the Next Fiscal Year
Florida	0	1	0
Pennsylvania	0	1	0
Texas	0	1	0
New Jersey	0	1	0
Totals	0	4	0

Notes to Tables:

If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

During the last three fiscal years, no current or former franchisees have signed confidentiality clauses with us that restrict them from discussing with you their experiences as a franchisee in our franchise system. There are no trademark-specific franchisee organizations associated with the franchise system being offered in this Franchise Disclosure Document.

Exhibit G to this Disclosure Document contains a list of our then current franchisees as of the end of the Issuance Date of this Disclosure Document. Exhibit H to this Disclosure Document contains a list of franchisees that had an outlet terminated, cancelled, not renewed or otherwise voluntarily or involuntarily ceased to do business under our Franchise Agreement during our most recently completed fiscal year or who has not communicated with us within 10 weeks of the Issuance Date of this Disclosure Document.

ITEM 21
FINANCIAL STATEMENTS

We have not been in business for three years or more, and therefore cannot include all financial statements required by the Franchise Rule of the Federal Trade Commission. Attached as Exhibit D are our audited financial statements for the years ending December 31, 2023, and December 31, 2022 and our unaudited financial statements dated January 1, 2024 through June 30, 2024. Our fiscal year ends on December 31.

ITEM 22
CONTRACTS

Attached to this Disclosure Document or to the Exhibits attached to and comprising the Franchise Agreement attached to this Disclosure Document are copies of the following franchise and other contracts and agreements in use or proposed for use:

Exhibits to this Disclosure Document

Exhibit <u>E</u>	Franchise Agreement
Exhibit <u>F</u>	Multi-Unit Development Agreement
Exhibit <u>I</u>	State Specific Addenda

Schedules to the Franchise Agreement

Schedule <u>1</u>	Definitions
Schedule <u>2</u>	Franchise Fee, Accepted Location, Designated Territory and Opening Deadline
Schedule <u>3</u>	Statement of Franchise Owners
Schedule <u>4</u>	Owner's Guaranty
Schedule <u>5</u>	Nondisclosure, Non-Competition and Confidentiality Agreement
Schedule <u>6</u>	Site Selection Acknowledgment
Schedule <u>7</u>	Franchisor Lease Rider
Schedule <u>8</u>	Collateral Assignment of Lease
Schedule <u>9</u>	Assignment of Telephone Numbers and Social and Digital Media Accounts
Schedule <u>10</u>	ACH Payment Form
Schedule <u>11</u>	General Release

Schedules to the Multi-Unit Development Agreement

Schedule <u>A</u>	Development Information Sheet
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ITEM 23
RECEIPTS

Two copies of a detachable receipt in Exhibit K are located at the very end of this Disclosure Document. Please sign one copy of the receipt and return it to us. The duplicate is for your records.

EXHIBIT A TO THE DISCLOSURE DOCUMENT

LIST OF STATE ADMINISTRATORS/AGENTS FOR SERVICE OF PROCESS

Our registered agent in the State of Delaware is Corporation Service Company, 251 Little Falls Drive, Wilmington, DE 19808. We intend to register this Disclosure Document as a “franchise” in some or all of the following states, if required by the applicable state law. If and when we pursue franchise registration (or otherwise comply with the franchise investment laws) in these states, we will designate the following state offices or officials as our agents for service of process in these states:

STATE	STATE REGULATORY AGENCY	AGENT TO RECEIVE PROCESS IN STATE, IF DIFFERENT THAN THE STATE REGULATORY AGENCY
California	Department of Financial Protection & Innovation 320 West Fourth Street, Suite 750 Los Angeles, California 90013 (213) 576-7500 Toll Free: (866) 275-2677	Commissioner of the Department of Financial Protection & Innovation 320 West Fourth Street, Suite 750 Los Angeles, California 90013 (213) 576-7500 Toll Free: (866) 275-2677
Connecticut	Banking Commissioner Department of Banking Securities and Business Investments Division 260 Constitution Plaza Hartford, CT 061031800 (860) 240-8299	
Hawaii	Commissioner of Securities of the State of Hawaii Department of Commerce & Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 205 Honolulu, Hawaii 96813 (808) 586-2722	Commissioner of Securities of the State of Hawaii Department of Commerce & Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 205 Honolulu, Hawaii 96813 (808) 586-2722

STATE	STATE REGULATORY AGENCY	AGENT TO RECEIVE PROCESS IN STATE, IF DIFFERENT THAN THE STATE REGULATORY AGENCY
Illinois	Illinois Office of the Attorney General Franchise Bureau 500 South Second Street Springfield, Illinois 62706 (217) 782-4465	Illinois Attorney General 500 South Second Street Springfield, Illinois 62706 (217) 782-4465
Indiana	Secretary of State Franchise Section 302 West Washington, Room E-111 Indianapolis, Indiana 46204 (317) 232-6681	Secretary of State Franchise Section 302 West Washington, Room E-111 Indianapolis, Indiana 46204 (317) 232-6681
Maryland	Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, Maryland 21202-2020 (410) 576-6360	Maryland Securities Commissioner 200 St. Paul Place Baltimore, Maryland 21202-2020 (410) 576-6360
Michigan	Michigan Attorney General's Office Corporate Oversight Division, Franchise Section 525 West Ottawa Street G. Mennen Williams Building, 1st Floor Lansing, Michigan 48913 (517) 335-7567	Michigan Attorney General's Office Corporate Oversight Division, Franchise Section 525 West Ottawa Street G. Mennen Williams Building, 1st Floor Lansing, Michigan 48913 (517) 335-7567
Minnesota	Minnesota Department of Commerce 85 7th Place East, Suite 280 St. Paul, Minnesota 55101 (651) 539-1600	Commissioner of Commerce Minnesota Department of Commerce 85 7th Place East, Suite 280 St. Paul, Minnesota 55101 (651) 539-1600
New York	New York State Department of Law Investor Protection Bureau 28 Liberty Street, 21st Floor New York, New York 10005 (212) 416-8222	Secretary of State 99 Washington Avenue Albany, New York 12231-0001 (518) 473-2492

STATE	STATE REGULATORY AGENCY	AGENT TO RECEIVE PROCESS IN STATE, IF DIFFERENT THAN THE STATE REGULATORY AGENCY
North Dakota	North Dakota Securities Department 600 East Boulevard Avenue, State Capitol, 14 th Floor Dept. 414 Bismarck, North Dakota 58505-0510 (701) 328-4712	North Dakota Securities Commissioner State Capitol 600 East Boulevard Avenue, Fifth Floor Bismarck, North Dakota 58505-0510 (701) 328-4712
Rhode Island	Department of Business Regulation Securities Division, Building 69, First Floor John O. Pastore Center 1511 Pontiac Avenue Cranston, Rhode Island 02920 (401) 462-9527	Director of Department of Business Regulation Department of Business Regulation Securities Division, Building 69, First Floor John O. Pastore Center 1511 Pontiac Avenue Cranston, Rhode Island 02920 (401) 462-9527
South Dakota	Division of Insurance Securities Regulation 124 South Euclid Avenue, Suite 104 Pierre, South Dakota 57501 (605) 773-3563	Division of Insurance Director of the Securities Regulation 124 South Euclid Avenue, Suite 104 Pierre, South Dakota 57501 (605) 773-3563
Virginia	State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street, 9th Floor Richmond, Virginia 23219 (804) 371-9051	Clerk of the State Corporation Commission 1300 East Main Street, 1st Floor Richmond, Virginia 23219 (804) 371-9733
Washington	Department of Financial Institutions Securities Division P.O. Box 41200 Olympia, WA 98504-1200 (360) 902-8760	Director of Department of Financial Institutions Securities Division – 3rd Floor 150 Israel Road, Southwest Tumwater, Washington 98501 (360) 902-8760

STATE	STATE REGULATORY AGENCY	AGENT TO RECEIVE PROCESS IN STATE, IF DIFFERENT THAN THE STATE REGULATORY AGENCY
Wisconsin	Division of Securities 4822 Madison Yards Way, North Tower Madison, Wisconsin 53705 (608) 266-2139	Division of Securities 4822 Madison Yards Way, North Tower Madison, Wisconsin 53705 (608) 266-2139

EXHIBIT B TO THE DISCLOSURE DOCUMENT

**EVA USA, INC.
OPERATIONS MANUAL TABLE OF CONTENTS**

OPERATIONS MANUAL IS ONLINE

SECTION 1: Concept, KPIs & Business Plan

- A. Introduction to the concept
- B. Performances, financing and investments
- C. Find a suitable location

SECTION 2: Works & Layout

- A. Plan and schedule your project to open your EVA
- B. Design and build your EVA
 - a. Gaming arenas
 - *Wifi routers, network, electricity*
 - *Internet access and fiber*
 - *Arena walls, QR codes & micro-perforated glass*
 - *Tiles and floor*
 - *Dimensions and floor space*
 - *Control room and distribution bay*
 - *Lights on the playground*
 - *Headsets rack*
 - b. F&B and spectator area
 - *Cyberbar and kitchen*
 - *Desk caster, TV's, control room*
 - *Floor*
 - *Bathrooms*
 - *Dividers and space arrangements*
 - *Large backlit "A"*
 - *Indoor temperature*
 - *Furniture and design*
 - *Merchandising space*
 - *Authorized equipment and activities*
 - c. Facade and outside
- C. Resources, pictures and photos
 - a. Indoor
 - b. Outdoor

SECTION 3: Customer Success & Operations

- A. Operations Management
- B. B2B Customer Management
- C. B2C/B2B outbound sales & private bookings
- D. Merchandising
- E. Best practices and fresh ideas

SECTION 4: Communication & Marketing

- A. Assets
- B. Approval process
- C. Social media

SECTION 5: Esports & Competitive Gaming

SECTION 6: Referral & Master Franchise

SECTION 7: Games

SECTION 8: Finance & Reporting

- A. Network performances
- B. Billing

SECTION 9: Support & Help Center

EXHIBIT C TO THE DISCLOSURE DOCUMENT

FINANCIAL STATEMENTS

EVA USA INC
Balance Sheet
As of June 30,2024

				<u>Jun 30, 24</u>
ASSETS				
	Current Assets			
		Checking/Savings		
		512000 · Cash in Bank - FAB		7 399,19
		Total Checking/Savings		<u>7 399,19</u>
		Other Current Assets		
		486000 · Prepaid Expenses /CCA		650,00
		Total Other Current Assets		<u>650,00</u>
	Total Current Assets			<u>8 049,19</u>
TOTAL ASSETS				<u>8 049,19</u>
LIABILITIES & EQUITY				
	Liabilities			
		Current Liabilities		
			Accounts Payable	
			401000 · Account Payables	3 458,49
			Total Accounts Payable	<u>3 458,49</u>
			Other Current Liabilities	
			408100 · AP - Accrued expenses	3 142,00
			455000 · Due to EVA - ESPORTS	309 572,81
			455110 · Interest Payable - Accrual	1 547,87
			Total Other Current Liabilities	<u>314 262,68</u>
		Total Current Liabilities		<u>317 721,17</u>
	Total Liabilities			317 721,17
	Equity			
		30100 · Capital Stock		20 038,20
		32000 · Retained Earnings		-287 306,01
		Net Income		-42 404,17
	Total Equity			<u>-309 671,98</u>
TOTAL LIABILITIES & EQUITY				<u>8 049,19</u>

EVA USA INC
Profit & Loss
As of June 30,2024

Jan - Jun 24

Ordinary Income/Expense		
	Income	
	706400 · Sales - Battle Pass	21 482,56
	Total Income	<u>21 482,56</u>
Gross Profit		21 482,56
	Expense	
	613200 · Rent/Property	2 400,00
	616200 · Insurance Expense	1 142,00
	618100 · Softwares & IT	650,00
	622200 · Stripe Services Fees	1 213,35
	622600 · Professional Fees - CPA	1 116,96
	622620 · Corporate Management Fees	3 283,70
	622625 · Professional Fees - Auditors	3 500,00
	622630 · Professional Fees - Consulting	1 383,80
	622670 · Fees - License	0,00
	622680 · Domiciliation	1 692,00
	622700 · Legal Fees	2 683,56
	627500 · Bank fees & charges	510,00
	641100 · Payroll Expenses /Gross Wages	14 288,24
	641400 · Payroll Processing Fee	2 903,51
	645100 · Payroll Taxes/Fed Futa	1 344,91
	645200 · Payroll Taxes/State UI	33,18
	646000 · Retirement Plan	502,33
	647600 · Worker's Compensation	92,75
	651100 · Battle Pass Retribution	23 457,77
	651200 · Gift Card Consumption	140,79
	661000 · Interest Expense	1 547,87
	66900 · Reconciliation Discrepancies	0,01
	Total Expense	<u>63 886,73</u>
Net Ordinary Income		<u>-42 404,17</u>
Net Income		<u><u>-42 404,17</u></u>

THESE FINANCIAL STATEMENTS HAVE BEEN PREPARED WITHOUT AN AUDIT. PROSPECTIVE FRANCHISEES OR SELLERS OF FRANCHISES SHOULD BE ADVISED THAT NO INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT HAS AUDITED THESE FIGURES OR EXPRESSED AN OPINION WITH REGARD TO THEIR CONTENT OR FORM.



Divine
Blalock
Martin
Sellari
LLC
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EVA USA, INC
FINANCIAL STATEMENTS
FOR THE YEARS ENDED
DECEMBER 31, 2023 AND 2022
With Auditor's Report There on

EVA USA, INC

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Statements of Income.....	4
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GARY B. SELLARI, CPA*/PFS, MSM
SCOTT A. STEIN, CPA**
SUZI J. RAPP, CPA*, MAC
B. CHARLES SELLARI, CPA*, MTAX
TOM KEYS, CPA*, CGMA

VICTORIA BOLSKAR, CPA***, LTD
DUSTAN J. BROWN, CPA****
MARY L. CONTESSA, CPA*, PA
NICHOLAS J. FRONTERA, CPA*
STEVE A. GOINDOO, CPA*/PFS, MTAX, CFP®
SHARON HOWARD, CPA, CMA, MST*****
CANDACE ANTEZANA KLOTZBIER, CPA*
CHRISTINE M. MCKENNA, CPA*
JAMIE M. RUSSO, CPA*
JANET SCALZITTI, CPA****
APRIL M. SINNOTT, CPA*
ARTHUR J. SINNOTT, CPA**

BARBARA AHEARN-DUNN, EA
KELLY BEACH, EA
LISA BELL, EA
JACQUELINE CARTIER, EA
ANTHONY J. SELLARI, EA
KENNETH SOKOLSKY, EA



Divine
Blalock
Martin
Sellari

LLC
Est. in 1932

Certified Public Accountants and Consultants

580 Village Boulevard, Suite 110

West Palm Beach, FL 33409

Phone: (561) 686-1110 Fax: (561) 686-1330

info@dbmscpa.com

MEMBERS

AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

FLORIDA INSTITUTE OF
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WILBUR F. DIVINE, III, CPA (1896-1964)
WILBUR F. DIVINE, IV, CPA (1925-1989)
JAMES A. BLALOCK, CPA (1914-1996)
G. MICHAEL MARTIN, CPA (1945-2014)

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INDEPENDENT AUDITOR'S REPORT

To the Stockholder's
EVA USA, Inc.
Long Island, NY

Opinion

We have audited the accompanying financial statements of EVA USA, Inc (a Delaware Corporation), which comprise the balance sheets as of December 31, 2023 and 2022, and the related statements of income, changes in stockholder's equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of EVA USA, Inc as of December 31, 2023 and 2022, 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. 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 EVA USA, Inc 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 EVA USA, Inc's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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, including omissions, 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 generally accepted auditing standards, 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 EVA USA, Inc'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 EVA USA, Inc'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.

Divine, Blalock, Martin & Sellari, LLC

West Palm Beach, FL

March 26, 2024

EVA USA, INC
BALANCE SHEETS
AS OF DECEMBER 31, 2023 AND 2022

ASSETS		
	2023	2022
Current Assets		
Cash and cash equivalents	\$ 7,655	\$ 20,645
Prepaid expenses	2,526	2,427
Total Current Assets	<u>10,181</u>	<u>23,072</u>
Other Assets		
Deferred tax asset	85,324	1,698
Total Other Assets	<u>85,324</u>	<u>1,698</u>
Total Assets	<u><u>\$ 95,505</u></u>	<u><u>\$ 24,770</u></u>
LIABILITIES AND STOCKHOLDER'S (DEFICIT)/EQUITY		
Current Liabilities		
Accounts payable	\$ 254	\$ -
Accrued expenses	8,344	4,022
Due to parent company	268,851	4,750
Total Current Liabilities	<u>277,449</u>	<u>8,772</u>
Total Liabilities	<u>277,449</u>	<u>8,772</u>
Stockholder's (Deficit)/Equity		
Common stock authorized, 2,000 shares at \$0.0001 par value		
authorized, 2,000 shares issued and outstanding	-	-
Additional paid in capital	20,038	20,038
Accumulated deficit	(201,982)	(4,040)
Total Stockholder's (Deficit)/Equity	<u>(181,944)</u>	<u>15,998</u>
Total Liabilities and Stockholder's (Deficit)/Equity	<u><u>\$ 95,505</u></u>	<u><u>\$ 24,770</u></u>

The accompanying notes are an integral part of these financial statements.

EVA USA, INC
STATEMENTS OF INCOME
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
Revenue		
Franchise fee	\$ -	\$ -
Marketing and brand fees	-	-
Royalty fees	-	-
Subscription - Battle Pass	<u>47,179</u>	<u>-</u>
Total Revenues	<u>47,179</u>	<u>-</u>
Operating Expenses:		
Bank and other fees	2,589	393
Communication	86,925	-
Domiciliation expenses	4,727	-
Employee benefits	1,640	-
Insurance	3,212	1,323
License and other taxes	1,216	-
Management fee	118,506	-
Professional and consulting fees	12,886	4,000
Salaries and wages	67,300	-
Travel and entertainment	28,712	-
Utilities	<u>817</u>	<u>-</u>
Total Operating Expenses:	<u>328,530</u>	<u>5,716</u>
Loss from operations	(281,351)	(5,716)
Other Income (Expense):		
Interest expense	<u>(217)</u>	<u>(22)</u>
Total Other Expenses	<u>(217)</u>	<u>(22)</u>
Loss Before Income Taxes	(281,568)	(5,738)
Income tax benefit	<u>83,626</u>	<u>1,698</u>
Net Loss	<u><u>\$ (197,942)</u></u>	<u><u>\$ (4,040)</u></u>

The accompanying notes are an integral part of these financial statements.

EVA USA, INC
STATEMENTS OF CHANGES IN STOCKHOLDER'S EQUITY/(DEFICIT)
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

	Common Stock	Additional Paid in capital	Retained Earnings/ (Accumulated deficit)	Total Stockholder's Equity (Deficit)
Balance, April 26, 2022	\$ -	\$ -	\$ -	\$ -
Paid in capital	-	20,038	-	20,038
Net loss	<u>-</u>	<u>-</u>	<u>(4,040)</u>	<u>(4,040)</u>
Balance, December 31, 2022	\$ -	\$ 20,038	\$ (4,040)	\$ 15,998
Paid in capital	-	-	-	-
Net loss	<u>-</u>	<u>-</u>	<u>(197,942)</u>	<u>(197,942)</u>
Balance, December 31, 2023	<u><u>\$ -</u></u>	<u><u>\$ 20,038</u></u>	<u><u>\$ (201,982)</u></u>	<u><u>\$ (181,944)</u></u>

The accompanying notes are an integral part of these financial statements.

EVA USA, INC
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
Cash flows from operating activities:		
Net (loss)	\$ (197,942)	\$ (4,040)
<i>Adjustments to reconcile net income to net cash used in operating activities:</i>		
Income tax benefit	(83,626)	(1,698)
<i>Decrease (Increase) in operating assets:</i>		
Prepaid expenses	(99)	(2,427)
<i>Increase (Decrease) in operating liabilities:</i>		
Accounts payable	254	-
Accrued expenses	<u>4,322</u>	<u>4,022</u>
Net cash used in operating activities	<u>(277,091)</u>	<u>(4,143)</u>
Cash flows from in investing activities:		
Proceeds from parent company	<u>264,101</u>	<u>4,750</u>
Net cash flows provided by investing activities:	<u>264,101</u>	<u>4,750</u>
Cash flows provided by financing activities:		
Paid in capital	<u>-</u>	<u>20,038</u>
Net cash provided by financing activities	<u>-</u>	<u>20,038</u>
Net (decrease) increase in cash and cash equivalents	(12,990)	20,645
Cash and cash equivalents at beginning of year	<u>20,645</u>	<u>-</u>
Cash and cash equivalents at end of year	<u><u>\$ 7,655</u></u>	<u><u>\$ 20,645</u></u>

The accompanying notes are an integral part of these financial statements.

EVA USA, INC.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

NOTE 1 – BUSINESS ACTIVITY

EVA USA, Inc. was formed in the state of Delaware on April 26, 2022; the Company is in the business of offering franchises to open and operate an entertainment and leisure venue for competitive VR gaming and a lounge, bar, and dining areas throughout the facility where customers can enjoy beer, wine, full bar, and dining menu items. Unless otherwise indicated, the terms “we,” “us,” “our,” and “Company” refer to EVA USA, Inc.

Parent

EVA S.A.S, a French company incorporated in France on January 18, 2018, with its principal place of business located in Montreuil, France. EVA S.A.S. develops, owns and has the rights to use certain technology, designs and source code for virtual reality or “VR” gaming (the “EVA Gaming Technology”). EVA S.A.S. licenses EA Gaming Technology and sells equipment and other products and services to franchisees in the EVA franchise system in the U.S. who establish and operate franchised EVA-branded VR esports arenas.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The Company’s policy is to prepare its financial statements on the accrual basis of accounting; consequently, revenues are recognized when earned rather than when received, and expenses are recognized when the obligation is incurred rather than when cash is disbursed.

Cash and Cash Equivalents

The Company considers all highly liquid investments with original maturities of three months or less to be cash equivalents.

Accounts Receivable and Bad Debts

Customer accounts receivable are stated at the amount management expects to collect on balances. The Company uses the allowance method. Accounts past due more than 90 days are individually analyzed for collectability. An allowance is provided for any receivables that management feels there is uncertainty about future collections. When all collection efforts have been exhausted, the account is written off against the related allowance. At December 31, 2023 and 2022, the allowance for doubtful accounts was \$0, respectively.

Property and Equipment

Property and equipment are stated at cost. Depreciation and amortization are generally provided using the straight-line method over the estimated useful lives of the related assets which ranges between 5 to 15 years.

Advertising Costs

Advertising costs are expensed when incurred. Advertising expense amounted to \$0 for the years ended December 31, 2023 and 2022, respectively.

EVA USA, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Long-Lived Assets

The Company reviews long-lived assets to be held and used by an entity for impairment whenever changes in circumstances indicate that the carrying amount of an asset may not be recoverable. As there are no owned assets for the Year ended December 31, 2023, no impairment of the carrying values of its long-lived assets existed at December 31, 2023. There can be no assurance, however, that demands for the Company's products or market conditions will not change which could result in impairment losses in the future.

Income Taxes

The company accounts for income taxes in accordance with FASB ASC 740, *Income Taxes*, which requires the recognition of deferred tax assets and liabilities based on the differences between the financial statement and tax bases of assets and liabilities, using enacted tax rates in effect for the year in which the differences are expected to reverse. The effect on deferred tax assets and liabilities of a change in tax rate is recognized in income in the period that includes the enactment date.

The company follows the provisions of FASB ASC 740-10-25, which prescribes a recognition threshold and measurement attribute for the recognition and measurement of tax positions taken or expected to be taken in income tax returns. FASB ASC 740-10-25 also provides guidance on de-recognition of income tax assets and liabilities, classification of current and deferred income tax assets and liabilities, and accounting for interest and penalties associated with tax positions.

The company records uncertain tax positions on the basis of a two-step process in which: (1) the company determines whether it is more likely than not that the tax positions will be sustained on the basis of the technical merits of the position; and (2) for those tax positions that meet the more-likely-than-not recognition threshold, the company recognizes the largest amount of tax benefit that is more than 50 percent likely to be realized upon ultimate settlement with the related tax authorities.

The company recognizes interest and penalties related to unrecognized tax positions as part of the income tax provision in the accompanying statements of income and retained earnings (accumulated deficit), and includes accrued interest and penalties in income taxes payable in the accompanying balance sheets.

Currently, the 2022 tax year is open and subject to examination by the taxing authorities. However, the company is not currently under audit nor has the company been contacted by any of the taxing authorities.

Concentrations of Credit Risk

The Company maintains cash in bank and deposit accounts, which at times may exceed federally insured limits. The Company has not experienced any losses in such accounts. The Company believes it is not exposed to any significant credit risk on cash and cash equivalents.

EVA USA, INC.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Revenue Recognition

Franchise Fee

The Company's revenue recognition policies are in compliance with accounting standards ASC Topic 606, *Revenue from Contracts with Customers*. The new guidance includes the following five-step revenue recognition model:

- Identify the contract with the customer
- Identify the performance obligation in the contract
- Determine the transaction price
- Allocate the transaction price to performance obligations
- Recognize revenue when (or as) each performance obligation is satisfied

In 2020, the Financial Accounting Standards Board (FAB) issued Accounting Standards Update (ASU), *Franchisors-Revenue from Contracts with Customers (Subtopic 952-606) Practical Expedient*. This new practical expedient will allow franchisors that are not public business entities to account for pre-opening services provided to a franchise as a single performance obligation if the services are in line with the services listed within the guidance, and they meet certain other conditions.

The Company recognizes franchise royalties, brand development fund, and local and digital marketing on a monthly basis, which are generally based upon a percentage of sales made by the Company's franchises, when they are earned and deemed collectible.

The following services are provided by the Company prior to the opening of a franchised location:

- Grant you the right to operate a Franchised Business at a single Approved Location within a designated territory.
- Provide site selection criteria and guidelines and approve or disapprove your site for the location of your Franchised Business
- Provide a list of approved signage, equipment, furniture, fixtures and suppliers, either as part of the Manual or otherwise in writing.
- Provide training in accordance with the initial training program.
- Review the preliminary and final drawings and layout specifications and notify you of our approval or disapproval of your plans.
- Identify your Franchised Business on the parent company's website.

Subscription – Battle Pass

The Parent Company, EVA, has developed a subscription system for customers of gaming rooms under the "EVA" trademark, allowing said customers to benefit from privileged access conditions to the gaming rooms of the EVA Network. The price of these Subscriptions is paid by Players directly to the Franchisor through EVA USA, Inc. At December 31, 2023, the Company recognized subscription income of \$47,179.

EVA USA, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Fair Value of Financial Assets and Liabilities

We measure and disclose certain financial assets and liabilities at fair value. ASC Topic 820, Fair Value Measurements and Disclosures, defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. ASC Topic 820 also establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

Level 1 - Quoted prices in active markets for identical assets or liabilities.

Level 2 - Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

We utilize the active market approach to measure fair value for our financial assets and liabilities. We report separately each class of assets and liabilities measured at fair value on a recurring basis and include assets and liabilities that are disclosed but not recorded at fair value in the fair value hierarchy.

Recently Issued and Adopted Accounting Pronouncements

In February 2016, the FASB issued a new accounting standard on leases. The new standard, among other changes, will require lessees to recognize a right-of-use asset and a lease liability on the balance sheet for all leases. The lease liability will be measured at the present value of the lease payments over the lease term. The right-of-use asset will be measured at the lease liability amount, adjusted for lease prepayments, lease incentives received, and the lessee's initial direct costs (e.g., commissions). The new standard is effective for annual reporting periods beginning after December 15, 2021, including interim reporting periods within those annual reporting periods. The adoption will require a modified retrospective approach for leases that exist or are entered into after the beginning of the earliest period presented. Effective April 26, 2022, the Company adopted the new lease standard. As of December 31, 2023 and 2022, the Company did not have any lease agreement in place.

EVA USA, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP”) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant estimates made by the Company’s management include, but are not limited to, allowances for doubtful accounts and contracts receivable, the allowance for losses on contracts in process and the percentage of completion on uncompleted contracts. Actual results could materially differ from those estimates.

NOTE 3 – PREPAID FRANCHISE EXPENSES

Prepaid franchise expenses represent expenses paid to assist franchisee’s in getting their business open. This includes broker fees, commission, advertising fees, and technology costs. These costs are fully recognized when Franchisees open their doors. The amounts of prepaid franchise expenses amounted to \$0 for the years ended December 31, 2023 and 2022, respectively.

NOTE 4 – DEFERRED REVENUE

Deferred revenue represents initial franchise sales for which substantially all the services to be provided by the Company have not yet been performed. These revenues are fully recognized when Franchisees open their doors. The amounts of deferred franchise revenue amounted to \$0 for the years ended December 31, 2023 and 2022, respectively.

NOTE 5 – INCOME TAXES

The Corporation has \$281,568 and \$5,716 of net operating losses carryforward for the years ended December 31, 2023 and 2022, respectively, for federal and state income tax purposes, which will start to expire after the year ending December 31, 2042. As of December 31, 2023 and 2022, the Company recognized \$83,626 and \$1,698, respectively, in federal and state income tax benefit on the Statement of Income and a deferred tax asset balance of \$85,323 and \$1,698 on the Company’s balance sheet for years ended December 31, 2023 and 2022, respectively.

NOTE 6 – RELATED PARTY TRANSACTIONS

Due to Parent Company is made up of initial costs during opening and setting up of the US operations which includes logistical support and operational expenses paid on behalf of EVA USA, Inc. by the Parent Company. As of December 31, 2023 and 2022, the amounts due to its parent company was \$268,851 and \$4,750 for the years ended December 31, 2023 and 2022, respectively.

EVA USA, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

NOTE 7 – SUBSEQUENT EVENTS

The Company has evaluated subsequent events through March 26, 2024, the date which the financial statements were available to be issued and nothing has occurred that would require disclosure.

EXHIBIT D TO THE DISCLOSURE DOCUMENT

**EVA USA, INC.
FRANCHISE AGREEMENT**



FRANCHISE AGREEMENT

EVA Franchise Agreement

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FRANCHISE AGREEMENT

This Franchise Agreement (this “Agreement”) is made and entered on _____
(the “Effective Date”) by and between:

- EVA USA Inc., a Delaware corporation, having its principal place of business at 251 Little Falls Drive, Wilmington, DE 19808 (“Franchisor,” “we,” “us,” or “our”); and
- _____, an individual/partnership/corporation/limited liability company established in the State of _____ and whose principal address is _____ (“Franchisee,” “you,” or “your”).

RECITALS

WHEREAS, we have developed a distinctive and proprietary system (the “System”) for the establishment, development and operation of entertainment and leisure venue featuring free-roaming multi-player virtual reality arena with arcade options and multiple bar and lounge areas serving cocktails, craft beers, wine, and dining options under the ESPORTS VIRTUAL ARENAS (“EVA”) brand name and other services and products that we authorize (the “Approved Services and Products”) under the Licensed Marks (defined below) (each, a “Franchised Business”);

WHEREAS, the System and, therefore, each Franchised Business, is identified by the Licensed Marks and distinctive Trade Dress, service offerings, business formats, equipment, products, supplies, operating procedures, programs, methods, procedures, and marketing and advertising standards, all of which are part of the System and all of which we may modify from time to time;

WHEREAS, you desire to obtain the non-exclusive license and right to use the System in the development and operation of one Franchised Business from a single fixed location within a designated territory and pursuant to the terms of this Agreement;

WHEREAS, you have been advised that, prior to signing this Agreement and prior to developing your Franchised Business, you should retain your own independent legal counsel to advise you as to all applicable federal, state and local laws including laws which may dictate the necessary management structure of your Franchised Business and that you have been advised that you are responsible for compliance with all applicable federal, state and municipal laws in your jurisdiction related to the operation of a Franchised Business;

NOW THEREFORE, in consideration of the foregoing recitals and other good and valuable consideration, the receipt and sufficiency of which is hereby mutually acknowledged, the parties do hereby agree, as follows:

SECTION 1

DEFINITIONS

The Definitions of certain terms used in this Agreement are included in Schedule 1 to this Agreement and in the body of this Agreement.

SECTION 2

GRANT OF FRANCHISE

2.1. GRANT OF FRANCHISE

You requested that Franchisor grant the Franchisee the non-exclusive license and right to develop, own and operate a Franchised Business from a fixed Approved Location located within a specified territory. Relying on the representations made by you and your Owners in any submitted application and during the application process, and subject to the terms and conditions of this Agreement, your request has been approved by us, subject to the following terms and conditions:

- (A) During the Term of this Agreement and subject to our rights including, but not limited to, the Reserved Rights, we grant to you and you accept, the non-exclusive license, right and obligation to develop and operate, one Franchised Business in conformity with the System and this Agreement from a single fixed Approved Location, selected by you but requiring the approval of us and, as designated by us in our discretion and Reasonable Business Judgment, within a Designated Territory.
- (B) If, as of the Effective Date, Franchisee has selected a proposed Approved Location that we approve as your Approved Location, then your Approved Location and Designated Territory, if any, shall be identified in Schedule 2 of this Agreement. To be effective, Schedule 2 must be completed and signed by us. Your execution of Schedule 2 with a specific location for the Approved Location shall constitute your obligation to develop and operate the Franchised Business at the designated Approved Location;
- (C) If, as of the Effective Date, you have not selected a proposed Approved Location, and/or have not obtained our approval of the proposed Approved Location, and/or Schedule 2 to this Agreement is left incomplete or is not signed by us, you must locate, identify and secure an Approved Location for the Franchised Business in accordance with the terms of this Agreement. If, after the Effective Date, you propose and we approve of your proposed Approved Location, such approval must be in writing and must be evidenced by our execution of Schedule 2 with a specific Approved Location designated and. At the time of executing a completed Schedule 2 and, thereby, approving your proposed Approved Location, we, in our discretion and Reasonable Business Judgment, shall designate and determine Franchisee's Designated Territory;
- (D) If, as of the Effective Date, you have not selected a proposed Approved Location that is approved by us but, you have identified an area in which you may look to secure an Approved Location for the Franchised Business, the Site Selection

Acknowledgment Form attached hereto as Schedule 6 will identify your Site Selection Area. The Site Selection Area shall be exclusive for 90 days while you search for your site. After the 90-day period of exclusivity, you must continue to locate a site for your Franchised Business, but we have the right to offer a franchise to a third party in your Site Selection Area. By signing Schedule 6, you acknowledge your understanding and agreement that the Site Selection Area designated in the Site Selection Acknowledgment Form does not constitute our approval of a proposed Approved Location, does not constitute our designation of your Designated Territory, does not afford you any territorial rights in or to the Site Selection Area, and does not extend and/or modify any obligation on your part to timely secure an Approved Location;

- (E) At all times, your rights in and to the real property and the business premises of your Approved Location shall be subordinate and subject to your agreement with your landlord to and execution of the Lease Agreement Rider attached to this Agreement as Schedule 7 and your agreement and execution of the Collateral Assignment of Lease attached to this Agreement as Schedule 8;
- (F) You may only offer and sell the Approved Services and Products from your Approved Location in accordance with the requirements set forth in the Manual and only to customers on-site at your Approved Location;
- (G) Except as otherwise provided in this Agreement including, but not limited to, the Reserved Rights, provided that, at all times you are and remain in compliance with all of the terms of this Agreement, during the Term of this Agreement, neither we nor any of our affiliates will establish or operate, or grant a franchise to any third party to establish or operate, a Franchised Business using the Licensed Marks and System at an Approved Location that is located within your Designated Territory, provided, that a Designated Territory has been designated and approved by us in accordance with the terms of this Agreement, but excluding Non-Traditional Sites. You may face competition from other EVA businesses and other System franchisees with Approved Locations and/or designated territories, which are located within Non-Traditional Sites and/or located adjacent to and/or within a close proximity to your Approved Location and/or Designated Territory. You agree that, although you may disapprove of any marketing medium that is distributed and/or reaches outside of your Designated Territory, that we are not obligated to do so and that you may face competition from other EVA businesses and System franchisees that market and promote their EVA businesses through internet, mail, public relations, and other marketing activities and mediums that are distributed to or within your Designated Territory. You agree that you shall not receive any compensation whatsoever if we or another System franchisee solicits customers from within your Designated Territory; and
- (H) The foregoing rights granted in this Section 2.1 are subject to and contingent upon each and every, term and condition of this Agreement, the rights of any prior user, and are non-exclusive and subordinate to the Reserved Rights.

2.2. TERM

Unless previously terminated pursuant to the terms of this Agreement, the term of this Agreement will be for a period of 10 consecutive years, commencing from the Effective Date (the “Term”).

2.3. GUARANTEES, CONFIDENTIALITY AND RESTRICTIVE COVENANTS

If you are, at any time, a Corporate Entity, you agree that each Owner shall execute, sign and deliver to Franchisor the Owner’s Guaranty attached to this Agreement as Schedule 2 and, in doing so, among other things, will individually, jointly, and severally, guarantee Franchisee’s obligations under this Agreement and personally bind themselves to all obligations under this Agreement as well as confidentiality and non-competition covenants and restrictions.

2.4. RESERVATION OF RIGHTS

We, on behalf of ourself, our affiliates and our assigns retains all rights, on any and all terms and conditions that we deem advisable and without any compensation or consideration to you to engage in the following activities (the “Reserved Rights”): (a) operate and grant to others the right to operate a Franchised Business using the System and Licensed Marks at locations outside of your Designated Territory; (b) acquire or merge with or otherwise affiliate with one or more businesses of any kind, including businesses that are Competitive Businesses, and after such acquisition, merger or affiliation to own and operate and to franchise or license others to own and operate and to continue to own and operate such businesses, including Competitive Businesses (but not utilizing the Licensed Marks) within your Designated Territory; (c) be acquired by or merge with or otherwise affiliate with one or more businesses of any kind, including businesses that are Competitive Businesses, even if such business or businesses presently or, in the future, own and operate and franchise or license others to own and operate such businesses, including Competitive Businesses (but not utilizing the Licensed Marks) within your Designated Territory; (d) use the Licensed Marks and System to distribute the Approved Services and Products or products and services similar to the Approved Services and Products in Alternative Channels of Distribution within or outside your Designated Territory; (e) use the Licensed Marks and System and to license others to use the Licensed Marks and System to engage in all other activities not expressly prohibited by this Agreement; (f) the right to operate EVA-branded trade show booth or “pop-up” location in your Designated Territory; and (g) the right to open EVA facilities at non-traditional sites in your Designated Territory including, without limitation military bases, hotels, college campuses, airports, train stations, travel plazas, casinos, and sports or entertainment venues or stadiums (“Non-Traditional Sites”).

2.5. MODIFICATION OF SYSTEM

We, in our Reasonable Business Judgment, reserve the right at all times to supplement, modify, alter and/or amend the System. You shall promptly comply with all such modifications to the System whether such modification(s) results in the addition, subtraction, modification and/or enhancement to any and/or all components of the System. We shall provide you with a reasonable time period to comply with any change or modification to the System which shall be communicated in writing by us to you, including, but not limited to, modifications, updates, amendments, and changes made by us to the Manual. Our modifications to the System shall not materially alter Franchisee’s fundamental rights under this Agreement.

2.6. CORPORATE ENTITY OWNERSHIP

If Franchisee is a Corporate Entity, you represent, and we enter into this Agreement with you in reliance upon such representation, that the individual(s) identified in Schedule 2 of this Agreement

is/are the holder(s) of a legal or beneficial interest (in the stated percentages) of the Franchisee entity. All Owner(s) must be acting and must sign the Owner's Guaranty attached to this Agreement as Schedule 2 in his/her individual capacity. You agree that you will amend and modify Schedule 2 upon any change in ownership interest of the Franchisee entity, subject to the transfer rules and restrictions set forth below, and you shall furnish a revised Schedule 2 promptly to us to ensure that Schedule 2 is at all times current, complete and accurate.

SECTION 3

APPROVED LOCATION, DEVELOPMENT, AND OPERATIONS

3.1. APPROVED LOCATION

You shall develop, operate and manage the Franchised Business from a location that is approved by us on the following terms and conditions:

- (A) You have identified and evaluated the site as meeting our site criteria and otherwise complies with the terms and conditions of this Agreement and satisfies and meets our standards and specifications.
- (B) The site is timely presented by you to us for approval as your proposed Approved Location within 180 days of the Effective Date of this Agreement, as evidenced by a binding lease with a duration equal to the full Term of this Agreement., is approved by us as your Approved Location.
- (C) At all times, your Approved Location shall be exclusively dedicated to the operation of the Franchised Business.
- (D) You shall not lease, purchase or otherwise acquire a proposed Approved Location until such information as we may require as to the proposed Approved Location has been provided to us by you and, we have approved the location in accordance with the terms and conditions of this. We shall respond to your request for approval of a proposed Approved Location within a reasonable time period but not exceeding 30 days following our receipt, from you, of complete written information about your proposed Approved Location. If we reject or disapprove your proposed site, you must nevertheless identify and obtain our approval of a proposed site on or before the Opening Deadline identified in Schedule 2 or within 180 days whichever is later. Our disapproval of a proposed Approved Location shall not serve as a basis to extend any deadline or requirement set forth in this Agreement.
- (E) Our approval of your proposed site and designation of your proposed site as the Approved Location is not and does not constitute a representation or warranty by Franchisor of any kind other than that Franchisor does not object to or disapprove of Franchisee's proposed Approved Location. Neither our acceptance of the premises nor any information communicated to you regarding our standard site selection criteria for EVA businesses nor the specific location of your Franchised Business will constitute a warranty or representation of any kind, express or implied, as to the suitability of the site for your Franchised Business. Our acceptance of your proposed site and designation of an Approved Location merely signifies that we are

willing to grant you an EVA franchise at the Approved Location.

- (F) No provision of this Agreement shall be construed or interpreted to impose an obligation on us to locate or identify an Approved Location for the Franchised Business, to assist you in the selection of a suitable Approved Location for the Franchised Business or to provide assistance to you in the purchase or lease of a site. If you lease the site designated as the Approved Location, you must use best efforts to ensure that the landlord signs the Lease Agreement Rider in the form attached to this Agreement as Schedule 7. If your landlord refuses to sign the Lease Agreement Rider in substantially the same form as the attached Schedule 7, such refusal may constitute grounds upon which we refuse to approve your proposed site or withdraw our approval.

3.2. FRANCHISED BUSINESS DEVELOPMENT

You shall develop and construct the premises of your Approved Location in accordance with our standards and specifications and using only those types of construction materials, decorating materials, furniture, fixtures, equipment, Trade Dress, signs, suppliers, advisors and contractors that we have approved in the Manual, in supplements to the Manual or as we otherwise designate and approve of in a writing specifically directed to you from us. The premises at your Approved Location must be constructed and established in accordance with our plans and specifications which we will review and approve. Promptly after signing a lease or closing on a purchase of the premises of your Approved Location, we shall provide you with our generalized prototype plans and specifications. Prior to constructing, equipping and building out the premises at your Approved Location, Franchisee shall:

- (A) Prepare and submit to us for approval the specific plans and specifications prepared by the design consultants designated or approved by us and hired by you, at your sole expense, whereby such plans and specifications are prepared specifically for the premises at your Approved Location and shall reflect and comply with our generalized plans and specifications and otherwise satisfy the specifications and requirements set forth in the Manual. If we determine, in our Reasonable Business Judgment, that any plans are not consistent with our prototype plans and specifications, we may prohibit implementation of the plans and disapprove the plans;
- (B) Obtain all required building, utility, sign, health, sanitation, and business permits and licenses, and any other required permits and licenses;
- (C) Construct all required improvements to the Approved Location, purchase and install all required furniture, fixtures and equipment and decorate the premises in compliance with the plans and specifications approved in writing by us and all applicable ordinances, building codes, permit requirements and lease or deed requirements and restrictions; and
- (D) Provide us with timely written reports regarding the process of construction and remodeling in compliance with our then-current specifications.

At all times, in the construction and operation of the Franchised Business, you shall exclusively install, use, attach, maintain, replenish and replace only those types of construction and decorating materials, furniture, fixtures, equipment, and signs that we have approved or designated in the Manual as meeting our specifications and standards for appearance, function and performance. You may only purchase approved or designated types of construction and decorating materials, fixtures, equipment, furniture and signs from any supplier approved or designated by us, which may include us and our affiliates.

3.3. FRANCHISED BUSINESS OPENING

You must develop and open the Franchised Business to the public and commence the day-to-day operations of the Franchised Business, on or before the Opening Deadline. You agree that, prior to opening the Franchised Business to the general public, you must, as determined by us in our sole discretion: (a) be in compliance with the terms and conditions of this Agreement; (b) have satisfied the pre-opening obligations set forth by us in the Manual; (c) have completed and satisfied the training obligations designated by us; and (d) obtained our written consent to open.

3.4. FRANCHISED BUSINESS OPERATIONS AND SYSTEM SUPPLIES

At all times, the Franchised Business shall: (a) be exclusively operated from your Approved Location that has been approved by us; (b) exclusively offer and sell the Approved Services and Products as designated by us, in our Reasonable Business Judgment, and as modified by us from time to time; (c) ensure that the Approved Services and Products are only offered and provided by you through employees and/or Owners that have, to our satisfaction, completed the training requirements and Training Programs required by us, in our Reasonable Business Judgment and as may be modified and supplemented by us from time to time; (d) exclusively utilize, maintain and stock in inventory the System Supplies in such quantities and as designated by us, in our Reasonable Business Judgment, and as modified by us from time to time; (e) exclusively purchase the System Supplies from the suppliers and vendors approved by us and designated by us, in our Reasonable Business Judgment, and as modified by us from time to time; and (f) be operated in conformity with the Operations Manual as such Operations Manual exists as of the Effective Date of this Agreement and as the Operations Manual may be modified and supplemented from time to time in the future by Franchisor, in Franchisor's Reasonable Business Judgment. You must, at all times, maintain the necessary licenses and permits and those licenses and permits recommended and/or required by us in connection with your ownership and operation of the Franchised Business. You agree that control over the nature, quality, branding and source of the System Supplies is critical to the System and that irrespective of the availability of substitute products, supplies, inventory, apparel and/or accessories, which may be less expensive than the System Supplies, you shall only utilize the System Supplies as designated by us and only from the suppliers approved by us. By signing the Agreement, you agree and acknowledge your understanding that that we and/or our affiliates will be and, in the future, may become the exclusive supplier of certain System Supplies.

3.5. MANAGEMENT SYSTEM

At all times, you shall exclusively use the Management System designated by us, in our Reasonable Business Judgment, and as may be modified, supplemented or replaced by us from time to time on the following terms and conditions:

- (A) Franchisee cannot substitute or replace the Management System in favor of any substitutes or other systems. To the extent that the Management System is hosted, maintained, licensed or operated by third party suppliers, you shall purchase, license

and maintain such Management System and/or systems from such third-party suppliers designated by Franchisor and subject to Franchisor's standards and specifications. To the extent that the designated Management Systems is/are internet or cloud-based with accounts and data, including accounts and data associated with the Franchised Business, stored off-site, we may require that your license, and use of the Management System occur through accounts registered to us, controlled by us or licensed through us. To the extent that the Management System(s) is/are stored locally on computer systems maintained by you, then you shall provide us with internet and complete remote access to such systems. We may be and/or become the exclusive supplier and/or reseller of the Management System.

- (B) You shall be responsible for initial license fees, training fees and continuing monthly license fees required for use of the Management System as specified by us. Such fees shall be designated and determined by us in our Reasonable Business Judgment or by the suppliers designated by us and approved by us in our Reasonable Business Judgment and shall be paid to us and/or to the third-party suppliers approved by us. You must complete training, purchase and license the Management Systems no later than 45 days prior to the Opening Deadline.
- (C) You shall use the Management System and the Management System Data for the exclusive benefit of the Franchised Business and in accordance with the terms of this Agreement and our standards and specifications as set forth in the Operations Manual. You agree that the Management System and the Management System Data will contain proprietary and confidential information owned by us.
- (D) All rights in and to the Management System are non-transferable and non-assignable to you and shall be utilized by you subject to the terms and conditions of this Agreement.
- (E) We are the exclusive owner of the Management System Data, except that you shall store and maintain such data in accordance with all applicable local, state and federal privacy, data collection and solicitation laws. Among other things, upon expiration or termination of this Agreement for any reason, you shall preserve and maintain the Management System Data for the purpose of transferring such data to us.
- (F) At all times, you shall provide and permit us to maintain direct and independent access to the Management System and you shall electronically transfer and transmit to us all Management System Data upon request and upon termination or expiration of this Agreement. Upon our request, you shall upgrade, replace and modify the Management System.
- (G) All ideas, concepts, techniques or materials concerning the Management System or developed, in whole or in part, using Confidential Information, whether or not protectable intellectual property and whether created by or for you or your owners or employees, shall be promptly disclosed to us and shall be deemed the sole and exclusive property of ours and our works made-for-hire, and no compensation shall be due to you or your owners or employees therefore, and you hereby agree to assign to us all right, title and interest in any intellectual property so developed. We have the

right to incorporate such items into the System. To the extent any item does not qualify as a “work made-for-hire,” you shall assign, and by this Agreement, do assign, ownership of that item, and all related rights to that item, to us and shall sign any assignment or other document as we request to assist us in obtaining or preserving intellectual property rights in the item. We shall disclose to you concepts and developments of other franchisees that are made part of the System. As we may reasonably request, you shall take all actions to assist our efforts to obtain or maintain intellectual property rights in any item or process related to the System, whether developed by us or not.

- (H) Other than permitting access to employees of the Franchised Business for the purpose of conducting the authorized operations of the Franchised Business, you shall not permit nor allow any third party to access, utilize or duplicate the Management System or the Management System Data without our prior written consent. Accordingly, you shall keep and maintain the Management System and the Management System Data as secret and confidential, and you shall maintain security precautions to maintain the confidentiality and secrecy of the Management System Data and to prevent the unauthorized access or use. In no event shall we be liable to you for any damages, including any lost profits, lost savings, or other incidental or consequential damages, relating to your use or, your inability to use, the Management System even if we have been advised of the possibility of such damages, or for any claim by any other party including the software manufacturer. The foregoing limitations of liability are intended to apply without regard to whether other provisions of the Agreement have been breached or proven ineffective.

3.6. SOCIAL AND DIGITAL MEDIA, WEBSITE AND PHONE NUMBERS

We control and are the absolute owner of the Social and Digital Media. You shall not use, access or open accounts regarding or related to Social and Digital Media unless expressly approved by us in writing which approval we may withhold, condition or limit as determined by us in our Reasonable Business Judgment and which approval, if given, shall be limited to the marketing and promotion of the Franchised Business in accordance with our standards and specifications. Upon expiration or termination of this Agreement for any reason, your rights to use the Social and Digital Media shall be automatically terminate and, at our election, the right to any and all accounts and/or sites (if any) associated with Social and Digital Media utilized by you shall be transferred to us. Posts to your Social and Digital Media must be approved by us prior to publication. The Social and Digital Media and Published Content that is approved by us or that otherwise is acceptable to us as meeting our standards shall be owned by us. Any and all interest and right in or to the Social and Digital Media and/or Published Content shall, at all times, be and is the exclusive property of us both during the Term of this Agreement and upon the expiration or termination of this Agreement. You agree that the System Website and all improvements and modifications made to the System Website, Social and Digital Media, and Published Content is and shall be the exclusive property of us. During the Term of this Agreement and subject to your compliance with the terms and conditions of this Agreement, the System Website, shall include information related to the Franchised Business as shall be determined and designated by us in our Reasonable Judgment. We have the right to require you to use one or more designated telephone vendors. We may designate, and own, the telephone numbers for your Franchised Business. You shall execute and deliver to us the Assignment of Telephone Numbers and Social and Digital Media Accounts attached to this Agreement as Schedule 2. Upon our request, you shall execute, update, and/or re-execute the Assignment of Telephone

Numbers and Social and Digital Media agreement including after termination or expiration of this Agreement. As between us and all third parties, you represent and acknowledge that such third party is authorized to rely on the Assignment of Telephone Numbers and Social and Digital Media agreement, irrespective of any dispute and/or controversy between you and us and irrespective of any contrary instructions of Franchisee.

3.7. FRANCHISED BUSINESS RELOCATION

You may not relocate your Franchised Business from the Approved Location without our written consent. We may refuse in our Reasonable Business Judgment our consent in our sole discretion. If we do consent to the relocation of the Franchised Business, we may condition said consent to your relocation request on requirements imposed by us which may include, among other things: (a) that the proposed Approved Location meet and satisfy our then-current standards for Approved Locations; (b) that the proposed new site meet and satisfy our then-current site standards; (c) that the proposed new site be constructed and established in accordance with our current standards and specifications; (d) that the proposed Approved Location be located within Franchisee's Designated Territory; and (e) that the proposed Approved Location (even if it is located within the Designated Territory) not be within a close proximity to the Designated Territory and/or Approved Location of another EVA business. You agree that we possess sole discretion as to whether or not we approve of your relocation request.

3.8. OPENING PACKAGE

You must license and purchase your opening inventory of certain System Supplies, including the virtual reality gaming technology, gaming equipment, project management, configuration required by our web platform, ongoing research and development of EVA's proprietary VR gaming, and all electronic hardware and software from us or our affiliate (the "Opening Package"). You will pay for the Opening Package no later than six (6) months after the Effective Date of the Franchise Agreement or four (4) months before your Franchised Business opens for business, whichever is sooner. The amount paid toward the Opening Package is fully earned by us upon payment and non-refundable.

3.9. NATIONAL PROGRAMS

We may at any time require that Franchisee participate in a program involving multiple EVA locations (hereinafter referred to as the "National Program"), such as:

- (A) any sale of tickets for a large account or national customer;
- (B) any offer resulting from a loyalty card providing financial benefits to its beneficiary;
- (C) a gift card program;
- (D) a national promotional offer; or
- (E) any promotional operation proposed by Franchisor.

To negotiate such National Program with third parties, the Franchisor must be able to rely on the effective participation of all System Franchisees. Therefore, in this case, the Franchisor will submit the content and the terms and conditions of implementation of the National Program and give each

Franchisee thirty (30) days to implement the National Program. During the promotional campaigns, the Franchisee must distribute the communication media associated with the promotional campaigns; comply with the pricing conditions indicated in the product communication media for the said promotional campaigns subject to applicable law; and accept, subject to their validity, any discount vouchers resulting from the organized promotional campaigns.

SECTION 4

TRAINING AND OPERATING ASSISTANCE

4.1. TRAINING

- (A) Your Managing Owner and/or your Operating Manager must complete, to our satisfaction, our initial training program (the “Training Program”) and pay us a fee of \$5,000 for two (2) trainers to visit your Approved Location plus travel expenses including accommodations, meals and airfare. Prior to opening and commencing the operations of the Franchised Business, the Managing Owner and other personnel, as designated or determined by us, must attend and successfully complete the Training Program designated by us. The training may include on-the-job instruction at your Approved Location and/or, at our election and in our Franchisor’s Reasonable Business Judgment, may be conducted remotely through online web-based conferencing. Following completion of the Training Program, you shall be responsible for the ongoing training of your employees, staff and all other employees of the Franchised Business which must conform to our standards and specifications. The Training Program may change from time to time in our Reasonable Business Judgment.
- (B) You or, if Franchisee is a Corporate Entity, your Managing Owner and/or your Operating Manager, at your sole cost and expense, must attend and successfully complete all refresher training courses or system-wide training courses as we periodically may designate or offer. You will be responsible for all expenses you and your employee incur in connection with attendance and participation in these programs, including the cost of transportation, lodging, meals and any salaries and other wages.
- (C) If in our Reasonable Business Judgment and upon request if we are available, we may offer you supplemental training at the Approved Location or, at our election, remotely through online web-based conferencing (“Supplemental Training”). If we provide Supplemental Training, you shall pay us our then-current supplemental training fee which is currently at the rate of \$1,500 per day per on-site trainer (the “Supplemental Training Fee”) and reimburse us and our trainers for all travel-related expenses. If you hire a new Operating Manager, or if we determine that you are not satisfying and/or meeting our operational standards, then, we may require that you, and/or, as applicable, your Operating Manager participate in and, successfully complete, Supplemental Training and pay the Supplemental Training Fees before training upon submission of our invoice.

- (D) We must approve of all individuals attending and participating in the Training Program and all Supplemental Training programs. All participants in the Training Program must qualify as either an Owner or Operating Manager and, prior to training, among other things, must have executed the Guaranty and the Confidentiality Agreement.

4.2. OPERATING ASSISTANCE

We will advise you, in our Reasonable Business Judgment, of our applicable standards, procedures and System requirements concerning the Franchised Business. We may periodically offer you the services of certain of our representatives, such as a field representative, and these representatives may visit your Franchised Business upon request and offer advice regarding your operations at their then-current per diem rate plus expenses. We will establish, update and communicate to you our standards for the marketing and promotion of the Franchised Business including, but not limited to, the marketing materials and mediums that you may utilize. We will provide the names and addresses of approved vendors and suppliers for the Approved Services and Products and the System Supplies.

4.3. OPERATIONS MANUAL

We shall provide you with access to the Manual. The Manual contains mandatory and as applicable, suggested specifications, standards and operating procedures that we prescribe for EVA businesses. You shall operate the Franchised Business in strict accordance with the standards, specifications, and requirements set forth in the Manual as, such standards, specifications, and requirements including, but not limited to, the Approved Services and Products, System Supplies, and, authorized and designated suppliers as they may be supplemented, modified, changed, and/or replaced in the future and, from time to time, by us in our Reasonable Business Judgment. You shall keep and maintain the confidentiality of the Manual and shall keep and maintain all files, data and information contained in the Manual in a secure location and/or in a protected confidential state. We may make modifications and changes to the Manual in our discretion from time to time. You may only offer and sell the Approved Services and Products and utilize the System Supplies as designated by us, in our Reasonable Business Judgment, in the Manual and, in accordance with the terms, specifications and requirements set forth in the Manual and as Franchisor may supplement and modify the Manual from time to time or, as we may otherwise designate in writing.

SECTION 5 **FEES**

5.1. INITIAL FRANCHISE FEE

Upon execution of this Agreement Franchisee shall pay to Franchisor an initial franchise fee in the amount of \$30,000 (the “Initial Franchise Fee”). The Initial Franchise Fee is fully earned by us upon execution of this Agreement and is not refundable.

5.2. ROYALTY FEES

Throughout the Term of this Agreement, you shall pay to us a continuing monthly non-refundable royalty fee (the “Royalty Fee”) in an amount equal to 5% (the “Royalty Rate”) of your monthly Gross Sales. The Royalty Fee is an on-going obligation due from you to us in United States Dollars for each and every month throughout the Term of this Agreement and any applicable renewal term. The Royalty Fee commences on the date your Franchised Business starts generating revenue. Royalty Fee payments will be paid by ACH, electronic funds transfer, or as otherwise designated by

us and shall be due on the 5th of each month for the prior month's Gross Sales (the "Due Date"). While the current method of payment of fees to us is via wire, you shall execute our designated ACH Authorization Form attached to this Agreement as Schedule 10 and such other authorization agreements, in the form proscribed by us and permitting our direct withdrawal and/or electronic transfer of sums from your designated business bank account, for the on-going payment of Royalty Fees, and other fees and sums due under this Agreement. On the Due Date, you shall report, transmit, confirm, and/or otherwise make available a Royalty and Activity Reports containing information relating to the Gross Sales, financial performance, and operations of the Franchised Business for the preceding monthly Accounting Period (the "Royalty and Activity Report"). We shall have the right to verify your Royalty Fee payments from time to time, as we deem necessary in any reasonable manner.

5.3. OTHER FEES

In addition to the Royalty Fee, you shall pay to us and/or as otherwise directed by us to third-party suppliers and vendors approved by us, one-time and ongoing fees including the following:

- (A) Brand Development Fund Fee as set forth in Section 9.1. of this Agreement to us;
- (B) the Digital Marketing Program currently in the amount of \$5,000 per month to us or third-party marketing partners at our option;
- (C) License and Support Fee in the amount of \$3,000 per arena per month to us;
- (D) Point-of-sale system fee to our approved vendor which is currently Lightspeed;
- (E) Fees related to quality assurance programs designated by us related to periodic inspections of your Franchised Business and secret shopper evaluations;
- (F) Fees related to credit card processing fees throughout the Term of this Agreement as designated and specified by us in our Reasonable Business Judgment;
- (G) The External Game Fee up to 15% of Gross Sales from games that EVA does not own the intellectual property monthly on the 5th of the month at the same time as Royalty Fee payments;
- (H) The Installation and Opening Fee in the amount of \$3,000 per Arena (one-time);
- (I) A refundable deposit equal that will range from \$9,000 if you will have one arena to \$18,000 if you will have two arenas (the "Refundable Deposit"). The Refundable Deposit shall be used by the Franchisor in its discretion to fund any late payments or non-payments of amounts due to the Franchisor under this Agreement. If the Refundable Deposit is used by the Franchisor, the Franchisee must replenish the amount used by the Franchisor within two (2) weeks of the Franchisor's request. We will return the remaining balance of the Refundable Deposit at the end of the term of the Franchise Agreement unless renewed; and
- (J) All other fees, charges, and/or expenses set forth in this Agreement, our Manual and in accordance with the terms of this Agreement and the Manual.

The due dates for payment shall be determined by us or our approved third-party supplier.

5.4. NON-COMPLIANCE FEES AND CHARGES

You shall pay us a non-compliance fee in the amount of \$500 per day of non-compliance (the “Non-Compliance Fee”) for each and every instance where a fee, charge, and/or obligation payable to us under this Agreement is not paid in full when due plus interest at a rate equal to the lesser of either 18% per annum, or the maximum interest rate allowed by applicable law plus all costs incurred by us in the collection of such unpaid and past due obligations including, but not limited to, reasonable attorney’s fees, costs, and expenses. The Non-Compliance Fee shall be applicable to any operational default and System requirement set forth in this Agreement and the Manual. Additionally, if your bank account possesses insufficient funds and/or fails to process a payment related to any fee due to Franchisor, Franchisor may charge the greater of either 5% of the amount; \$50 for each instance; or the maximum amount allowed by law. Nothing contained in this Section 5.4. shall be interpreted as interfering with and/or negating our rights and remedies as set forth in Section 16 and, as otherwise set forth in this Agreement. All of our rights and remedies are cumulative and shall be interpreted as cumulative to one another. The foregoing fees, as applicable and, at our election, may be pre-deducted by us from Gross Sales.

5.5. SUBSCRIPTIONS

We have set up a subscription system (the “Subscription”, or the “Battle Pass”), allowing players (“Subscribed Players”) to subscribe, directly on our System Website, to Subscriptions, in order to benefit from privileged access to all EVA locations in the United States. All Subscription fees will be paid directly to us or a designated affiliate. The Subscription has three (3) different levels that each includes a limited number of Peak Hours (PH) and Off-Peak Hours (OPH) sessions, known as: “Essential”, “Plus”, “Ultra”. We are responsible for determining the retail price including tax on the Subscriptions, for which we will consider a local market study, as well as your regular sessions pricing to maintain a logical and coherent pricing strategy. We will apply a margin to every Subscription to cover the expenses of the service (including, for example, marketing, acquisition of players, dedicated human resources, etc.). The fixed margin is set at eighteen percent (18%) for “Essential”, 10% for “Plus”, 5% for “Ultra”. Each time Subscribed Players will come to play a session included in their Subscription in your Franchised Business, we agree to pay you for each session played in a fixed amount included tax as detailed below:

Monthly Price of Subscription minus our margin divided by total number of sessions included in the Subscription.

We will also pay to the Franchised Business 75% of the regular Off-Peak Hours session pricing of your Approved Location including tax per session not included in the Subscription and played during off-peak hours (the “Additional Sessions”). The payment of Subscription sessions as well as Additional Sessions played by a Subscribed Player at your Approved Location will happen on or before the 15th of the following month after the Subscription revenue is received by us. We or our affiliate shall disburse these sales to you minus fees due to us and credit card processing fees. As an illustrative example of the then-current Subscription model:

	Subscription Retail Price (monthly)	EVA margin	Sessions included per month	Amount paid to Franchised Business per
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	recurring)			Session played
“Essential”	\$89	18%	4 (1 PH + 3 OPH)	\$18.2 (\$89 – 18% / 4)
“Plus”	\$169	10%	8 (2 PH + 6 OPH)	\$19 (\$169 – 10% / 8)
“Ultra”	\$299	5%	16 (4 PH + 12 OPH)	\$23.7 (\$299 – 5% / 16)

	Price per Additional Session for Subscribed Players (Sessions played that are not included in the Subscription)
Peak Hours (PH)	Regular PH session pricing
Off-Peak Hours (OPH)	75% of regular OPH session pricing

The pricing in this section is subject to then-current rates and may be increased or decreased periodically in our sole discretion. The Operations Manual will contain the then-current pricing for Subscriptions and payments made to Franchisees by us or our designated affiliate. You further acknowledge and agree that this illustrative example is not a financial performance representation (and is not being relied upon as same) but rather this Section is merely an example of our Subscription pricing structure as of the Issuance Date of the Disclosure Document.

5.6. WITHHOLDING AND APPLICATION OF PAYMENTS

We agree that under no circumstance are you entitled to withhold payments due to us under this Agreement. Among other things and without limitation to the foregoing, you expressly agree that any claim by you as to the alleged non-performance of our obligations shall not permit and/or entitle you to withhold payments due to the Franchisor under this Agreement. We have sole discretion to apply any payments received from you or to offset any indebtedness of you to us to any past due indebtedness for Royalty Fees, Brand Fund Contributions, purchases from us or our affiliates, interest or any other indebtedness of you to us or our affiliates.

SECTION 6 RESTRICTIVE COVENANTS AND OBLIGATIONS

6.1. RESTRICTIVE COVENANTS

You agree that only through the course of entering into this Agreement are you being provided with access to the System, our training, use of the Licensed Marks and, access to the Manual, access to our proprietary VR gaming hardware and software, Confidential Information and our trade secrets. You agree that competition between you and your Owners and us will jeopardize the entire System and cause irreparable harm to us and franchisees in our System. Accordingly, you and your Owners agree to comply with the restrictive covenants set forth in this Section 6 and throughout this Agreement.

6.2. CONFIDENTIAL INFORMATION

You agree that, at all times, both during the Term of this Agreement and, after its expiration or termination, you: (a) shall not use the Confidential Information in any business or capacity other than the operation of the Franchised Business pursuant to this Agreement and as instructed by us; (b) shall maintain the confidentiality of the Confidential Information at all times; (c) shall not make

unauthorized copies of documents containing any Confidential Information; (d) shall take all reasonable steps that Franchisor requires from time to time to prevent unauthorized use or disclosure of the Confidential Information; and (e) shall stop using the Confidential Information immediately upon the expiration, termination or Transfer of this Agreement. You agree that the foregoing covenants and obligations shall also apply to: (a) your Owners and your Owners shall each execute and deliver to us the Owner's Guaranty in the form attached to this Agreement as Schedule 4; and (b) your directors, officers, employees and agents where disclosure of the Confidential Information was necessary for the operations of the Franchised Business and where such director, officer, employee and/or agent previously executed and timely delivered to you the Nondisclosure, Non-Competition and Confidentiality Agreement in the form attached as Schedule 5.

6.3. IN-TERM NON-COMPETITION OBLIGATIONS

You agree that during the Term of this Agreement, you shall not engage in the following activities: (a) owning and/or having any legal or equitable interest whether, as an individual proprietor, owner, partner, member or shareholder of a Corporate Entity, or, in any similar capacity, in a Competitive Business that offers the same or similar products and services as EVA businesses other than owning an interest of 5% or less in a publicly traded company that is a Competitive Business; (b) operating, managing, funding and/or performing services whether, as an employee, officer, director, manager, consultant, representative, agent, and/or creditor or, in any similar capacity, for or benefitting a Competitive Business; (c) diverting or attempting to divert any business or customers from Franchisor or, one of Franchisor's affiliates or franchisees; (d) inducing any customer or client of Franchisor, Franchisor's affiliates, franchisees of the System, or, of Franchisee, to any other person or business that is not in our System; and/or (e) engaging in any actions, inactions, and/or activities in violation of Sections 6.2. of this Agreement (all, individually and, collectively, referred to as the "Prohibited Activities").

6.4. UNFAIR COMPETITION

You agree that if you were to engage in the Prohibited Activities that such actions would be unfair, would constitute unfair competition and would cause harm to Franchisor, the System and other EVA businesses and franchisees. You agree that the foregoing covenants and obligations shall also apply to your Owners and that your Owners shall each execute and deliver to us the Owner's Guaranty in the form attached to this Agreement as Schedule 4.

6.5. POST-TERMINATION NON-COMPETITION OBLIGATIONS

You agree that during the two years after termination, expiration or Transfer, referred to in this Agreement as the Post-Term Restricted Period, you shall not engage in any Prohibited Activities in the geographic area comprising: (a) your Designated Territory; (b) a 50 mile radius surrounding your Designated Territory or, if you are not granted or designated a designated territory, then a 25 mile radius surrounding your Approved Location; (c) a 25 mile radius surrounding the Approved Locations for all other EVA businesses operating and/or under development as of the Effective Date of this Agreement; and (d) a 25 mile radius surrounding the Approved Locations for all other EVA that are in operation or under development during all or any part of the Post-Term Restricted Period; provided, however, that if a court of competent jurisdiction determines that the foregoing Restricted Territory is too broad to be enforceable, then the "Restricted Territory" means the geographic area comprising your Designated Territory plus a 25 mile radius surrounding your Designated Territory or, if you are not granted or designated a designated territory, then a 25 mile radius surrounding your Approved Location. If you are engaged in any Prohibited Activities during

the Post-Term Restricted Period, you agree that the Post-Term Restricted Period will be extended by the period of time during which you were engaging in the Prohibited Activity and, any such extension of time will not be construed as a waiver of your breach or otherwise impair any of our rights or remedies relating to Franchisee's breach. Franchisee agrees that the foregoing covenants and restrictions shall also apply to Franchisee's Owners. Franchisee agrees that the covenants and restrictions set forth in this Section 6.5 and, otherwise in this Section 6, are fair and reasonable and, that if Franchisee engaged in any Prohibited Activity that such actions would constitute acts of unfair competition, causing irreparable harm to Franchisor and the System.

6.6. REASONABLENESS OF RESTRICTIVE COVENANTS AND OBLIGATIONS

You agree that: (a) the terms of this Section 6 are reasonable both in time and in scope of geographic area; and (b) you have sufficient resources and business experience and opportunities to earn an adequate living while complying with the terms of this Section 6. Although Franchisee and Franchisor both believe that the restrictive covenants and obligations of this Section 6 to be reasonable in terms of scope, duration and geographic area, we may at any time unilaterally modify the terms of this Section 6 (provided that such modification is in writing and signed by us) by limiting the scope of the Prohibited Activities, narrowing the definition of a Competitive Business, shortening the duration of the Post-Term Restricted Period, reducing the geographic scope of the Restricted Territory and/or reducing the scope of any other covenant imposed upon Franchisee under this Section 6 to ensure that the terms and covenants are enforceable under applicable law.

6.7. BREACH OF RESTRICTIVE COVENANTS AND OBLIGATIONS

You agree that your failure and/or your Owner(s) failure to comply with the restrictive covenants and obligations set forth in this Section 6 will cause irreparable harm to us and/or other EVA franchisees for which there is no adequate remedy at law. You agree that any violation of these Section 6 covenants and obligations by either Franchisee and/or any Owner(s) will entitle us to injunctive relief. You agree that we may apply for such injunctive relief, without bond, but upon due notice, in addition to such further and other relief as may be available at equity or law, and your sole remedy, in the event of the entry of such injunction, will be the dissolution of such injunction, if warranted, upon hearing duly held and all claims for damages by reason of the wrongful issuance of any such injunction will be expressly waived by you. If a court requires the filing of a bond notwithstanding the preceding sentence, the Franchisee and Franchisor agree that the amount of the bond shall not exceed \$1,000. Our remedies under this Section 6.7 are not exclusive of any other, but may be combined with others under this Agreement, or at law or in equity, including injunctive relief, specific performance and recovery of monetary damages.

6.7. OWNERSHIP OF INNOVATIONS, IMPROVEMENTS, AND INFORMATION

You agree that all customer lists and their contents and information represent Confidential Information and constitute an asset of Franchisor whether or not such information was supplied by Franchisor. During the Term of this Agreement and in connection with the development, establishment, marketing, promotion and operation of the Franchised Business, you shall disclose to us all of your ideas, concepts, methods and products conceived or developed by you and your affiliates, Owners, agents, and employees relating to the development and operation of EVA businesses. Franchisee hereby assigns to Franchisor and Franchisee agrees to procure from your Owners, affiliates and employees assignment of any such ideas, concepts, methods, and products that you are required to disclose to us under this Section 6.7. Franchisor shall have no obligation to make any lump sum or on-going payments to Franchisee or Franchisee's Owners, affiliates or employees with respect to any such idea, concept, method, technique or product. You agree that you

will not use, nor will you allow any other person or entity to use, any such concept, method or product without obtaining our prior written approval.

SECTION 7

OPERATING STANDARDS

7.1. OPERATIONS, MAINTENANCE, AND APPEARANCE

You and your Franchised Business shall at all times: (a) exclusively offer and sell the Approved Services and Products as designated by Franchisor in the Manual and/or as otherwise designated by Franchisor in writing and as may be modified by us from time to time; (b) exclusively operate the Franchised Business in accordance with the standards, specifications, and operational requirements as designated by us in this Agreement, the Manual, and/or as otherwise designated by us in writing and as may be modified by us from time to time; (c) exclusively purchase and use the System Supplies as designated by Franchisor in the Manual and as may be modified by us from time to time; (d) maintain a complete and updated inventory and supply of System Supplies as designated by us in the Manual and as may be modified by us from time to time; (e) maintain your premises in a clean, sanitary, functional and well maintained condition and in compliance with all federal, state, and local laws, rules, regulations, and ordinances; (f) maintain, update, refurbish, and remodel your premises as designated by us in the Manual and/or as otherwise designated by us in writing and, as may be modified by us from time to time; and (g) take all requested corrective measures and actions designated and/or requested, in writing, by Franchisor and/or our agents following on-site inspections, reviews, and/or assessments, including “secret shopper” programs and other announced or unannounced.

7.2. UPDATING AND UPGRADING YOUR PREMISES

Upon our written request of not less than 30 days, you must add to, improve, modify and remodel your premises, equipment, fixtures and/or furniture to comply with and satisfy our then-current standards and specifications as designated and determined by us, in our Reasonable Business Judgment. Franchisee agrees to make such improvements or modifications when changes to Franchisor’s standards, specifications, and operational requirements are made applicable to your Franchised Business

7.3. FRANCHISOR RIGHT OF ENTRY

If Franchisee fails or refuses to initiate within 30 days after Franchisor’s request, and/or fails to continue in good faith, any required improvement, modification, refurbishment, renovation, and/or remodel of the Franchised Business, then Franchisor has the right, but is not obligated, to enter upon your premises at the Approved Location and effect such improvement, modification, refurbishment, renovation, and/or remodel on your behalf, and you must pay the entire cost to Franchisor on demand plus ten percent (10%) as a project management fee.

7.4. DAMAGE CAUSED BY CASUALTY

If your Franchised Business is damaged or destroyed by fire or any other casualty, you must, as soon as practicable but in no event later than 60 days after such casualty, initiate repairs or reconstruction, and thereafter in good faith and with due diligence continue until completion of the repairs or reconstruction, to restore the premises of the Franchised Business to its original condition before casualty and otherwise in compliance with our standards and specifications.

7.5. ALTERATIONS

You shall not make any material alterations to your premises without our prior written consent. You shall not replace or make any unapproved replacements of or material alterations to the fixtures, equipment, furniture, designs or signs at the premises of your Franchised Business. We have the right, in our sole discretion and at your sole expense, to rectify any material alterations to your Franchised Business premises not previously approved by us or contrary to our specifications and standards as contained in the Manual or otherwise set forth by us. We will provide you with written notice before we make the correction if we elect to do so.

7.6. BRAND STANDARDS

You shall develop and operate the Franchised Business in strict conformity with the methods, standards, specifications, procedures, and operational requirements as, designated and determined by Franchisor, in our Reasonable Business Judgment, and as set forth in the Manual, as prescribed Franchisor in writing, and, as Franchisor, in our Reasonable Business Judgment, may supplement, modify, and amend from time to time. The foregoing standards, specifications, procedures, and operational requirements shall relate and include, without limitation, the Approved Services and Products, the System Supplies, System standards and service requirements as designated by us, authorized and mandatory VR games, licenses, inventory levels and inventory items; authorized and mandatory supplies and inventory; supply levels; designated suppliers; standards related to brand uniformity; brand standards regarding uniforms; marketing materials; marketing media; the appearance and operations of the Franchised Business; customer service and satisfaction standards including, customer rewards programs, refund policies, gift card policies, special promotions and other customer incentive and goodwill programs; brand standards and brand standard requirements as to implementation of System; secret shopper programs and quality control inspections; payment processing systems using our designated vendor; access to Management Systems, and, the overall operations of the Franchised Business.

7.7. APPROVED SERVICES, PRODUCTS, EQUIPMENT AND SUPPLIERS

Franchisee agrees that, among other things, the VR gaming-related and non-gaming products and services to be offered and sold by the Franchised Business, the products, inventory, supplies, suppliers and equipment used by the Franchised Business, and the methods for marketing and promoting the Franchised Business must conform to our System standards and specifications as determined by us in our Reasonable Business Judgment, and, as designated by us in Operations Manual and, as modified by Franchisor from time to time. Without limitation to the foregoing, Franchisee agrees that: the Franchised Business shall exclusively offer and sell the Approved Services and Products on-site, at Franchisee's Approved Location, and only those Approved Services and Products designated and authorized by us as may be modified by us from time to time; provide the Approved Services and Products in accordance with the System's standards and specifications; exclusively purchase all System Supplies, including, but not limited to, VR gaming and non-gaming technology, merchandise, inventory, and supplies, from us or our designated suppliers; exclusively purchase and use equipment, supplies, promotional materials, point of sale systems and Management Systems designated by us and subject to our specifications; purchase interior displays, point of sale displays, uniforms, supplies, marketing materials and promotional materials as designated by Franchisor and only from Franchisor or our approved supplier(s); purchase from distributors and other suppliers approved by Franchisor all other materials, inventory, goods, and supplies used in offering, selling, preparing, providing, marketing, and/or selling the Approved Services and Products. We reserve the right to designate from time to time a single supplier and/or distributor for any services, products, equipment, supplies, or materials and to require Franchisee to

use such a designated supplier exclusively, which exclusive designated supplier and/or distributor may be Franchisor and/or Franchisor's affiliates. Franchisor and its affiliates may receive payments from suppliers and/or distributors on account of such supplier's or distributor's dealings with Franchisee and other franchisees, and Franchisor may use all amounts so received without restriction and, for any purpose.

7.8. MARKET RESEARCH AND TESTING; ALTERNATIVE SUPPLIERS

We may conduct market research and testing to evaluate, modify, test and/or sample the services, products, equipment and supplies we authorize and to determine consumer trends and the viability of certain services and products. Franchisee agrees to participate in Franchisor's market research programs that may be conducted by Franchisor in its discretion, by test marketing services and/or products from the Franchised Business. You agree to provide us with timely reports and other relevant information regarding such market research. Franchisee agrees to purchase a reasonable quantity of the tested products or services and effectively promote and make a reasonable effort to sell the products and/or services. If Franchisee proposes or requests that Franchisor consider the approval of products, services, equipment, supplies, suppliers and/or distributors for use in the Franchised Business where such products, services, equipment, supplies, suppliers and/or distributors are not presently, at the time of Franchisee's request, approved for use in the System, Franchisee must provide Franchisor with a written request specifying the product, service, equipment, supply, supplier and/or distributor, the reason for Franchisee's request with samples and pay the then-current Supplier Evaluation Fee per requested product, service, equipment, supply, supplier and/or distributor to be considered. The Supplier Evaluation Fee shall be paid by Franchisee to Franchisor within 14 days of the date of submission by Franchisee or upon invoice from Franchisor whichever is earlier. Upon your compliance with the foregoing, within 45 days of the completion of all inspections and evaluations, we shall notify Franchisee of our approval or disapproval which shall be determined by us in our Reasonable Business Judgment. We have no obligation to approve alternative suppliers.

7.9. COMPLIANCE WITH LAWS AND GOOD BUSINESS PRACTICES

You shall secure and maintain in full force all required licenses, permits and certificates relating to the operation of the Franchised Business, and you must operate the Franchised Business in full compliance with all applicable laws, ordinances, codes and regulations. You must investigate, review, and comply with all laws applicable to the operation of the Franchised Business, including, without limitation, all labor laws and obligations, wage and hour laws and obligations, employer practices laws and obligations, labor department rules and regulations, workers compensation and unemployment laws and rules, insurance obligations, and health and safety laws, rules and obligations; privacy and protection of customer and employee information and data and, all laws, rules, and regulations related to customer and employee solicitations. Franchisee must immediately notify Franchisor in writing of any cause of action, claim, lawsuit, proceeding, and investigation; issuance of any order, writ, injunction, award, and/or decree by any court, agency, or other governmental entity; and any notice of violation of any law, ordinance, code, permit, or regulation. You shall, at all times, ensure that all advertising and promotion of the Franchised Business by Franchisee is completely factual and, conforms to the highest standards of ethical advertising, and is in conformity with Franchisor's standards and specifications. Franchisee shall refrain from any business practice, advertising practice, or personal conduct that may be injurious to Franchisor, the System, EVA businesses, and the Licensed Marks. Franchisee and Owners agree to comply with, and/or to assist Franchisor to the fullest extent possible in Franchisor's efforts to comply with Executive Order 13224 issued by the President of the United States, the USA PATRIOT Act, and

all other present and future federal, state and local laws, ordinances, regulations, policies, lists and any other requirements of any governmental authority addressing, or in any way relating to, terrorist acts and acts of war (“Anti-Terrorism Laws”). If Franchisee, an Owner, or Franchisee’s employees violate any of the Anti-Terrorism Laws and/or become listed on the Annex to Executive Order 13244, then Franchisor may terminate this Agreement immediately without prior notice to Franchisee. Franchisee must immediately notify Franchisor of any allegations or non-compliance with the terms of this Section 7.9 and, in the event of any conflict or ambiguity, our determination and/or resolution made by us, in writing, and, specifically with regard to the presented conflict or ambiguity, shall be determinative as between you and us and the operations of the Franchised Business.

7.10. MANAGEMENT OF FRANCHISED BUSINESS

You understand and agree that your active, continuing and substantial personal involvement and hands-on supervision of your Managing Owner is critical to the success of the Franchised Business. At all times, your Franchised Business must be under the active, continuing and substantial personal involvement and hands-on supervision of your Managing Owner. The Managing Owner must be actively involved in the operation of the Franchised Business unless Franchisee delegates management functions to an authorized Operating Manager who, among other things, has satisfactorily completed our Training Program and has otherwise met the criteria and conditions for qualification as an Operating Manager. If the Operating Manager is a family member of Franchisee and/or an Owner, then the Operating Manager must also sign and agree to be bound by the terms of the Owner’s Guaranty. Franchisee will at all times maintain sufficient working capital to fulfill its obligations under this Agreement.

7.11. REMEDIES FOR NONCOMPLIANCE; MANAGEMENT SERVICE FEE

In addition to all other rights afforded to Franchisor under this Agreement, in connection with any, each, and every violation of any term, provision, and/or operational requirement as set forth in this Section 7, within 14 days of Franchisor’s invoice, Franchisee shall pay to Franchisor an operations non-compliance fee (the “Non-Compliance Fee”) in the amount of \$500 per day plus all costs and expenses (including reasonable attorney’s fees) incurred by Franchisor in connection with any inspections, audits, and/or re-inspections directed and/or undertaken by Franchisor for the purpose, as determined by Franchisor in our Reasonable Business Judgment, of determining whether or not the violation has been cured in accordance with our standards and specifications. Franchisee shall pay Franchisor \$1,000 per day Franchisee fails to return proprietary materials to Franchisor upon demand after termination or expiration. The foregoing does not constitute our consent to and/or acquiescence to violating this Agreement. All of our rights and remedies are cumulative and shall be interpreted as cumulative to one another. One of our rights upon death or disability of your Managing Owner or upon default or abandonment of the Franchised Business is the right to charge fees and expenses as determined by us in our Reasonable Business Judgment plus ten percent (10%) of Gross Sales for management services (the “Management Service Fees”). Any determination as to whether we may elect to provide management services, if any, and the extent of such services, and/or the discontinuation thereof, shall be exclusively determined by us in our Reasonable Business Judgment. The Management Service Fee shall be immediately payable upon invoice by us and may be directly debited from Gross Sales.

SECTION 8 **INSURANCE**

Franchisee must procure and maintain in full force at all times during the Term of this Agreement, at Franchisee's sole expense, insurance policies protecting Franchisee and Franchisor as named insured. The policies must be written by a responsible carrier or carriers with an AM Best Rating of at least A- and reasonably acceptable to Franchisor. The currently required insurance policies, insurance coverage requirements, and insurance coverage amounts are designated and set forth in the Manual but include, at minimum, the coverage requirements set forth in the Disclosure Document. We may, in our Reasonable Business Judgment, periodically change the amounts of coverage required under such insurance policies and require different or additional kinds of insurance at any time, including excess liability insurance, to reflect inflation, identification of new risks, changes in law or standards of liability, higher damage awards or other relevant changes in circumstances. Prior to the commencement of the Training Program, Franchisee must deliver, or cause to be delivered, to Franchisor a copy of the certificates of insurance demonstrating Franchisee's compliance with this Section 8. All insurance policies required must expressly provide that no less than 30 days' prior written notice shall be given to Franchisor in the event of a material alteration to, or cancellation of, any insurance policy Franchisee is required to maintain in accordance with this Agreement. If you fail, for any reason, to procure or maintain the insurance required by this Agreement, then we have the right and authority (but not the obligation) to immediately to procure insurance and charge all costs, fees, and expenses associated with same to you, which such charges, together with a reasonable administrative fee for Franchisor's expenses in so acting, shall be immediately payable to Franchisor upon demand. This remedy is in addition to any other remedies we may have under this Agreement, at law, or in equity.

SECTION 9

BRAND DEVELOPMENT AND MARKETING

9.1. BRAND DEVELOPMENT FUND

We do not currently but we may institute, implement, maintain, delegate and administer a brand development fund (the "Brand Development Fund"). If implemented as part of our System in our Reasonable Business Judgment, the following shall apply to the Brand Development Fund:

- (A) Franchisee shall pay a mandatory and continuing monthly fee to the Brand Development Fund in an amount up to two percent (2%) of Gross Sales (the "Brand Development Fund Fee");
- (B) We shall direct all advertising, media placement, marketing and public relations programs and activities financed by the Brand Development Fund, with sole discretion over the strategic direction, creative concepts, materials, and endorsements used by the Brand Development Fund, and the geographic, market, and media placement and allocation thereof. Without limiting the foregoing, the Brand Development Fund may also be utilized for evaluation and monitoring of the Management Systems, maintenance and upgrades to our System Website, and development of the Social and Digital Media;
- (C) Franchisee agrees that the purpose of the advertising, media, marketing and activities financed by the Brand Development Fund is and shall be for the general enhancement of the System brand as associated with the Licensed Marks and general public brand recognition and awareness of the Licensed Marks. The Brand Development Fund will not be utilized to directly or indirectly market or promote

the Franchised Business or, unless otherwise directed by us, in our Reasonable Business Judgment, pay for media placements that may benefit or include any media market that includes your Approved Location or Designated Territory;

- (D) The Brand Development Fund may be used to pay various costs and expenses related to the administration, activities and/or the brand awareness goals of the Brand Development Fund including expenses incurred by Franchisor for advertising, marketing, product and service testing, product and service development, maintenance, evaluation and monitoring of the Management Systems, upgrades to the System Website, development of the Social and Digital Media and creative development that is internally administered or prepared by us and other marketing activities made by us. Franchisor shall not use contributions to the Brand Development Fund to defray any of our general operating expenses, except for such reasonable salaries, administrative costs and overhead as Franchisor may incur in activities reasonably related to the administration and activities of the Brand Development Fund and creation or conduct of its marketing programs. Franchisor may spend in a fiscal year an amount greater or less than the aggregate contributions of all EVA businesses to the Brand Development Fund in that year;
- (E) Franchisee agrees to participate in all advertising, marketing, promotions, research and public relations programs instituted by the Brand Development Fund;
- (F) Franchisee and Franchisor acknowledge and agree that the Brand Development Fund is not a trust, that Franchisor is not a trustee or fiduciary of the Brand Development Fund, and that Franchisor may deposit and maintain any and all funds of the Brand Development Fund Fee in Franchisor's general accounts. Brand Development Fund Fees are not required to be segregated from other assets or accounts of Franchisor. The Brand Development Fund is not required to expend Brand Development Fund Fees in the year that they are collected, and the Brand Development Fund may borrow from Franchisor or other lenders at standard commercial interest rates to cover deficits. All interest earned on monies contributed to the Brand Development Fund will be used to pay costs of the Brand Development Fund before other assets of the Brand Development Fund are expended. Upon your reasonable request, a summary statement of monies collected and costs incurred by the Brand Development Fund for our immediately preceding fiscal year shall be made available to you;
- (G) Except as expressly provided in this Section 9, Franchisor assumes no direct or indirect liability, responsibility, or obligation to Franchisee with respect to the maintenance, direction, and/or administration of the Brand Development Fund. Franchisee agrees that Franchisee's failure to derive any direct benefit from Brand Development Fund Fee payments will not serve as a basis for a reduction or elimination of its obligation to contribute to the Brand Development Fund; and
- (H) We may, in our Reasonable Business Judgment, establish a council to provide guidance respecting the administration of the Brand Development Fund and marketing matters concerning the Brand Development Fund. The council shall only serve in an advisory capacity, and Franchisor shall select members of the council

which may be comprised of employees of Franchisor, Franchisor, franchisees of the System and third parties.

9.2. LOCAL MARKETING AND GRAND OPENING

We recommend, and reserve the right in the future to require, that you spend the greater of: (i) 2% of your monthly Gross Sales; or (ii) \$5,000 per month on the local marketing of the Franchised Business within and/or targeted to your Designated Territory. If implemented as a requirement, then, on or before the 5th day of each month, or, such other dates as specified by Franchisor, Franchisee shall provide Franchisor with an accurate accounting of Franchisee's local marketing expenditures, placements, activities, and metrics for the immediately preceding month. If your expenditures in any and all monthly periods do not, in aggregate as to each respective monthly period, equal or exceed the required local marketing spend for the respective monthly period then Franchisee may be required to pay the deficiency as an additional Royalty Fee. All marketing of the Franchised Business by Franchisee must be pre-approved, in writing by Franchisor. Franchisor reserves the right to reject any and all marketing efforts requested by Franchisee and to prescribe all marketing, marketing media, marketing channels, promotions, copy, creative, and messaging that Franchisee may or may not use in Franchisee's marketing of the Franchised Business. Not less than 30 days prior to the opening of the Franchised Business, Franchisee shall spend \$5,000 to \$10,000 to market and promote the grand opening of the Franchised Business in accordance with Franchisor's standards and specifications. Franchisee's marketing efforts and the distribution of each marketing channel and media engaged by Franchisee must be directly targeted to your Designated Territory.

9.3. REQUIRED FRANCHISOR APPROVAL OF ALL MARKETING

All marketing and promotion of the Franchised Business and all marketing media, campaigns, marketing channels, and efforts used by Franchisee must conform to our standards and specifications as set forth in the Manual or, as may be otherwise directed by us in writing from time to time. Certain criteria will apply to the local marketing that you conduct. You may not use any marketing or promotional plans that we have not approved in writing. You must submit to us samples of all proposed plans and materials unless, within the previous six months, we prepared or already approved the plans or materials. Our approval does not mean that the advertising is legally compliant; only that the content is approved if the advertisement or marketing effort is allowed in your jurisdiction. If you email us with your request for approval, along with all needed information, we will ordinarily provide you with our response to the proposed plans or materials within 10 business days; but if we do not give our approval within 15 business days, we will have been deemed to disapprove the plans or materials. All copyrights in and to marketing, advertising and promotional materials you develop will become our sole property. You must sign the documents and, if necessary, require your independent contractors to sign the documents, that we deem reasonably necessary to implement this provision. As used in this Agreement, the term "local marketing" or "local advertising" refers to the direct costs of purchasing and producing marketing materials. Local advertising does not include any of the following: salaries, incentives or discounts offered to your employees, and your employees' expenses; charitable, political, or other contributions or donations; or the value of discounts given to consumers.

You agree to honor and participate at your expense in marketing programs and promotions that we establish and/or that other franchisees sponsor, so long as they do not violate regulations and laws of appropriate governmental authorities.

9.4. POLITICAL CONTRIBUTIONS

You acknowledge and agree that certain associations between you, your Franchised Business, the Licensed Marks and the System, on the one hand, and certain political, religious, cultural or other types of groups, organizations, causes, or activities, on the other, however well-intentioned and/or legal, may create an unwelcome, unfair, or unpopular association with, or an adverse effect on, our reputation and the good will associated with the Licensed Marks. Accordingly, you agree that you will not, without our prior written consent, take any actions that are, or which may be perceived by the public to be, taken in the name of, in connection or association with you, the Licensed Marks, us, and the System involving the donation of any money, products, services, goods, or other items to, any charitable, political or religious organization, group, or activity.

9.5. SOCIAL AND DIGITAL MEDIA

“Social and Digital Media” refers broadly to and means any interactive or static digital document, application or media that is connected to and/or in a network of computers and/or other devices linked by communications software, part of the world wide web, linked by the Internet or part of a web-based application, software application, smart phone application or social media platform such as Facebook, LinkedIn, Twitter/X, Pinterest, Instagram, TikTok, SnapChat, and YouTube, and internet-based directories and local directories that refers, references, identifies, reviews, promotes and/or relates, in any way, to, EVA businesses, the Franchised Business, the Licensed Marks, the System and/or the Franchisor. Social and Digital Media further includes the System Website at www.eva.gg, and all other media and/or publications relating to the System that is displayed and/or transmitted digitally. Your use of Social and Digital Media shall be subject to and require our express written consent which shall and may be withheld by Franchisor. We reserve all rights to the marketing, sale and distribution of Approved Services and Products through Social and Digital Media. If we approve your right to utilize Social and Digital Media, you agree that all Social and Digital Media accounts associated with and/or relating to your Franchised Business shall be jointly administered and, upon demand of Franchisor, be transferred to Franchisor. You shall execute and deliver to Franchisor the Assignment of Telephone Numbers and Social and Digital Media Accounts Agreement attached to this Agreement as Schedule 9.

9.6. ADVERTISING COOPERATIVE

We possess the right to authorize, establish, designate and de-authorize a local or regional advertising cooperative within those markets that Franchisor designates (the “Advertising Cooperative”). You agree that we possess the sole and exclusive right to designate any geographic area in which two or more franchisees are located as a region for the purpose of establishing an Advertising Cooperative. If your Franchised Business is located within the geographic area of an Advertising Cooperative, franchisee must participate in and contribute to the Advertising Cooperative as will be directed in our Manual, which may be modified from time to time, with regard to amounts which shall not exceed two percent (2%) of Gross Sale, rules and requirement. No marketing materials, plans, or media may be used by the Advertising Cooperative or its members without the prior written approval of Franchisor.

SECTION 10 **RELATIONSHIP OF THE PARTIES AND INDEMNIFICATION**

10.1. RELATIONSHIP BETWEEN FRANCHISOR AND FRANCHISEE

(A) This Agreement does not create a fiduciary relationship between Franchisor and

Franchisee. Franchisor and Franchisee are independent contractors, and nothing in this Agreement is intended to nor shall it make either party an agent, legal representative, subsidiary, joint venturer, partner, or employee of the other for any purpose. The parties' relationship is strictly a franchise relationship. Franchisee must, at all times and in accordance with Franchisor's brand standards, identify itself at the premises of the Franchised Business and in all dealings with customers, lessors, contractors, suppliers, public officials and others, as an EVA franchisee. You must place other notices of independent ownership on e-mail signatures, advertising and other materials as we require. You are strictly prohibited from using or pledging any Licensed Mark in signing any contract, lease, mortgage, check, purchase agreement, negotiable instrument, or other legal obligation. You shall not use any Licensed Mark in a manner that is likely to result in liability of us for any of your indebtedness, actions, inaction, or obligations. Franchisor and Franchisee shall not make any express or implied agreements, guaranties or representations, or incur any debt, in the name, or on behalf, of the other. Franchisor and Franchisee shall not be obligated by, or have any liability under, any agreements or representations made by the other that are not expressly authorized. Franchisor shall not be obligated for any damages to any person or property directly or indirectly arising out of the operation of the Franchised Business. Franchisor shall have no liability for any sales, use, excise, gross receipts, property or other taxes, whether levied upon Franchisee, the Franchised Business or its assets, or upon Franchisor in connection with sales made, services performed, or business conducted by Franchisee.

- (B) Franchisee is, and shall remain, the sole and exclusive employer of all employees of the Franchised Business. Franchisor is not a joint employer, and nothing contained in this Agreement shall be interpreted as creating a joint employer relationship. Franchisee possesses the sole right to select, hire and discharge Franchisee's employees. Franchisee is responsible for all decisions regarding hiring, firing, training, supervising, disciplining, scheduling, paying wages to, and withholding and paying taxes for all employees. Franchisee, each Owner, and Franchisee's officers, directors, manager, agents, representatives, independent contractors and employees are not employees, representatives, or agents of Franchisor and shall never represent themselves as employees, representatives, or agents of Franchisor. There is no joint employer relationship between Franchisor and Franchisee or Franchisee's employees. Franchisee's compliance with all federal, state and local labor laws rules and regulations shall be exclusively determined and managed by Franchisee.
- (C) To the extent that the Operations Manual and/or any other communications from Franchisor includes information, specifications, procedures, criteria and/or requirements as to employees of the Franchised Business, such requirements shall be interpreted, exclusively, for the purpose of maintaining brand standards associated with the System, to protect the good will associated with the System, and to ensure System uniformity requirements and standards concerning the Approved Services and Products, and under no circumstance shall same relate to the employer-employee relationship. As to the foregoing issue of joint employer and the non-existence thereof, in the event of any inconsistency or conflict between this Agreement and the Operations Manual, the terms of this Agreement shall take precedence and govern.

10.2. INDEMNIFICATION BY FRANCHISEE

Franchisee and each Owner shall indemnify, defend through counsel acceptable to Franchisor, and hold Franchisor, Franchisor's affiliates, and their respective officers, directors, shareholders, members, owners, partners, agents, representatives, independent contractors, employees, assigns and successors (the "Franchisor Indemnified Parties") harmless from all losses, expenses, claims, causes of action, lawsuits, liabilities, taxes, costs, demands, proceedings, investigation, hearing, and/or damages arising out of, or relating to, Franchisee's premises at the Approved Location and/or the Franchised Business (including, without limitation, the ownership and operation of the Franchised Business), unless such loss, expense, claim, cause of action, lawsuit, liability, tax, cost, demand, proceeding, or damage is solely due to Franchisor's gross negligence, and Franchisee shall pay all of the Franchisor Indemnified Parties' reasonable costs, fees and expenses of defending any such claim, cause of action, lawsuit, demand, proceeding, investigation, and/or hearing brought against any of the Franchisor Indemnified Parties or any such claim, cause of action, lawsuit, demand, proceeding, investigation, and/or hearing in which any of the Franchisor Indemnified Parties is named as a party, including, without limitation, reasonable accountant fees, attorney fees, and expert witness fees, court costs, deposition fees, travel expenses and other litigation expenses. At the expense and risk of Franchisee and each Owner, Franchisor may elect to assume (but is not obligated to undertake) the defense and/or settlement of any action, lawsuit, proceeding, claim, or demand. Such an election by Franchisor to assume its defense shall not diminish the obligation of Franchisee and each Owner to indemnify, defend and hold harmless Franchisor. Franchisee and each Owner acknowledge and agree that the terms of this Section 10.2. shall survive the termination, expiration or Transfer of this Agreement. Under no circumstances are the Franchisor Indemnified Parties required or obligated to seek recovery from third parties or otherwise mitigate their respective losses in order to maintain a claim against Franchisee or any Owner. Franchisee and each of the Owners agree that Franchisor's failure to pursue recovery or mitigate loss in no way reduces the amounts recoverable from Franchisee or any Owner.

10.3. INDEMNIFICATION BY FRANCHISOR

Franchisor shall indemnify, defend, and hold Franchisee and Franchisee's officers, directors, shareholders, members, owners, partners, agents, representatives, independent contractors, employees, assigns and successors (the "Franchisee Indemnified Parties") harmless from all losses, expenses, claims, causes of action, lawsuits, liabilities, taxes, costs, demands, proceedings, investigation, hearing, and/or damages solely arising out of, or solely relating to, the authorized use of the Licensed Marks and Franchisor's gross negligence that was the direct cause of any loss, expense, liability or damage provided Franchisee immediately notifies Franchisor of such claim, cause of action, lawsuit, demand, proceeding, investigation or hearing, giving Franchisor the right to directly defend such claim. Notification in writing with acknowledgement of receipt from the Franchisor is a condition precedent to any obligation of Franchisor to pay the Franchisee Indemnified Parties' reasonable costs, fees and expenses of defending any such claim, cause of action, lawsuit, demand, proceeding, investigation, and/or hearing brought against any of the Franchisee Indemnified Parties. You agree that your failure to notify Franchisor of claims, causes of action, lawsuits, liabilities, taxes, costs, demands, proceedings, investigation and/or hearings subject to this Section 10.3 shall negate Franchisor's obligations to indemnify Franchisee for costs, expenses, and fees Franchisee may incur in the defense of said claims, causes of action, lawsuits, liabilities, taxes, costs, demands, proceedings, investigation and/or hearings. Franchisor and Franchisee agree that the terms of this Section 10.3. shall survive the termination, expiration or Transfer of this Agreement.

SECTION 11

LICENSED MARKS, SYSTEM, AND INNOVATIONS

11.1. OWNERSHIP AND GOODWILL

Franchisee agrees that Franchisor is the owner of all right, title and interest in and to the Licensed Marks, the System, Web Based Media, Published Content and the goodwill associated with the Licensed Marks and the System. Franchisee's right to use the Licensed Marks and the System is derived solely from this Agreement. Any unauthorized use of the Licensed Marks and/or the System by Franchisee or any of Franchisee's affiliates shall constitute an infringement of the rights of Franchisor in and to the Licensed Marks and/or the System. Franchisee shall not, at any time during the Term or after the expiration, termination or Transfer of this Agreement, contest the validity or ownership of the Licensed Marks, the System, Web Based Media, Published Content, and/or the goodwill associated with the Licensed Marks and the System, and at no time shall Franchisee assist any other person in contesting the validity or ownership of the Licensed Marks, the System, Web Based Media, Published Content, and/or the goodwill associated with the Licensed Marks and the System. Franchisee and each Owner shall not take any action that prejudices or interferes with the validity of Franchisor's rights with respect to Licensed Marks, the System, Web Based Media, Published Content, and/or the goodwill associated with the Licensed Marks and the System.

11.2. USE OF THE LICENSED MARKS

You agree that the Licensed Marks shall be the sole identification of the Franchised Business. You must operate, advertise and market the Franchised Business only under the Licensed Marks as designated and specified by us in our Reasonable Business Judgment. You shall not use the Licensed Marks including "EVA" or any of the words "E-Sports", "Virtual" or "Arena" as part of its corporate or other legal name, and you shall not use the Licensed Marks with modifying words, terms, designs, or symbols, or in any modified form. You shall comply with our instructions in filing and maintaining their requisite trade name or fictitious name registrations as may be required by applicable law.

11.3. NOTIFICATION OF INFRINGEMENT AND CLAIMS

Franchisee must notify Franchisor immediately in writing of any apparent infringement of, or challenge to, Franchisee's use of any Licensed Mark or of any claim by any person claiming any rights in any manner with respect to the Licensed Marks, the System, or any similar trade name, trademark or service mark of which Franchisee becomes aware. You must not communicate with any person other than Franchisor and its counsel in connection with any infringement, challenge, or claim by any third party to the Licensed Marks. We and our affiliates possess sole and complete discretion to take any action and/or to refrain from taking action, we deem appropriate, including, without limitation, the right to exclusively control any litigation or administrative proceeding arising out of, or relating to, any infringement, challenge, claim or otherwise relating to any Licensed Mark. You agree to execute all documents, render assistance, and take all actions as may be necessary or advisable to protect and maintain our interests in any litigation or administrative proceeding or to otherwise protect and maintain our or our affiliates' interests in the Licensed Marks.

11.4. DISCONTINUANCE OF USE OF LICENSED MARKS

If we determine, in our sole discretion and based on our Reasonable Business Judgment, that it is advisable to replace, modify, substitute, and/or discontinue use of any Licensed Marks, then you shall comply with our determination and instructions as to the replacement, modification,

substitution, and/or discontinuance of such Licensed Mark(s). Franchisee shall be responsible for all costs or expenses to replace, modify, substitute, and/or discontinue use of any Licensed Marks. Franchisor maintains the exclusive right to, in whole or in part, replace, modify, substitute and/or discontinue the Licensed Marks and any and all features and/or components of the Licensed Marks at any time.

11.5. INDEMNIFICATION OF FRANCHISEE

If Franchisee is sued in a legal proceeding or is threatened with legal action and/or a notice of infringement by a third party where the claims and/or causes of action directly relate to a third party claiming trademark infringement, unfair competition, and/or trademark dilution as a result of Franchisee's authorized use of the Licensed Marks in accordance with the terms of this Agreement and the System (the "IP Claim"), then Franchisor shall indemnify Franchisee for the reasonable and direct costs incurred by Franchisee and/or a judgment entered against Franchisee, provided: (i) Franchisee immediately notifies Franchisor of the IP Claim by a written notice sent to Franchisor via email and priority overnight courier; (ii) Franchisee provided and afforded Franchisor the absolute opportunity and right to defend against the IP Claim and to select and appoint legal counsel of Franchisor's choosing; and (iii) Franchisee utilized the Licensed Marks in accordance with the terms of this Agreement and the System. Franchisee agrees that time is of the essence with respect to notifying Franchisor of the IP Claim.

11.6. OWNERSHIP OF INNOVATIONS, IMPROVEMENTS AND INFORMATION

During the Term, and in connection with the development, establishment, marketing, promotion and operation of the Franchised Business, Franchisee shall disclose to Franchisor all of Franchisee's ideas, concepts, methods, and products conceived or developed by Franchisee, any Owner, and/or Franchisee's affiliates, officers, directors, shareholders, partners, agents, members, representatives, independent contractors, servants and employees relating to the development and operation of EVA businesses and the System. Franchisee herein assigns to Franchisor as a work-made-for-hire, and Franchisee agrees to procure an assignment of any such ideas, concepts, methods, and products that Franchisee is required to disclose to Franchisor under this Section 11.6. from each Owner and Franchisee's affiliates, officers, directors, shareholders, partners, agents, members, representatives, independent contractors, servants and employees. Franchisor shall have no obligation to tender any lump sum payment, on-going payments, or any other consideration to Franchisee, any Owner, each Owner and Franchisee's affiliates, officers, directors, shareholders, partners, agents, members, representatives, independent contractors, servants and employees with respect to any such idea, concept, method, technique or product. Franchisee agrees that Franchisee shall not use, or allow any other person or entity to use, any such concept, method, technique, or product without obtaining Franchisor's prior written approval.

SECTION 12

RECORDS AND REPORTS

12.1. MAINTENANCE AND PRESERVATION OF RECORDS

Franchisee shall maintain during the Term and preserve for at least three years from the dates of their preparation, full, complete and accurate books, records, and accounts from the Franchised Business. Such records shall be maintained and preserved in the form and manner by Franchisor in the Operations Manual or otherwise in writing.

12.2. REPORTING OBLIGATIONS

Franchisee shall report, transmit, confirm, and/or otherwise make available to Franchisor the Royalty and Activity Report as designated by Franchisor and in accordance with the terms of this Agreement. Within 30 days of the end of each calendar month, Franchisee shall submit to Franchisor monthly financial statements and other reports related to the operations of the Franchised Business including, but not limited to, income statement, statement of cash flows, balance sheet, and other operational reports. At all times, Franchisee represents that the financial statements, information, and reports submitted to and/or made available to Franchisor shall be and remain true and accurate. Within 60 days of the end of each calendar year, Franchisee shall submit to Franchisor annual financial statements and other reports related to the operations of the Franchised Business including, but not limited to, income statement, statement of cash flows, balance sheet, and other operational reports designated by Franchisor. Franchisee shall provide to Franchisor, Franchisee's annual federal, state and local tax returns as same are prepared and submitted to the applicable federal, state and local entities within 45 days of Franchisee or Franchisee's agent filing such returns with the applicable federal, state and local entities. Franchisee shall timely submit to Franchisor, all other forms, reports, records, information, and data as Franchisor may reasonably request in writing or as otherwise set forth in the Operations Manual.

SECTION 13 **INSPECTION AND AUDITS**

13.1. FRANCHISOR'S RIGHT TO INSPECT

We have the right at any and all times during business hours, throughout the terms of this Agreement and, without prior notice to Franchisee, to inspect the Franchised Business. You shall fully cooperate with our representatives making any inspection and permit our representatives to take photographs, videos, and/or recordings of the Franchised Business, interview employees and customers of the Franchised Business, conduct secret-shopper inspections, and other inspections either with or without notice to you. Franchisor shall undertake reasonable efforts to minimize the impact of any inspection on the operations of the Franchised Business.

13.2. FRANCHISOR'S RIGHT TO EXAMINE BOOKS AND RECORDS

We have the right at any time during business hours, and, without advance notice to Franchisee, to examine or audit, or cause to be examined or audited by a third party, the business records, cash control devices, point-of-sale system, bookkeeping and accounting records, bank statements, sales and income tax records and returns, and other books, statements, and records of the Franchised Business and Franchisee. You shall maintain complete and accurate copies of all such books, statements, records and supporting documents at the premises of the Franchised Business. You must fully cooperate with us, our representatives, and third parties hired by us to conduct any such examination or audit. In the event our examination of your records reveals that you underreported any figure to us by more than 2%, then Franchisee shall reimburse to Franchisor, all of Franchisor's costs in connection with Franchisor's audit/examination.

SECTION 14 **TRANSFER OF INTEREST**

14.1. TRANSFER BY FRANCHISOR

At all times, Franchisor possesses and maintains the sole, absolute and unilateral right to Transfer and/or assign Franchisor's rights and obligations under this Agreement and the Ancillary Agreements, in whole and/or in part, for any purpose and in any form of transaction as may be designated and/or elected by Franchisor, in Franchisor's sole discretion, to any person, entity, Corporate Entity and/or third party without the consent of Franchisee and without the approval of Franchisee or any other party. Nothing contained in this Agreement shall prevent, prohibit, restrict, hinder, enjoin or otherwise restrain Franchisor from selling, transferring, conveying, or assigning this Agreement and the Ancillary Agreements, and/or Franchisor's rights and obligations under this Agreement and the Ancillary Agreements, to any person, entity, Corporate Entity or other third party. Franchisor has an unrestricted and unequivocal right to Transfer and/or assign any or all of its rights or obligations under this Agreement and the Ancillary Agreements, in whole or in part, in Franchisor's sole discretion. In the event Franchisor Transfers and/or assigns this Agreement and/or the Ancillary Agreements, and/or any or all of Franchisor's rights and obligations set forth in this Agreement and/or the Ancillary Agreements, to a person, an entity, Corporate Entity, or other third party, this Agreement and the Ancillary Agreements, shall survive, remain in full force and effect, and inure to the benefit of the purchaser, transferee, and/or assignee of this Agreement and/or the Ancillary Agreements.

14.2. FRANCHISEE'S RESTRICTED RIGHT TO TRANSFER

You agree and represent and warrant that Franchisee's Owners understand and agree, that the rights and duties set forth in this Agreement are personal to Franchisee and each Owner. Therefore, Franchisee agrees the following:

- (A) No ownership interest of any Owner in Franchisee may be Transferred without the prior written consent of Franchisor;
- (B) No obligations, rights or interest of Franchisee in (i) this Agreement, (ii) the lease or ownership interests in the premises of your Approved Location, (iii) the Franchised Business, or (iv) all or substantially all of the assets of the Franchised Business may be Transferred without our prior written consent; and
- (C) Any purported Transfer or attempt to Transfer without the written consent of Franchisor, or otherwise in violation of this Agreement including, but not limited to this Section 14.2, shall constitute a breach of this Agreement and shall convey to the transferee no rights or interests in this Agreement.

14.3. CONDITIONS FOR APPROVAL OF TRANSFER

Franchisee agrees that Franchisor has the right to condition approval of a Transfer upon Franchisee's satisfaction (either before, or contemporaneously with, the effective date of the Transfer) of the following:

- (A) Franchisee must provide written notice to Franchisor of the proposed Transfer of this Agreement at least 30 days prior to the Transfer and shall have also satisfied the obligations set forth in Section 14.6 below;

- (B) All of your accrued monetary obligations and all other outstanding obligations to Franchisor and/or Franchisor's affiliates under this Agreement and the Ancillary Agreements must be satisfied in a timely manner, and Franchisee must satisfy all trade, supplier, and vendor accounts and other debts, of whatever nature or kind, in a timely manner;
- (C) Franchisee and each Owner must not be in default or material breach of this Agreement or the Ancillary Agreements
- (D) The transferee must meet our then-current standards for accepting franchisees including having a high moral character, having sufficient business experience, whether the transferee owns and/or operates a Competitive Business, and whether transferee has sufficient financial resources to own and operate an EVA business all of which we shall determine in our sole discretion;
- (E) The transferee shall be bound by all terms and conditions of this Agreement, and each owner of the transferee shall personally execute the Owner's Guaranty in the form attached to this Agreement as Schedule 4;
- (F) All obligations of Franchisee under this Agreement and the Ancillary Agreements shall be assumed by the transferee, and each individual owner of transferee in a manner satisfactory to Franchisor;
- (G) Franchisee and each Owner must execute the General Release attached to this Agreement as Schedule 11 releasing Franchisor, Franchisor's affiliates and Franchisor's past and present officers, directors, shareholders, members, partners, agents, representatives, independent contractors, servants and employees, of any and all claims including claims related to the Franchise Agreement and the parties' franchise relationship;
- (H) If the proposed Transfer includes or entails the Transfer of this Agreement, substantially all of the assets of the Franchised Business, a controlling interest in Franchisee, or is one of a series of Transfers which, in the aggregate, Transfers substantially all of the assets of the Franchised Business or a controlling interest in Franchisee, then, at the election of Franchisor and upon notice from Franchisor to Franchisee, the transferee may be required to execute for a term ending on the expiration date of the original Term of this Agreement, the then-current standard form Franchise Agreement offered to new franchisees of EVA businesses and any other agreements as Franchisor requires. The terms of Franchisor's then-current agreements may differ from the terms in this Agreement, provided that such agreements shall provide for the same Royalty Fee, Brand Fund Contributions, and all other financial or monetary obligations established in this Agreement;
- (I) At Franchisor's option, the transferee, at its expense, must improve, modify, refurbish, renovate, remodel, and/or otherwise upgrade the premises of the Approved Location to conform to the then-current standards and specifications of Franchisor, and the transferee must complete such improvements, modifications,

refurbishments, renovations, remodeling, and/or upgrading within the time period Franchisor reasonably specifies;

- (J) Franchisee and each Owner shall remain liable for all obligations to Franchisor set forth in this Agreement which shall be required if, in the Franchisor's discretion, the transferee does not meet the Franchisor's then-current financial liquidity minimums necessary to be an EVA franchisee;
- (K) Franchisee must pay the Transfer Fee to Franchisor;
- (L) Transferee's employees, directors, officers, independent contractors, and agents who will have access to Confidential Information shall execute the Nondisclosure, Non-Competition and Confidentiality Agreement attached hereto as Schedule 5;
- (M) Franchisee and transferee acknowledge and agree that Franchisor's approval of the Transfer indicates only that the transferee meets, or Franchisor waived, the criteria established by Franchisor for franchisees as of the time of such Transfer, and Franchisor's approval thereof does not constitute a warranty or guaranty by Franchisor, express or implied, of the suitability of the terms of sale, successful operation, or profitability of the Franchised Business;
- (N) The Transfer must be made in compliance with all applicable laws;
- (O) The Transfer of the Franchised Business, the lease for Franchisee's premises, and the assets of the Franchised Business shall be made only in conjunction with a Transfer of this Agreement, approved by Franchisor in accordance with and subject to this Section 14 and the terms and conditions of this Agreement;
- (P) Franchisor's consent to a Transfer of any interest that is subject to the restrictions of this Agreement shall not constitute a waiver of any claims it may have against Franchisee or deemed a waiver of Franchisor's right to demand strict and exact compliance with this Agreement by the transferee; and
- (Q) At the transferee's expense, the transferee, and the transferee's Managing Owner, managers and/or any other applicable employees of transferee must complete any training programs then in effect for EVA franchisees upon terms and conditions set forth in this Agreement or as Franchisor otherwise reasonably requires.

14.4. DEATH OR DISABILITY OF FRANCHISEE OR AN OWNER

- (A) Upon the death or permanent disability of Franchisee, the executor, administrator, conservator or other personal representative of Franchisee, or, if the Franchise is a Corporate Entity with multiple Owners, the remaining Owners, must appoint a manager that meets the equivalent of an Operating Manager within a reasonable time, which shall not exceed 30 days from the date of death or permanent disability. The appointed manager (as applicable) must serve and qualify as an Operating Manager and attend and successfully complete the Training Program within 60 days of the appointment. If the Franchised Business is not being managed by a Franchisor

approved Operating Manager (as applicable) within 30 days after such death or permanent disability, Franchisor is authorized, but is not required, to immediately appoint a manager to maintain the operations of the Franchised Business for, and on behalf of, Franchisee at Franchisee's sole costs until an approved Operating Manager is able to assume the management and operation of the Franchised Business. Franchisor's appointment of a manager for the Franchised Business does not relieve Franchisee of its obligations under this Agreement, including this Section 14.4., or constitute a waiver of Franchisor's right to terminate this Agreement pursuant to Section 16 below. At all times, including while the Franchised Business may be managed by Franchisor's appointed manager, Franchisor shall not be liable for any debts, losses, costs, or expenses incurred in the operations of the Franchised Business or to any creditor of Franchisee for any products, materials, supplies or services purchased by the Franchised Business. Franchisor has the right to charge a reasonable fee up to ten percent (10%) of Gross Sales for such management services and may cease to provide management services at any time.

- (B) If Franchisee is an individual, then in the event of the death or permanent disability of Franchisee, this Agreement may be Transferred to any designated person, heir or beneficiary without the payment of the Transfer Fee. Notwithstanding the immediately foregoing sentence, the Transfer of this Agreement to such transferee of Franchisee shall be subject to the applicable terms and conditions of this Section 14, and the Transfer shall not be valid or effective until Franchisor has received the properly executed legal documents, which Franchisor's attorneys deem necessary to document such Transfer of this Agreement. Furthermore, the transferee must agree to be unconditionally bound by the terms and conditions of this Agreement, personally guarantee the performance of Franchisee's obligations under this Agreement and execute the Owner's Guaranty attached to this Agreement as Schedule 4.

14.5. TRANSFER TO WHOLLY OWNED CORPORATE ENTITY

In the event Franchisee is an individual/are individuals, this Agreement may be Transferred by Franchisee to a Corporate Entity wholly owned by the individual Franchisee(s) (the "Assignee Corporate Entity"), provided that: (a) Franchisee (individually, jointly and severally as to each individual Franchisee) sign and be bound by the Franchise Owner's Guaranty attached to this Agreement as Schedule 4; (b) Franchisee has provided Franchisor with true and accurate copies of corporate formation documents related to the Assignee Corporate Entity and the ownership of the Assignee Corporate Entity and has further provided Franchisor with all additional documentation as Franchise may request concerning the proposed assignment and/or Assignee Corporate Entity; and (c) Franchisee is otherwise in compliance with the terms and conditions of this Agreement and any Ancillary Agreements.

14.6. FRANCHISOR'S RIGHT OF FIRST REFUSAL

You must obtain a bona fide, signed written offer from the fully disclosed purchaser (the "Offer") and submit an exact copy of the Offer to Franchisor. Franchisor shall have 30 days after receipt of the Offer to decide whether Franchisor will purchase the interest in Franchisee, the Franchised Business and/or the premises of the Approved Location for the same price and upon the same terms contained in the Offer; however, Franchisor may substitute cash for any form of payment proposed in the Offer. If Franchisor notifies Franchisee that Franchisor intends to purchase the

interest within said 30-day period, Franchisee or Owner (as applicable) must sell the interest to Franchisor. We will have at least an additional 60 days to prepare for closing. Franchisor shall be entitled to receive from Franchisee or Owner (as applicable) all customary representations and warranties given by Franchisee or Owner (as applicable) as the seller of the assets and/or the ownership interest or, at Franchisor's election, the representations and warranties contained in the offer. If Franchisor does not exercise its right of first refusal, Franchisee or Owner (as applicable) may complete the Transfer to the purchaser pursuant to and in accordance with the terms of the Offer, provided that separate and apart from this Section 14.6, Franchisee complies with the terms of this Section 14. If the sale to the purchaser is not completed within 120 days after delivery of the Offer to Franchisor, or there is a material change in the terms of the sale, Franchisor will again have the right of first refusal specified in this Section 14.6. Franchisor's right of first refusal in this Section 14.6 shall not apply to any Transfer pursuant to Section 14.5 of this Agreement.

SECTION 15

RENEWAL OF FRANCHISE

15.1. FRANCHISEE'S RIGHT TO RENEW

Subject to our satisfaction of the terms of this Agreement, including this Section 15, you shall possess the option to renew the franchise for Franchisee's continued license and franchised operation of the Franchised Business for two additional 10-year terms (the "Renewal Term").

15.2. CONDITIONS FOR RENEWAL

Your renewal rights under this Section 15 are subject to and contingent upon your satisfaction of the following conditions and criteria:

- (A) You shall provide not less than 180 days written notice to us prior to the expiration of the initial Term (the "Renewal Notice") of your election to renew;
- (B) At the time of delivering the Renewal Notice, Franchisee and Franchisee's Owners must be in compliance with the terms of this Agreement and all Ancillary Agreements, and without any default of this Agreement or the Ancillary Agreements;
- (C) Franchisee must update and/or agree to update the condition, appearance and functionality of the premises of the Approved Location and to otherwise modify the Approved Location in compliance with Franchisor's specifications and standards then applicable for new EVA businesses;
- (D) Franchisee pays the Renewal Fee, and Franchisee agrees to, signs, and delivers to Franchisor, within 30 days of the date of delivery by Franchisor to Franchisee, Franchisor's then-current form franchise agreement and owner's guaranty (collectively the "Renewal Franchise Agreement") that Franchisee acknowledges may contain terms, conditions, requirements, and rights that are materially and substantively different from those granted and contained in this Agreement;
- (E) Franchisee and the Owners must, prior to the Renewal Term, undertake and complete, to Franchisor's satisfaction, such additional training, if any, as designated and determined by Franchisor in our Reasonable Business Judgment; and

- (F) Franchisee and the Owners must agree to, sign, and deliver to Franchisor, within 30 days of the date of delivery by Franchisor to Franchisee, Franchisor's then-current form of general release discharging Franchisor, Franchisor's affiliates and its officers, directors, shareholders, partners, agents, representatives, independent contractors, servants, employees, successors and assigns from any and all claims, causes of action, and suits arising from and/or related to this Agreement. If local law precludes Franchisee's issuance of a general release, Franchisor, at Franchisor's election, may condition renewal on Franchisee and each Owners delivery to Franchisor of an estoppel letter advising and informing Franchisor that the undersigned possesses no legal claim or cause of action against Franchisor and is not aware of any facts of circumstances involving any breach of this Agreement by Franchisor or Franchisor's agents or employees.
- (G) Failure by Franchisee, and, as applicable, each Owner to timely comply with the foregoing conditions shall be deemed an election by Franchisee not to renew the franchise.

SECTION 16

DEFAULTS, TERMINATION AND REMEDIES

16.1. DEFAULTS BY FRANCHISEE AND TERMINATION BY FRANCHISOR

- 16.1.1. *Termination Without Notice.* Franchisee shall be in default of this Agreement, and, this Agreement shall be automatically and immediately terminated, without notice to Franchisee and without providing Franchisee any opportunity to cure, upon the occurrence of any one or more of the following actions, inactions, omissions, events, and/or circumstances:
- (A) Franchisee becomes insolvent, and/or Franchisee makes a general assignment for the benefit of creditors or takes any other similar action for the protection or benefit of creditors;
 - (B) Franchisee is unable to pay its debts as they mature, and/or Franchisee gives notice to any governmental body or agency of insolvency, pending insolvency, suspension of operations and/or pending suspension of operations;
 - (C) Franchisee files a voluntary petition in bankruptcy, Franchisee is adjudicated bankrupt or insolvent, and/or Franchisee files any petition or answer seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or other similar relief under any applicable federal and/or state law relative to bankruptcy, insolvency or similar relief for debtors;
 - (D) An involuntary petition in bankruptcy is filed against Franchisee and Franchisee fails to have the involuntary petition discharged within 35 days of the petition filing, and/or Franchisee seeks, consents to, or acquiesces in, the appointment of any trustee, receiver, conservator, custodian or liquidator for Franchisee's business or any assets of Franchisee;

- (E) A bill in equity or other proceeding for the appointment of any trustee, receiver, conservator, custodian or liquidator of Franchisee for your business or any of your assets is filed and you consent to same;
- (F) A court of competent jurisdiction appoints or orders any trustee, receiver, conservator, custodian or liquidator for your business or any of your assets and such appointment or order remains for an aggregate of 60 days, whether or not consecutive, from the date of entry thereof;
- (G) Franchisee initiates proceedings for a composition with creditors under any state or federal law or such a proceeding is initiated against Franchisee;
- (H) This Agreement, or any of Franchisee's rights under this Agreement, is levied upon under any attachment or execution, and/or execution is levied upon or against the Franchised Business or any assets of Franchisee, and/or a final judgment against Franchisee remains of record or unsatisfied for 30 days or more, unless an appeal and/or bond is filed;
- (I) Franchisee is dissolved, and/or Franchisee's leasehold interests and/or rights in or to the Approved Location are terminated;
- (J) A cause of action or lawsuit to foreclose any lien or mortgage against the Approved Location if Franchisee is the fee simple owner of the Approved Location;
- (K) A cause of action or lawsuit to foreclose any lien against equipment used in the operation of the Franchised Business or located at the Approved Location is instituted against Franchisee and not dismissed within 60 days after the summons is served on Franchisee; and/or
- (L) Real or personal property of Franchisee used in the operation of the Franchised Business is sold after levy thereupon by any sheriff, marshal or other law enforcement officer.

16.1.2. *Defaults and Automatic Termination upon Written Notice without Cure Period.* Franchisee shall be in default of this Agreement, and, this Agreement may be terminated by Franchisor, in our sole discretion, upon written notice from us to you and without providing Franchisee any opportunity to cure, upon the occurrence of any one or more of the following actions, inactions, omissions, events, and/or circumstances, with such termination effective on the date of Franchisor's notice:

- (A) Franchisee, on three or more instances and/or occasions, engages, commits, and/or suffers an action, inaction, omission, event, and/or circumstance that constitutes or qualifies as a default under this Agreement, irrespective of whether or not such action, inaction, omission, event, and/or circumstance is the subject of a notice of default from Franchisor to Franchisee and irrespective of whether or not such default was timely cured and irrespective of whether or not Franchisee paid any penalties or additional fees to Franchisor;

- (B) Franchisee, intentionally and knowingly, refuses to comply with and/or breaches any term, condition, provision, and/or requirement of this Agreement with the intent of causing harm to Franchisor, the System, other System franchisees and/or customers of the Franchised Business;
- (C) Franchisee intentionally, knowingly, with prior notice, and/or through negligence, at any time, develops, manages, maintains, and/or operates the Franchised Business in violation of federal, state, and/or local laws, rules, regulations, ordinances, permits, codes and/or conduct resulting in a foreseeable, immediate and/or imminent threat to the health and/or safety of any third party including customers, employees, and/or the public at large;
- (D) Franchisee abandons, surrenders and/or fails to continuously and actively operate the Franchised Business for more than three (3) days and/or intentionally ceases to operate the Franchised Business during normal business hours, unless prevented from doing so by casualty or force majeure event;
- (E) Franchisee loses and/or fails to maintain possession of the leasehold and/or other legal interests providing Franchisee with the uninterrupted legal right and ability to occupy and to continue to occupy the premises at the Approved Location throughout the Term and to maintain and operate the Franchised Business in accordance with the terms of this Agreement and the standards, specifications, and requirements set forth in the Operations Manual and/or as otherwise communicated by us from time to time;
- (F) Franchisee and/or Franchisee's Owners intentionally misrepresent and/or omit material information in any submitted application and during the application process;
- (G) The information, records, statements, and/or data maintained by Franchisee and/or reported by Franchisee contains intentional inaccuracies and/or material inaccuracies that are either misleading or false;
- (H) Franchisee attempts to Transfer or purportedly attempts to Transfer, this Agreement or any of Franchisee's rights under this Agreement, without our prior approval, written consent, and/or otherwise not in accordance with this Agreement or otherwise breaches the terms of Section 14 of this Agreement;
- (I) Franchisee discloses, divulges, provides access to, communicates, and/or permits the communication of the contents, data and/or information contained in the Operations Manual or Confidential Information to any third party not otherwise authorized by Franchisor;
- (J) Franchisee engages in any activity that injures, harms, damages, or otherwise has a material adverse effect on Franchisor, the System, the Licensed Marks, the Franchised Business, and/or the reputation of the EVA brand;
- (K) Franchisee, an Owner, as applicable and whether individually or jointly, breaches or is in default of an Ancillary Agreement, and, if the applicable agreement provides for

the opportunity to cure, fails to timely cure the breach or default of the Ancillary Agreement, including, without limitation, the Owner's Guaranty;

- (L) Franchisee and/or an Owner of Franchisee is convicted of a felony crime, and/or pleads guilty or nolo contendere to a felony crime;
- (M) Franchisee and/or an Owner of Franchisee engages in intentionally dishonest and/or unethical conduct that, in our Reasonable Business Judgment, results in embarrassment to Franchisor, the System, the Licensed Marks, the Franchised Business, and/or the reputation of the EVA brand;
- (N) Franchisee fails to complete, to Franchisor's reasonable satisfaction, the Training Program and/or supplemental training programs designated by Franchisor;
- (O) Franchisee fails, upon receiving actual or constructive notice, to: (i) immediately notify Franchisor of any known breach of the Nondisclosure, Non-Competition and Confidentiality Agreement by any person or entity; (ii) immediately notify Franchisor of facts and information that would cause a reasonable person to believe that a person or entity violated the Nondisclosure, Non-Competition and Confidentiality Agreement and/or is in the process of violating the Nondisclosure, Non-Competition and Confidentiality Agreement; and (iii) take reasonable steps including notice to Franchisor and Franchisee's consultation with Franchisee's legal counsel, to prevent any person or entity from violating the terms of the Nondisclosure, Non-Competition and Confidentiality Agreement and/or otherwise publicly disseminating Confidential Information;
- (P) Franchisee misappropriates, misuses, or makes any unauthorized use of the Licensed Marks, the Confidential Information, and/or the System and/or Franchisee materially impairs the goodwill associated with the Licensed Marks, and/or Franchisee applies for registration of the Licensed Marks anywhere in the world; or
- (Q) Franchisee and/or an Owner fails to comply with Anti-Terrorism Laws or becomes listed on the Annex to Executive Order 13244.

16.1.3 *Defaults and Automatic Termination After 10 Day Cure Period.* Franchisee shall be in default of this Agreement and, this Agreement shall be terminated, upon the occurrence of any one or more of the following actions, inactions, omissions, events, and/or circumstances, unless, Franchisee timely cures, to the satisfaction of Franchisor, such default / action, inaction, omission, event, and/or circumstance within 10 calendar days of Franchisor's written notice:

- (A) Franchisee fails, refuses, and/or is unable to timely pay the Royalty Fee, Brand Fund Contribution, and/or any other payment, fee, financial obligation, charge, and/or monetary obligation payable and/or due to Franchisor pursuant to the terms of this Agreement, under this Agreement, and/or any other agreement between Franchisor and Franchisee;
- (B) Franchisee and/or Franchisee's affiliate fails, refuses, and/or is unable to pay any

payment, fee, financial obligation, charge, and/or monetary obligation payable to Franchisor and/or Franchisor's affiliates pursuant to this Agreement and/or any other agreement between or among Franchisor, Franchisor's affiliate, Franchisee and/or Franchisee's affiliate; and/or

- (C) Franchisee fails or refuses, at any time, and, without legal justification as may be determined by Franchisor in our Reasonable Business Judgment, to pay any third-party supplier or vendor for any goods, products, supplies, equipment, materials and/or any other items used by, benefitting, and/or intended to benefit the Franchised Business.

16.1.4. *Defaults and Automatic Termination After 30 Day Cure Period.* Franchisee shall be in default of this Agreement and, this Agreement shall be terminated, upon the occurrence of any one or more of the following actions, inactions, omissions, events, and/or circumstances, unless, Franchisee timely cures, to the satisfaction of Franchisor, such default / action, inaction, omission, event, and/or circumstance within 30 calendar days of Franchisor's written notice:

- (A) Franchisee fails or refuses to comply with and/or breaches any term, condition, provision, and/or requirement of this Agreement that is not otherwise a default under Sections 16.1.1, 16.1.2, or 16.1.3 of this Agreement;
- (B) Franchisee fails or refuses to comply with and/or breaches any term, condition, provision, and/or requirement of any agreement, other than this Agreement, between Franchisor and Franchisee, and/or an affiliate and/or designated vendor or supplier of Franchisor and Franchisee;
- (C) Franchisee fails or refuses, in accordance with the terms of this Agreement, to obtain and secure a signed lease agreement or fee simple ownership interest in an Approved Location premises within 180 days from the Effective Date;
- (D) Franchisee fails or refuses to develop and open the Franchised Business on or before the Opening Deadline;
- (E) Franchisee fails or refuses, at any time, to manage, maintain, and/or operate the Franchised Business in compliance with the terms of this Agreement, as designated or specified in the Operations Manual, and/or in accordance with Franchisor's standards, specifications, and requirements as communicated to Franchisee from time to time;
- (F) Franchisee fails or refuses, at any time, to develop, manage, maintain, and/or operate the Franchised Business in compliance with all applicable federal, state, and local laws, rules, regulations, ordinances, permits, and codes;
- (G) At any time, an inspection and/or evaluation of the operations of the Franchised Business – whether by mystery shopper programs, third party inspection services, or as otherwise designated by Franchisor, and, whether or not such inspections are on notice or secret – Franchisor, in our Reasonable Business Judgment, determines that

the operations of the Franchised Business do not meet or are in violation of the operational standards and requirements set forth in this Agreement, the Operations Manual, and/or as communicated to Franchisee from time to time;

- (H) Franchisee fails or refuses to timely submit to Franchisor records, reports, stored media, recordings, financial statements, books, accounts, statements, data, documentation and/or other information as required by this Agreement, as set forth in the Operations Manual, and/or as requested by Franchisor;
- (I) If any inspection or review of Franchisee's records, reports, books, accounts, statements, data, documentation and/or other information discloses, within any week, month, or Accounting Period selected by Franchisor, the underreporting of Franchisee's Gross Sales, and/or any other metrics or data, resulting in the underpayment, by 5% or more, of the obligations, payments, and/or fees due by Franchisee to Franchisor under the terms of this Agreement;
- (J) Franchisee fails or refuses, at any time, to maintain the required insurance policies and insurance coverage required for the Franchised Business as set forth in this Agreement, and/or in the Operations Manual; and/or
- (K) Franchisee fails to timely satisfy and pay all vendors, suppliers and/or contractors in connection with the development, construction, and/or establishment of the Franchised Business.

16.2. TERMINATION BY FRANCHISEE

Under no circumstances may Franchisee terminate this Agreement without cause. If Franchisee and each Owner are in full compliance with each and every term and provision of this Agreement, any amendment or successor agreement, and any of the Ancillary Agreements, and Franchisor materially breaches Franchisor's substantive and material obligations set forth in this Agreement, Franchisee may terminate this Agreement in the event that Franchisor does not correct the material breach within 90 days after Franchisor's receipt of Franchisee's written notice of such material breach to Franchisor; or, in a case where Franchisor's material breach cannot reasonably be cured within 90 days, within 90 days of Franchisor's receipt of Franchisee's written notice of Franchisor's material breach, Franchisor shall be provided a reasonable time period to cure such material breach provided that Franchisor provides reasonable evidence to Franchisee of Franchisor's current, continuing and/or planned efforts to correct the material breach within a reasonable time. In either case, Franchisee's termination of this Agreement shall not take effect until expiration of the 90-day period and/or such reasonable time period as necessary to cure the material breach, and Franchisee delivers to Franchisor a separate written notice of termination. Franchisee's termination of this Agreement for any reason other than as set forth in this and in compliance with this Section 16.2. shall not constitute the termination of this Agreement and shall constitute a material breach of this Agreement by Franchisee. All post-termination covenants that survive termination shall apply upon termination under this Section 16.2.

16.3. FRANCHISOR'S ADDITIONAL RIGHTS, REMEDIES, AND DAMAGES

Upon termination of Franchisee under Section 16.2., Franchisor, in addition to any and all other rights and remedies available to Franchisor as set forth in this Agreement, and, at law and in equity, shall possess the following rights and remedies, each of which are not exclusive of the other and

may be/are in conjunction with one another:

- (A) To void and terminate this Agreement, and thereafter to market, sell, transfer, convey and assign the rights granted to Franchisee under this Agreement to any other person or entity in Franchisor's sole discretion and without compensation to Franchisee or, alternatively, and without prejudice to Franchisor's right to terminate this Agreement, Franchisor may: (i) temporarily or permanently suspend any existing credit arrangements or accommodations previously extended to Franchisee and/or refrain from offering or making available to Franchisee any credit arrangements or accommodations that may be offered or made available to other System franchisees; (ii) modify payment terms for approved products, supplies, or other merchandise purchased by Franchisee which may include, without limitation, requiring cash on delivery; (iii) disqualify Franchisee from being eligible for, or from participating in, special promotion programs, rebates, and/or rebate sharing that may be offered or made available to other System franchisees; and/or (iv) refrain from providing or making available to Franchisee promotional materials or other materials developed by the Brand Development Fund and/or Advertising Cooperative;
- (B) To hold Franchisee and Franchisee's Owners liable for, and recover from each of them, jointly and severally, all payments, fees, monetary obligations, financial obligations, interest, and charges due and owing to Franchisor from Franchisee pursuant to this Agreement, the Ancillary Agreements, and/or any other agreements between Franchisee and Franchisor, including, without limitation, Royalty Fees and Brand Fund Contributions with each and every payment and obligation to be accelerated and due immediately;
- (C) To hold Franchisee and Franchisee's Owners liable for a sum equal to the greater of (i) \$50,000 or (ii) the average Royalty Fees and Brand Fund Contributions earned by us per month over the 12-month period preceding the date of termination (or, if the Franchised Business was not open throughout such 12 month period, then the average Royalty Fees and Brand Fund Contributions earned by us per month for the period in which your Franchised Business was open), multiplied by 36 or the number of months remaining in the then-current term of this Agreement, whichever is less. In the event a default of this Agreement by you caused the Royalty Fees earned to substantially decline during the period to be used to calculate average Royalty Fees earned, then we may use any other reasonable time period or method to calculate this remedy;
- (D) To hold Franchisee and Franchisee's Owners liable for, and recover from each of them, jointly and severally, consequential or expectation damages including lost revenues, profits, and fees including, but not limited to Royalty Fees, Brand Fund Contributions, and all other fees, revenues and/or expenses that would have been paid to Franchisor, under the terms of this Agreement and throughout the Term of this Agreement, had a breach not occurred and had Franchisor not terminated this Agreement;
- (E) To hold Franchisee and Franchisee's Owners liable for all costs, fees, expenses, and/or damages incurred by Franchisor and/or suffered by Franchisor as a result of

a breach or termination including, but not limited to, the recovery of reasonable attorney fees and expenses including court costs, arbitration fees, mediation fees, arbitrator fees, mediator fees, depositions and other related expenses;

- (F) To enjoin, restrain, and otherwise prohibit Franchisee from operating Franchisee's Franchised Business or exercising any rights granted to Franchisee under this Agreement pursuant to a court order restraining order, injunction or other means; and/or
- (G) All other remedies and/or rights available to Franchisor as otherwise set forth in the Agreement and/or as may be otherwise available by law or equity.

SECTION 17

OBLIGATIONS UPON TERMINATION, EXPIRATION **AND CONTINUING OBLIGATIONS**

17.1. PAYMENT OF AMOUNTS OWED TO FRANCHISOR

Without limitation as to any other Section or provision of this Agreement, upon expiration or termination of this Agreement for any reason, you shall immediately pay to us all sums and fees due from you to us under the terms of this Agreement including, but not limited to Royalty Fees and Advertising Contributions and all other sums and fees due from you to us and/or Franchisor affiliates and/or suppliers for products and services including, but not limited to, System Supplies.

17.2. CEASE OPERATIONS AND PROTECTION OF THE SYSTEM

Upon expiration, termination, or Transfer of this Agreement for any reason, Franchisee shall immediately:

- (A) Permanently cease to operate the Franchised Business that was the subject of this Agreement;
- (B) Refrain from directly or indirectly, holding oneself/itself out to any person or entity, or represent themselves/itself as a present or former EVA Franchisee;
- (C) Permanently cease to use, in any manner: (i) the System including, without limitation, the Confidential Information, the Licensed Marks, the Management System Data, and the Operations Manual; (ii) any methods, procedures, or techniques associated with the System in which Franchisor possesses proprietary rights or constitute Franchisor's trade secrets; (iii) System Supplies, including communicating with or ordering products from Franchisor's designated suppliers and vendors of System Supplies; (iv) the Approved Services and Products; and (v) any other advertising, marketing, media, and any other information, documents or things associated with Franchisor, the System, the Licensed Marks, the Franchised Business, and Franchisee's former EVA business, including, without limitation, any VR gaming equipment, confidential, proprietary methods, procedures, descriptions of products, techniques, trade secrets, proprietary marks, distinctive forms, slogans, symbols, signs, stationary, advertising material, Sections, logos, devices, items and all other things, tangible or intangible, associated with Franchisor, the System, the Licensed Marks, and EVA businesses;

- (D) Return to Franchisor the Operations Manual (including any and all parts, supplements, and copies of the Operations Manual), the Confidential Information (including without limitation the Management System Data and all customer lists and information), and all other confidential materials, equipment, software, information, and property owned by Franchisor and all copies thereof provided, however, that Franchisee may retain Franchisee's copies of this Agreement, correspondence between Franchisor and Franchisee, but not including Confidential Information that may be contained in or attached thereto, and other documents that Franchisee needs to retain pursuant to applicable law;
- (E) Permanently cease accessing, immediately disconnect from, and discontinue using any and all Social and Digital Media, cloud-based systems, and/or servers that store, maintain, and/or provide access to the Operations Manual, Confidential Information, and all other standards, specifications of Franchisor;
- (F) Immediately notify Franchisor, in writing, of any and all locations where Franchisee may have maintained and/or stored digital files and/or media containing all or parts of the Operations Manual, any Confidential Information, and all other standards and specifications of Franchisor, immediately turn over such digital files and media to Franchisor, and follow Franchisor's instructions as to the destruction of such digital files and media;
- (G) Except in the event an authorized transferee continues to operate Franchisee's former Franchised Business at Franchisee's Approved Location subsequent to a Transfer, at Franchisee's sole cost and expense: (i) modify and alter Franchisee's former Franchised Business and the premises at the Approved Location, as reasonably necessary or otherwise required by Franchisor, to ensure that the premises has been completely de-identified and differentiated from its former appearance to prevent any confusion by the public as to the continued existence of a Franchised Business at the Approved Location; (ii) remove from the premises all distinctive physical and structural features identifying a Franchised Business and all distinctive signs, Trade Dress and emblems associated with the System including, without limitation, signs, Trade Dress, and emblems bearing the Licensed Marks; and (iii) make specific additional changes to the premises at the Approved Location as Franchisor reasonably requests for the purpose of completely de-identifying your former Franchised Business. Franchisee agrees that Franchisor and/or Franchisor's designated agents may enter the premises of Franchisee's Approved Location at any time to make foregoing alterations at Franchisee's sole risk and expense. You further agree that your failure to timely make modifications and alterations to the premises at the Approved Location will cause irreparable injury to Franchisor, and Franchisee consents to the entry, at Franchisee's expense, of any *ex parte* order by any court of competent jurisdiction authorizing Franchisor or its agents to take action, if Franchisor seeks such an order;
- (H) Take all actions necessary and/or reasonably required to cancel all fictitious or assumed names or equivalent registrations relating to the Licensed Marks;

- (I) At no cost to Franchisor, take such action as may be determined by us to: (i) provide and assign to Franchisor the Management System, the Management System Data, and all customer lists, customer information, and customer data; and (ii) transfer, disconnect, and/or otherwise assign, as directed by Franchisor, all telephone numbers, email addresses, yellow pages telephone directories, telephone directory type listings, Web Based Media listings, accounts and log-in information used in connection with Franchisee's former Franchised Business and/or otherwise associated with the System and/or the Licensed Marks, cancel Franchisee's interests in same as such cancellation may be directed by Franchisor, and effectuate, perform, honor, and comply with Franchisee's obligations under the Assignment of Telephone Numbers and Social and Digital Media Accounts attached to this Agreement as Schedule 9;
- (J) Abide by, and comply with, the restrictive covenants and obligations set forth in this Agreement, including, without limitation, the restrictive covenants and obligations set forth in Section 6.2. through Section 6.5. of this Agreement; and
- (K) Provide Franchisor, within 30 days of the expiration, termination, or Transfer of this Agreement, with written proof demonstrating that Franchisee has complied with the terms of this Section 17 and all other obligations under this Agreement that Franchisee must perform, abide by, and comply with, subsequent to the termination, expiration, or Transfer of this Agreement.

17.3. CONTINUING OBLIGATIONS

All obligations under this Agreement that expressly, or by their nature, survive, or are intended to survive, the expiration, termination, or Transfer of this Agreement shall continue in full force and effect subsequent to, and notwithstanding, this Agreement's termination, expiration, or Transfer until such obligations are satisfied in full or, by the nature and/or terms, such obligation(s) expire.

SECTION 18

ENFORCEMENT AND CONSTRUCTION

18.1. SEVERABILITY AND MODIFICATION

Except as expressly provided to the contrary in this Agreement, each term and provision of this Agreement shall be interpreted or otherwise construed to be independent of each other and severable. Although each term and provision of this Agreement is considered by the parties to be reasonable and intended to be enforceable, if any term or provision of this Agreement is found by a court of competent jurisdiction, agency, or other government agency to be unenforceable as written or otherwise, then such term and condition shall be modified, rewritten, interpreted, or "blue-lined" to include as much of its nature and scope as will render it enforceable. If such term and condition cannot be so modified in any respect, then the remainder of this Agreement shall be interpreted, construed and enforced as if such term and condition was not included in this Agreement. If any applicable and binding law or rule requires a greater prior notice than is required in this Agreement, or the taking of some other action not required by this Agreement, or if under any applicable and binding law or rule, any term and condition of this Agreement, or any specification, standard, or

operating procedure we prescribe is invalid or unenforceable, then the greater prior notice and/or other action required by law or rule shall be substituted for the comparable provisions, and we have the right, in our sole discretion, to modify the invalid or unenforceable term and condition, specification, standard, or operating procedure to the extent required to be valid and enforceable. You agree to be bound by any such substituted and/or modified term and condition of this Agreement imposing the maximum duty permitted by law that is prescribed within the terms of any provision of this Agreement as though it were originally articulated in, and made a part of, this Agreement as of the Effective Date.

18.2. WAIVER OF OBLIGATIONS

No delay, waiver, omission, or forbearance on our part to enforce any term and condition of this Agreement or exercise any of our rights, options, or powers under this Agreement constitutes a waiver by us to enforce any other term and condition of this Agreement or exercise any of our other rights, options, or powers under this Agreement. Acceptance by us of any payments, fees, charges, or other amount from you payable to us pursuant to this Agreement shall not constitute a waiver or acceptance of your default or breach of this Agreement or otherwise a waiver of any term and condition of this Agreement, and Franchisor reserves the right to pursue any and all additional remedies set forth in this Agreement, at law, or in equity. We shall likewise not be deemed to have waived or impaired any term and condition, right, option or power set forth in this Agreement by virtue of any custom or practice of the parties at variance with the terms and conditions of this Agreement or our insistence upon your strict compliance with your obligations, including any mandatory specification, standard or operating procedure. No waiver by Franchisor of any term and condition of this Agreement shall be valid unless in writing and signed by Franchisor. In the event of a breach or default of this Agreement, should we elect, at our sole discretion, to not terminate this Agreement, such action shall be without prejudice and without waiver of our rights in the future.

18.3. FORCE MAJEURE

If either Franchisor or Franchisee is delayed in performing any obligation under this Agreement by any cause reasonably beyond its control when such cause would affect any person or entity similarly situated, including, without limitation, war, civil disorder, catastrophic weather, power outage, acts of God, including, but not limited to, natural disaster, tornados, earthquakes, wildfires, and pandemics and/or labor strikes unassociated with Franchisee or Franchisor (collectively, “Force Majeure”), then the time period for performing such obligation shall be extended by a period of time equal to the period of delay. Notwithstanding the immediately foregoing sentence, any delay resulting from Force Majeure shall not excuse Franchisee’s payment of any fee, charge, amount, and/or any other monetary or financial obligation to Franchisor under this Agreement, including, without limitation, the payment of the Royalty Fee and Brand Fund Contributions, and the non-performance of any obligation under this Agreement due to Force Majeure shall not be extended or otherwise excused for more than six months.

18.4. SPECIFIC PERFORMANCE AND INJUNCTIVE RELIEF

Nothing in this Agreement bars Franchisor’s right to obtain specific performance of the provisions of this Agreement and injunctive relief under legal and/or equity rules against threatened conduct that will cause damages or loss to it, the Licensed Marks or the System. Without limitation to the rights set forth in Section 6 of this Agreement, Franchisee agrees that Franchisor may obtain such injunctive relief. Franchisee agrees that Franchisor will not be required to post a bond (other than as set forth in Section 6.8 of this Agreement) to obtain injunctive relief and that Franchisee’s only remedy if an injunction is entered against Franchisee will be the dissolution of that injunction, if

warranted, upon hearing duly held (all claims for damages by reason of the wrongful issuance of any such injunction being expressly waived hereby). The remedies available to Franchisor under Section 6.8. are not exclusive of one another and may be combined with others under this Agreement, or at law or in equity, including injunctive relief, specific performance and recovery of monetary damages. Without limitation to the foregoing, you agree that in the event of your breach of this Agreement respecting and/or concerning the System and/or the Licensed Marks shall cause irreparable harm to us, the System and the Licensed Marks.

18.5. RIGHTS OF PARTIES ARE CUMULATIVE

The rights under this Agreement are cumulative, and no exercise or enforcement by a party of any right or remedy precludes the exercise or enforcement by that party of any other right or remedy which Franchisor or Franchisee is entitled by law to enforce.

18.6. GOVERNING LAW

EXCEPT TO THE EXTENT GOVERNED BY THE UNITED STATES TRADEMARK ACT OF 1946 (LANHAM ACT, 15 U.S.C. §§ 1051 *ET SEQ.*) OR OTHER FEDERAL LAW, THIS AGREEMENT AND THE RELATIONSHIP BETWEEN THE PARTIES HERETO SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF DELAWARE, EXCEPT THAT ITS CHOICE OF LAW AND CONFLICTS OF LAWS RULES SHALL NOT APPLY AND ANY FRANCHISE REGISTRATION, DISCLOSURE, RELATIONSHIP OR SIMILAR STATUTE WHICH MAY BE ADOPTED BY THE STATE OF DELAWARE SHALL NOT APPLY UNLESS ITS JURISDICTIONAL REQUIREMENTS ARE MET INDEPENDENTLY WITHOUT REFERENCE TO THIS PARAGRAPH.

18.7. INTERNAL DISPUTE RESOLUTION, MEDIATION AND ARBITRATION

- (A) As a mandatory condition precedent prior to you taking any legal or other action against us, or our Owners, officers and directors, whether for damages, injunctive, equitable or other relief (including, but not limited to, rescission), based upon any alleged act or omission of ours, you shall first give us and our affiliates at least 90 days' prior written notice and opportunity to cure such alleged act or omission, or to resolve such matter.
- (B) Except for actions brought by us against you for non-payment of fees and for claims by us seeking injunctive relief against you under Section 18.4., the parties agree to submit any claim, controversy or dispute between or involving us or any of our affiliates (and our and their respective Owners, shareholders, officers, directors, agents, representatives and/or employees) and you (and your Owners, agents, representatives and/or employees, as applicable) arising out of or related to: (i) this Agreement or any other agreement between us and you or our and your respective affiliates; (ii) our relationship with you; (iii) the validity of this Agreement or any other agreement between you and us or our and your respective affiliates; or (iv) any System Standard, to non-binding mediation at a place that we designate within 5 miles of where our principal United States office is located at the time of the demand for mediation is made or in Wilmington, Delaware, at our option. The mediation shall be conducted by either a mutually agreed-upon mediator or, failing such agreement within a reasonable period of time (not to exceed 15 days) after either

party has notified the other of their desire to seek mediation, by the American Arbitration Association in accordance with its Commercial Mediation Procedures. Absent agreement to the contrary, the mediator shall be experienced in the mediation of disputes between franchisors and franchisees. You and we agree that any statements made by either you or us in any such mediation proceeding will not be admissible in any subsequent arbitration or legal proceeding or otherwise disclosed by either you or us to any third party who, except to the extent a third party is a participant in the mediation proceeding. Each party will bear its own costs and expenses of conducting the mediation and share equally the costs of any third parties who are required to participate. The mediation provisions of this Agreement are intended to benefit and bind certain third-party non-signatories, and all of your and our Owners and affiliates. Any mediation proceeding conducted pursuant to this sub-section and any settlement or agreement arising therefrom shall be kept confidential between the parties, except for any settlement disclosure we are legally required to make within a disclosure document. The parties intend for any mediation proceeding to be both private and confidential. Any third parties who are required to participate in a mediation proceeding must be bound by the same confidentiality obligations as the parties.

- (C) EXCEPT FOR ACTIONS BROUGHT BY US AGAINST YOU FOR NON-PAYMENT OF FEES OR ACTIONS BY US SEEKING INJUNCTIVE RELIEF AGAINST YOU, ANY DISPUTE ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT, IF NOT RESOLVED BY THE INTERNAL DISPUTE RESOLUTION AND MEDIATION PROCEDURES DESCRIBED ABOVE, MUST BE DETERMINED BY ARBITRATION IN WILMINGTON, DELAWARE, OR WITHIN 5 MILES OF WHERE OUR PRINCIPAL OFFICES ARE LOCATED AT THE TIME THE DEMAND FOR ARBITRATION IS FILED BY THE AMERICAN ARBITRATION ASSOCIATION. THIS ARBITRATION CLAUSE WILL NOT DEPRIVE US OF ANY RIGHT WE MAY OTHERWISE HAVE TO SEEK INJUNCTIVE RELIEF FROM A COURT OF COMPETENT JURISDICTION. THE ARBITRATOR MUST HAVE SUBSTANTIAL EXPERIENCE IN FRANCHISE LAW AND WITH COMMERCIAL DISPUTES. IF PROPER NOTICE OF ANY HEARING HAS BEEN GIVEN, THE ARBITRATOR WILL HAVE FULL POWER TO PROCEED TO TAKE EVIDENCE OR TO PERFORM ANY OTHER ACTS NECESSARY TO ARBITRATE THE MATTER IN THE ABSENCE OF ANY PARTY WHO FAILS TO APPEAR. THE ARBITRATOR WILL HAVE NO POWER TO: (I) STAY THE EFFECTIVENESS OF ANY PENDING TERMINATION OF FRANCHISE; (II) ASSESS CONSEQUENTIAL, EXEMPLARY OR PUNITIVE DAMAGES AGAINST FRANCHISOR; (III) DETERMINE DAMAGES AGAINST FRANCHISOR THAT EXCEED THE LIMITATIONS SET FORTH IN THIS AGREEMENT; OR (IV) MAKE ANY AWARD THAT MODIFIES OR SUSPENDS ANY LAWFUL PROVISION OF THIS AGREEMENT. THE PARTY AGAINST WHOM THE ARBITRATOR RENDERS A DECISION MUST PAY ALL EXPENSES OF ARBITRATION AND REASONABLE ATTORNEYS' FEES. THE REASONED AWARD BY THE ARBITRATOR SHALL BE BINDING. ANY COURT OF COMPETENT JURISDICTION MAY ENTER JUDGMENT UPON ANY AWARD. THE

PARTIES AGREE AND INTEND THAT AN ARBITRATION WILL BE KEPT BOTH PRIVATE AND CONFIDENTIAL BETWEEN THEM. AT THE OUTSET OF ANY ARBITRATION, THE PARTIES SHALL SEEK THE ENTRY OF A PROTECTIVE ORDER FROM THE ARBITRATOR, PROTECTING ALL PLEADINGS, MOTIONS, EXHIBITS, DEPOSITION TRANSCRIPTS, DISCOVERY REQUESTS AND RESPONSES, DOCUMENTS, AWARDS, ORDERS, DECISIONS AND REPORTS FROM DISCLOSURE BY THE PARTIES, THE ARBITRATOR, AND ANY NON-PARTY WITNESSES OR OTHER PARTICIPANTS. ADDITIONALLY, ANY FINAL AWARD SHALL REITERATE SUCH ORDER OF PROTECTION, EXCEPT FOR THE TERMS OF AN AWARD WHICH WE ARE LEGALLY REQUIRED TO DISCLOSE IN A FRANCHISE DISCLOSURE DOCUMENT, OR DISCLOSURES IN CONNECTION WITH JUDICIAL PROCEEDINGS ANCILLARY TO THE ARBITRATION, SUCH AS A JUDICIAL CHALLENGE TO, OR ENFORCEMENT OF, AN AWARD, AND UNLESS OTHERWISE REQUIRED BY LAW.

- (D) Subject to the non-binding mediation and arbitration provisions set forth in this Section 18.6., Franchisor and Franchisee agree that any judicial action or legal proceeding must be brought in a court of competent jurisdiction located within Delaware. Franchisor and Franchisee do hereby irrevocably consent to and waive any objection to such jurisdiction or venue. Without limitation to the foregoing and notwithstanding same, Franchisor and Franchisee agree that Franchisor, at Franchisor's election, may bring any legal action or proceeding seeking a temporary restraining order, preliminary injunction, or any action seeking Franchisor's enforcement of an arbitration award or any judicial decision in the federal or state court located in the county and state where either the Franchised Business was located or where Franchisee resides.

18.7. VARIANCES

FRANCHISEE AGREES THAT FRANCHISOR HAS AND MAY AT DIFFERENT TIMES, IN FRANCHISOR'S ABSOLUTE AND SOLE DISCRETION, APPROVE EXCEPTIONS OR CHANGES FROM THE UNIFORM STANDARDS OF THE SYSTEM, WHICH FRANCHISOR DEEMS DESIRABLE OR NECESSARY UNDER PARTICULAR CIRCUMSTANCES. FRANCHISEE UNDERSTANDS THAT IT HAS NO RIGHT TO OBJECT TO OR AUTOMATICALLY OBTAIN SUCH VARIANCES, AND ANY EXCEPTION OR CHANGE MUST BE APPROVED IN ADVANCE BY FRANCHISOR IN WRITING. FRANCHISEE UNDERSTANDS THAT EXISTING FRANCHISEES MAY OPERATE UNDER DIFFERENT FORMS OF AGREEMENTS AND THAT THE RIGHTS AND OBLIGATIONS OF EXISTING FRANCHISEES MAY DIFFER MATERIALLY FROM THIS AGREEMENT.

18.8. LIMITATIONS OF CLAIMS

EXCEPT FOR CLAIMS BROUGHT BY FRANCHISOR WITH REGARD TO FRANCHISEE'S OBLIGATIONS TO MAKE PAYMENTS TO FRANCHISOR PURSUANT TO THIS AGREEMENT, FRANCHISOR'S ENFORCEMENT OF THE RESTRICTIVE COVENANTS SET FORTH IN SECTION 6 OF THIS AGREEMENT, AND FRANCHISEE'S OBLIGATION TO INDEMNIFY FRANCHISOR IN ACCORDANCE WITH THIS

AGREEMENT, ANY AND ALL CLAIMS AND/OR CAUSES OF ACTIONS ARISING OUT OF, OR RELATING TO, THIS AGREEMENT, OR THE RELATIONSHIP BETWEEN FRANCHISEE AND FRANCHISOR RESULTING FROM THIS AGREEMENT, SHALL BE BARRED UNLESS SUCH CLAIM AND/OR CAUSE OF ACTION IS COMMENCED WITHIN ONE YEAR FROM THE DATE ON WHICH THE ACT OR EVENT GIVING RISE TO THE CLAIM OCCURRED OR ONE YEAR FROM THE DATE ON WHICH FRANCHISEE OR FRANCHISOR KNEW, OR SHOULD HAVE KNOWN, IN THE EXERCISE OF REASONABLE DILIGENCE, OF THE FACTS GIVING RISE TO SUCH CLAIM AND/OR CAUSE OF ACTION, WHICHEVER OCCURS FIRST IN TIME.

18.9. WAIVER OF PUNITIVE DAMAGES AND LIMITATION OF DAMAGES

FRANCHISEE HEREBY WAIVES TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT TO OR CLAIM FOR ANY PUNITIVE, EXEMPLARY, CONSEQUENTIAL OR SPECULATIVE DAMAGES AGAINST FRANCHISOR AND AGREE THAT IN THE EVENT OF A DISPUTE, EXCEPT AS OTHERWISE PROVIDED HEREIN, FRANCHISEE SHALL BE LIMITED TO THE RECOVERY OF ACTUAL DAMAGES SUSTAINED BY IT. IF ANY OTHER TERM OF THIS AGREEMENT IS FOUND OR DETERMINED TO BE UNCONSCIONABLE OR UNENFORCEABLE FOR ANY REASON, THE FOREGOING PROVISIONS OF WAIVER BY AGREEMENT OF PUNITIVE, EXEMPLARY, INCIDENTAL, INDIRECT, SPECIAL, CONSEQUENTIAL OR OTHER SIMILAR DAMAGES SHALL CONTINUE IN FULL FORCE AND EFFECT.

18.10. WAIVER OF JURY TRIAL

FRANCHISOR AND FRANCHISEE IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER OF THEM AGAINST THE OTHER, WHETHER A LEGAL ACTION, IN MEDIATION, OR IN ARBITRATION.

18.11. BINDING EFFECT

This Agreement is binding upon the parties of this Agreement and their respective executors, administrators, heirs, assigns and successors in interest, and shall not be modified except by written agreement signed by both Franchisee and Franchisor.

18.12. COMPLETE AGREEMENT

This Agreement, and the Schedules and Exhibits to this Agreement, as executed and, as applicable, constitute the entire, full and complete Agreement between Franchisor and Franchisee concerning the subject matter of this Agreement and supersedes all prior related agreements between Franchisor and Franchisee. The foregoing shall not constitute and does not constitute any disclaimer as to the express representations made by Franchisor in the Disclosure Document disclosed to Franchisee.

18.13. ATTORNEY FEES, EXPENSES AND COSTS TO ENFORCE

Franchisee agrees that in the event that an arbitrator in any arbitration proceeding and/or, a court of competent jurisdiction shall issue an award, judgment, decision and/or order finding, holding and/or declaring your breach of this Agreement or any ruling for injunctive relief or damages where we are the prevailing party, we shall be entitled to the recovery of all reasonable attorney fees, costs and expenses associated with and/or related to such arbitration and/or litigation including, but not be limited to, attorney fees, arbitration fees, arbitrator fees, deposition expenses, expert witness fees and filing fees. Further, Franchisor is entitled to recovery of expenses (including attorney's fees) we

incur before expiration and termination and before any suit is filed to enforce or defend any provision in this Agreement including your non-payment of fees due to us and/or non-compliance of any System Standard. We shall also be entitled to all attorneys' fees and costs associated with you bringing an action in the incorrect forum or venue, and a court or arbitrator entering a ruling in our favor.

18.14. NO CLASS ACTION OR MULTI-PARTY ACTIONS

FRANCHISOR AND FRANCHISEE AGREE THAT ALL PROCEEDINGS AND/OR LEGAL ACTIONS ARISING OUT OF OR RELATED TO THIS AGREEMENT AND/OR THE OFFER AND SALE OF THE EVA FRANCHISE FROM FRANCHISOR TO FRANCHISEE, WILL BE CONDUCTED ON AN INDIVIDUAL BASIS AND NOT A CLASS-WIDE BASIS, AND, THAT ANY PROCEEDING BETWEEN FRANCHISEE, FRANCHISEE'S OWNERS, AND/OR GUARANTORS AND FRANCHISOR AND/OR FRANCHISOR'S AFFILIATES, OFFICERS, DIRECTORS AND/OR EMPLOYEES MAY NOT BE CONSOLIDATED WITH ANY OTHER PROCEEDING BETWEEN FRANCHISOR AND ANY OTHER THIRD PARTY.

18.15. ACCEPTANCE BY FRANCHISOR

This Agreement will not be binding on Franchisor unless and until an authorized officer of Franchisor has signed it.

18.16. OPPORTUNITY FOR REVIEW BY FRANCHISEE'S ADVISORS

Franchisor recommends that Franchisee have this Agreement and the Disclosure Document reviewed by Franchisee's lawyer, accountant, and other business advisors, prior to signing this Agreement, and by signing this Agreement, Franchisee acknowledges that it had the opportunity to heed this advice.

18.17. NO PERSONAL LIABILITY

Franchisee agrees that the fulfillment of any of Franchisor's obligations written in this Agreement or based on any oral communications ruled to be binding in a court of law shall be Franchisor's sole obligation, and none of Franchisor's employees, officers and/or authorized agents shall be personally liable to Franchisee for any reason. In addition to the foregoing, Franchisor and Franchisee are not joint employers. The foregoing shall not be construed to imply that Franchisor and/or Franchisor's agents have made any oral promises as this written Agreement represents the sole Agreement between Franchisor and Franchisee.

18.18. RELEASE OF PRIOR CLAIMS

By executing this Agreement, you, and on behalf of your heirs, legal representatives, successors and assigns, and each assignee of this Agreement by accepting assignment of the same, forever releases and discharges Franchisor and our officers, directors, employees, agents and servants, including our subsidiary and affiliated corporations, their respective officers, directors, employees, agents and servants, from any and all claims relating to or arising under this Agreement or any other agreement between the parties executed prior to the date of this Agreement including, but not limited to, any and all claims, whether presently known or unknown, suspected or unsuspected, arising under the franchise, securities or antitrust laws of the United States or of any state or territory thereof.

18.19. NON-UNIFORM AGREEMENTS

Franchisee agrees that Franchisor makes no representations or warranties that all other agreements

with our franchisees entered into before or after the Effective Date do or will contain terms substantially similar to those contained in this Agreement. You agree that we may waive or modify comparable provisions of other franchise agreements to other System franchisees in a non-uniform manner.

18.20. NO RIGHT TO OFFSET

Franchisee shall not, on grounds of the alleged nonperformance, material breach, or default by Franchisor of this Agreement, any other agreement between Franchisor and Franchisee, or for any other reason, withhold any payment, fee, or any other amount payable by Franchisee to Franchisor pursuant to this Agreement, including, without limitation, the payment of the Royalty Fee and Advertising Contributions, or any other payment obligation by Franchisee to Franchisor. Franchisee shall not have the right to offset or withhold any liquidated or unliquidated amount allegedly due to Franchisee from Franchisor against any payment, fee, or any other amount payable to Franchisor pursuant to this Agreement or any other payment obligation by Franchisee to Franchisor.

18.21. HEADINGS

The headings and subheadings in this Agreement are strictly for convenience and reference only, and they shall not limit, expand, or otherwise affect the interpretation and construction of the terms and conditions of this Agreement.

18.22. AUTHORITY TO EXECUTE

Each party agrees, warrants and represents that it has all requisite power and authority to enter into this Agreement. The execution, delivery, and performance of this Agreement has been duly and lawfully authorized by all necessary actions of each party, and the signatory to this Agreement for each party has been duly and lawfully authorized to execute this Agreement for and on behalf of the party for whom each signatory has signed.

18.23. COUNTERPARTS, ELECTRONIC SIGNATURES, AND MULTIPLE COPIES

This Agreement may be executed electronically. This Agreement may be executed in counterparts, all of which counterparts shall be deemed originals and taken together shall constitute a single agreement. Executed electronic or print duplicates of this Agreement, if any, and their respective signatures shall be deemed originals.

18.24. JOINT AND SEVERAL LIABILITY

If Franchisee consists of more than one person or entity, then their liability under this Agreement shall be deemed joint and several.

18.25. RECITALS

The parties agree that the recitals and representations contained on the first page of this Agreement constitute a part of this Agreement and are hereby fully incorporated into the terms of this Agreement.

SECTION 19

NOTICES AND ACKNOWLEDGMENTS

19.1. NOTICES

All notices required or permitted under this Agreement shall be in writing and shall be deemed received: (a) at the time delivered by hand to the recipient party (or to an officer, director or partner

of the recipient party); (b) on the next business day after transmission by facsimile or other reasonably reliable electronic communication system; (c) two business days after being sent via guaranteed overnight delivery by a commercial courier service; or (d) five business days after being sent by Registered Mail, return receipt requested. Either party may change their address by a written notice sent in accordance with this Section 19.1. All notices, payments and reports required by this Agreement shall be sent to us at the following address: EVA USA Inc., 251 Little Falls Drive, Wilmington, Delaware, 19808, or at such other address as we may provide. All notices to Franchisee shall be sent to the address set forth on Page 1 of this Agreement.

19.2. ACKNOWLEDGMENTS

You have asked to obtain a franchise from us, and by entering into this Agreement, you understand and acknowledge: (a) the importance of our high standards of quality, appearance, and service and the necessity of operating your Franchised Business under this Agreement in conformity with our System standards and specifications; (b) that you received our current Franchise Disclosure Document and its exhibits, including this Agreement (the “Disclosure Document”) at least 14 calendar days before you signed this Agreement or made a payment to us in connection with the franchise sale; (c) that you have carefully reviewed the Disclosure Document and had enough time, if you wanted, to consult with a lawyer, accountant or other professional advisor; (d) that you had the opportunity to ask us and our employees, agents, or representatives all appropriate questions and those questions have been answered to your satisfaction; (e) that, if you chose not use a professional advisor or lawyer, you were satisfied relying on your own education, experience, and skill to evaluate the Disclosure Document and this Agreement; (f) that you have reached the age of majority, you have the legal capacity to enter into this Agreement, you are not violating any other agreement by entering into or performing under this Agreement, and you are not listed or “blocked” in connection with, and are not in violation of any anti-terrorism law, regulation, or executive order; (g) that no employee, agent or representative of ours made any oral, written or visual representation or projection to you of actual or potential sales, earnings or net or gross profits, costs involved in operating a Franchised Business, or the likelihood of success that is not in the Disclosure Document or that is contrary to, or different from, the information in the Disclosure Document; (h) that you understand the risks of owning your Franchised Business and you are able to accept such risks; (i) that you understand the success of your Franchised Business will depend primarily on your own efforts and abilities and those of your employees; (j) that our approval of the location for your Franchised Business does not guarantee your success; and (k) that other factors beyond our or your control will affect your Franchised Business’s success including competition, demographic patterns, consumer trends, economic and market conditions, government policies, labor costs, inflation, and other factors which may be difficult to anticipate, assess or even identify. **Initial:** []

You represent that all information set forth in any and all applications, financial statements, and submissions to us is true, complete, and accurate in all respects, and you acknowledge that we are relying upon the truthfulness, completeness, and accuracy of such information. **Initial:** []

You represent that your execution of this Agreement will not violate any other agreement or commitment to which you or any holder of a legal or beneficial interest in the Franchisee entity is a party. **Initial:** []

You have been advised to consult with your own advisors with respect to the legal, financial and

other aspects of this Agreement, the business franchised hereby and the prospects for that business. You represent that you have either consulted with such advisors or have deliberately declined to do so. **Initial:** []

You represent and acknowledge that you have conducted an independent investigation of this franchise opportunity and, without waiving any rights or disclaiming any disclosures in the Franchise Disclosure Document, you are agreeable to proceed with this franchise under the terms and conditions of this Agreement. **Initial:** []

IN WITNESS WHEREOF the parties hereto, intending to be legally bound hereby have duly executed this Agreement.

EVA USA INC.

Signature: _____

Print Name: _____

Title: _____

Date: _____

FRANCHISEE:

Signature: _____

Print Name: _____

Title: _____

Date: _____

SCHEDULE 1 TO THE FRANCHISE AGREEMENT

DEFINITIONS

In addition to the definitions set forth in the Franchise Agreement, the following definitions of terms used in Franchise Agreement are expressly incorporated into the Franchise Agreement as follows:

“Accounting Period” refers to and means the period of time selected and determined by us for the required measurement and reporting of financial information and payment of financial obligations by you. The applicable measurement period will be determined by us from time to time with respect to your obligations to report financial information and data to our and your payment of all fees and other obligations under this Agreement. The respective “Accounting Period” shall be those designated times, whether instantly on a recurring basis upon receipt of Gross Sales, weekly, monthly, or otherwise, as designated by us, with all such Accounting Periods automatically commencing on the earlier of Opening Date of the Franchised Business or the actual date the Franchised Business earned revenue through operations and, continuing, throughout the Term of this Agreement. Unless otherwise designated by us at any time, unless otherwise specified in this Agreement, the Accounting Period shall be monthly throughout the Term of this Agreement.

“Alternative Channels of Distribution” refers to and means outlets that do not include the Franchised Business but do include stores, and/or internet or web-based sales and similar outlets that sell, and/or related branded products or services to the public.

“Ancillary Agreements” refers to and means, individually and collectively, each and every agreement between: (a) you and us but, not including this Agreement; (b) us and each of Franchisee’s Owners, whether individually and/or collectively; and (c) you and designated suppliers/vendors. Without limitation to the foregoing, the term Ancillary Agreements includes, but is not limited to, the Owner’s Guaranty, Lease Agreement Rider, Collateral Assignment of Lease and the Assignment of Telephone Numbers and Social and Digital Media Accounts.

“Approved Location” refers to and means the fixed location from which your Franchised Business is developed, operated and managed. Approved Location must be designated in Schedule 2 of this Agreement, and must be approved by Franchisor, in our Reasonable Business Judgment.

“Approved Services and Products” shall have the meaning defined in the Recitals section of this Agreement and shall further refer to and mean those services and products that we authorize for sale by your Franchised Business. We shall exclusively designate and determine the Approved Services and Products and we, in our Reasonable Business Judgment, may change, modify, reduce or supplement the Approved Services and Products that must be offered and sold by the Franchised Business and those products and services that may not be sold by the Franchised Business. The Operations Manual, subject to changes that we may make from time to time and our right to change and modify the Approved Services and Products, shall designate the Approved Services and Products that must be offered and sold by your Franchised Business. Your Franchised Business may only offer and sell the Approved Services and Products.

“Assignment of Telephone Numbers and Social and Digital Media Accounts” refers to and means the Assignment of Telephone Numbers and Social and Digital Media Accounts agreement attached to this Agreement as Schedule 9.

“Collateral Assignment of Lease” refers to and means the Collateral Assignment of Lease agreement attached to this Agreement as Schedule 8.

“Competitive Business” refers to and means any business that is the same as or similar to an EVA Franchised Business or offers the same or similar products and services including any business, that offers, sells and/or allows customers to play Virtual Reality gaming, team VR game play, arcade games, and related products and/or services.

“Confidential Information” refers to and means all of Franchisor’s and Franchisor’s affiliates trade secrets, methods, standards, techniques, procedures, data and information, as same may exist as of the Effective Date of this Agreement and as same may be developed, modified and supplemented in the future, constituting and comprising: (a) methods, specifications, standards, policies, procedures, information, concepts, programs and systems relating to the development, establishment, marketing, promotion and operation of EVA businesses; (b) information concerning consumer preferences for services, products, materials and supplies used or sold by EVA businesses, and specifications for and knowledge of suppliers of inventory, equipment, products, supplies and procedures used or sold by EVA businesses; (c) information concerning customers, customer lists, email lists, database lists, product sales, operating results, financial performance and other financial data of the Franchised Business and EVA businesses generally; (d) Management System Data; (e) current and future information contained in the Operations Manual; and (f) Know-How.

“Corporate Entity” refers to and means a corporation, limited liability company, partnership or other corporate legal entity that is not an individual person.

“Designated Territory” refers to and means the territory identified and described in Schedule 2 attached to and made a part of this Agreement or, if Schedule 2 is not completed at the time of signing this Agreement, as Schedule 2 is otherwise completed in accordance with this Agreement. Franchisor, in our Reasonable Business Judgment and discretion, shall determine the Designated Territory.

“Digital Marketing Program” is further described in our Operations Manual but shall mean the management of your digital marketing initiatives, including geo-localized ad campaigns, social media management, email marketing, and digital ads management;

“Franchised Business” refers to and means the EVA Franchised Business that Franchisee is required to develop, maintain and operate as part of the System and in accordance with the terms, conditions and obligations set forth in this Agreement and the Operations Manual.

“Gift Cards” refers to and means any and all gift cards, vouchers, receipts, cards and other evidence of a pre-paid purchase transaction or credit that Franchisor authorizes concerning an EVA business.

“Gross Sales” refers to and means the total dollar sales from all business and customers of the Franchised Business and includes the total gross amount of revenues and sales from whatever

source derived, whether in form of cash, credit, agreements to pay or other consideration including the actual retail value of any goods or services traded, borrowed, or received by Franchisee in exchange for any form of non-money consideration (whether or not payment is received at the time of the sale), from or derived by Franchisee or any other person or Corporate Entity from business conducted or which started in, on, from or through the Franchised Business and/or Franchisee's Approved Location whether such business is/was conducted in compliance with or in violation of the terms of this Agreement. Supplementing the foregoing, Gross Sales further includes the total gross amount of revenues and sales from whatever source derived from and/or derived by Franchisee (including any person and/or Corporate Entity acting on behalf of Franchisee) from business conducted within and/or outside the Designated Territory that is related to the Franchised Business and/or a Competitive Business located and/or operated at Franchisee's Approved Location within the Designated Territory, outside the Designated Territory, and/or otherwise (the foregoing does not constitute approval for Franchisee's operation of a Competitive Business and/or the operation of an EVA Franchised Business outside of the Designated Territory). Gross Sales do not include (a) sales taxes that Franchisee collects and remits to the proper taxing authority, and (b) authorized promotional discounts that Franchisee provides to Franchised Business customers.

"Know-How" refers to means Franchisor's trade secrets and proprietary information relating to the development, establishment, marketing, promotion and/or operation of an EVA business including, but not limited to, methods, techniques, inventory, products and services standards and specifications and information reflected in, included in, comprising and/or constituting a part of the System. Without limitation to the foregoing, Know-How shall further include information contained in the Operations Manual and the Confidential Information.

"License and Support Fee" is \$3,000 per arena and includes preparation and technical tests of the VR gaming equipment; installation, technical connections, and configuration of the gaming equipment; testing of the VR gaming equipment; activation of license keys; routine maintenance of the VR gaming equipment; remote diagnosis by telephone of any defect or technical malfunction; replacement of technically-deficient gaming equipment but does not include damage, defects, or malfunctions of the VR gaming equipment caused by Franchisee's lack of care or lack of maintenance, misuse, abusive or inappropriate conduct, Franchisee mishandling, accidental or negligent care, electric shock, moisture, environmental conditions of any kind, variations in temperature, theft, fire, and normal wear and tear or aging;

"Licensed Marks" refers to and means the trademarks, service marks, indicia of origin, including the "EVA" trademark, the EVA logo, Trade Dress, and other trademarks, service marks, logos, slogans and designs authorized by Franchisor in connection with the identification of EVA businesses and the Approved Services and Products, provided that such trade names, trademarks, service marks, logos and designs are subject to modification, replacement and discontinuance by Franchisor at any time in Franchisor's Reasonable Business Judgment.

"Management System" refers to and means the software, internet, web-based and/or cloud-based system or systems, point-of-sale system or systems and customer relationship management system or systems as same may be individually, or collectively, designated by us, in our Reasonable Business Judgment, as being required for use by the Franchised Business.

"Management System Data" refers to and means the forms, data, tools, customer information, inventory, sales, and other information that: (a) is pre-populated or entered into the Management

System; (b) is entered by you and us into the Management System; and/or (c) is recorded, stored and/or maintained in connection with the Franchised Business.

“Manager” refers to and means the Managing Owner and/or the Operating Manager of the Franchised Business and all other employees, independent contractors, consultants, directors, officers and board members who may possess access to the Confidential Information.

“Managing Owner” if Franchisee is a partnership or Corporate Entity, the Managing Owner shall be the Owner responsible for the day-to-day oversight, management and operation of the Franchised Business. The Managing Owner must possess, maintain and own not less than 25% of the equity and ownership interests in Franchisee. At all times, the Managing Owner must manage the operations of the Franchised Business.

“Nondisclosure, Non-Competition and Confidentiality Agreement” refers to and means the sample form of “Nondisclosure, Non-Competition and Confidentiality Agreement” attached to this Agreement as Schedule 5.

“Operating Manager” refers to and means the Manager designated by Franchisee or Franchisee’s Managing Owner, that is charged with the obligation and responsibility to supervise and manage (on-site at the premises at the Approved Location) the day-to-day operations of the Franchised Business. At all times, the Operating Manager must: (a) meet all of Franchisor’s minimum training and brand quality control standards and criteria for managers as may be set forth in the Operations Manual; (b) successfully complete Franchisor’s initial training program; (c) sign the Nondisclosure, Non-Competition and Confidentiality Agreement; and (d) agree, in writing, to assume responsibility for the on-site management and supervision of the Franchised Business.

“Operations Manual” refers to and means, individually and collectively, the manual(s) designated by Franchisor and relating to the development and/or operations of EVA businesses including, but not limited to, the policies, procedures and requirements for the development and operation of EVA businesses. The Operations Manual may consist of one or more volumes, handbooks, manuals, written materials, videos, electronic media files, cloud/internet based list-service, intranet, internet based and accessed databases, computer media, email, webinars and other materials as may be modified, added to, replaced or supplemented by Franchisor from time to time in Franchisor’s Reasonable Business Judgment, whether by way of supplements, replacement pages, franchise bulletins, or other official pronouncements or means. Subject to Franchisor’s modification from time to time and, based on Franchisor’s Reasonable Business Judgment, the Operations Manual may, among other things, designate the Approved Services and Products that must be exclusively offered and sold by the Franchised Business and, the System Supplies and designated vendors that must be exclusively used by Franchisee.

“Owner” refers to and means collectively, individually and jointly: (a) the officers and directors of Franchisee (including the officers and directors of any general partner of Franchisee) who hold an ownership interest in Franchisee; (b) the managing member or manager of Franchisee, if franchisee is a limited liability company; (c) all holders of a 5% or more direct or indirect ownership interest in Franchisee and/or of any entity directly or indirectly controlling Franchisee; and (d) the Managing Owner(s). Franchisee’s Owners are identified in Schedule 3 to this Agreement.

“Owner’s Guaranty” refers to and means the form of agreement attached to this Agreement as Schedule 4.

“Post-Term Restricted Period” refers to and means the 24-month period after the earliest to occur of the following: (a) the expiration or termination of this Agreement for any reason; or (b) the date on which Franchisee, in compliance with the terms of this Agreement, Transfers this Agreement to another person or Corporate Entity. Provided however, that if a court of competent jurisdiction determines that this period of time is too long to be enforceable, then the “Post-Term Restricted Period” means the 18 month period after the earliest to occur of the following: (a) the expiration or termination of this Agreement for any reason; or (b) the date on which Franchisee, in compliance with the terms of this Agreement, Transfers this Agreement to another person or Corporate Entity.

“Published Content” refers to and means any and all information, data, Sections, communications, videos and other information relating to or concerning the Franchised Business, the System, or the Licensed Marks that is or was made available by Franchisee or Franchisee’s agents to the public in print or electronic media that is published, listed, made available, uploaded on, downloaded to, posted or distributed through Social and Digital Media.

“Reasonable Business Judgment” refers to, means, and relates to any and all decisions, actions and choices made by Franchisor concerning or relating to this Agreement, the System generally, EVA businesses and/or the Franchised Business where Franchisor undertakes or makes such decision with the intention of benefitting or acting in a way that could benefit the System whether or not the decision results in a net benefit. Franchisor may, in addition to all other rights afforded to Franchisor under this Agreement, consider factors, in whole or in part, that include: Franchisor’s profits; enhancing the value of the Licensed Marks; increasing customer satisfaction, minimizing potential customer confusion as to the Licensed Marks; determining designated territory markets; minimizing potential customer confusion; expanding brand awareness of the Licensed Marks; implementing marketing and accounting control systems; and approving products, services, supplies and equipment. When a decision, determination, action and/or choice is made by Franchisor in its Reasonable Business Judgment, such decision, determination, action or choice shall take precedence and prevail, even if other alternatives, determinations, actions and/or choices are reasonable or arguably available and/or preferable.

“Renewal Fee” is a fixed sum of \$5,000.

“Site Selection Area” refers to and means the geographic area that we agree to allow you to search for a suitable site for your Franchised Business as designated by us in our sole discretion in the Site Selection Acknowledgment Form.

“Site Selection Period” refers to and means the period of time commencing on the Effective Date and expiring within 90 calendar days. If the Site Selection Acknowledgment is not signed by Franchisor, then there shall be no Site Selection Period and the Site Selection Area shall be non-exclusive.

“Supplier Evaluation Fee” refers to and means the fee determined by Franchisor, in our Reasonable Business Judgment, and based upon the fees and/or expenses incurred by Franchisor in connection with the evaluation of a request by Franchisee for Franchisor’s consideration and/or review of a potential supplier. Under no circumstance are we required to approve of suppliers you request.

“System” shall have the meaning defined in the “Recitals” section of this Agreement and is further supplemented, as follows: without limitation to the Recitals section of this Agreement and supplementing the definition and meaning of the term “System”, System shall be defined to further include and mean: (a) the Approved Services and Products, System Supplies and the services, procedures and systems that are designated by Franchisor, whether presently or in the future, for use in connection with the development, establishment, marketing, promotion and operation of an EVA Franchised Business; (b) the Licensed Marks; (c) the Trade Dress; (d) copyrights; (e) other trade names, service marks, signs, and logos, and copyrights that is designated by Franchisor, whether presently or in the future, for use in connection with the development, establishment, marketing, promotion and operation of an EVA Franchised Business; (f) Operations Manual; (g) Management System Data; (h) Know-How; (i) Confidential Information; (j) Social and Digital Media; and (k) virtual reality gaming technology, gaming equipment, and all electronic hardware and software. All determinations as to the system including components to the system and modifications and replacements thereto shall be determined by Franchisor in our Reasonable Business Judgment.

“System Supplies” refers to and means all: (a) merchandise, inventory, products, supplies, and/or goods constituting or comprising the Approved Services and Products or, a portion thereof, authorized for sale by the Franchised Business or designated for the preparation of Approved Services and Products; (b) products, supplies, services, and/or goods used to prepare, provide, offer, and/or sell services constituting or comprising the Approved Services and Products; (c) products, supplies, and/or goods as designated by Franchisor for the marketing, sale, provision, and/or delivery of the Approved Services and Products including, without limitation, uniforms, point of sale displays, packaging, virtual reality gaming technology, gaming equipment, and all electronic hardware and software; (d) furniture, fixtures, and equipment designated by Franchisor; and (e) other items as designated by Franchisor in the Operations Manual, and, as may be modified and supplemented by Franchisor from time to time, in our Reasonable Business Judgment, as being required for the development and operation of the Franchised Business.

“System Website” refers to and means the web page and pages located on the world wide web at www.eva.gg and shall further include all webpages and subdomains, including those that are franchisee and/or geography specific, that are a part of www.eva.gg, or as designated by Franchisor being associated with www.eva.gg and/or EVA businesses in the United States and internationally.

“Trade Dress” refers to and means the EVA Franchised Business designs, images, marketing materials, packaging, branding and/or branding images which Franchisor authorizes and requires Franchisee to use in connection with the operation of the Franchised Business and as may be revised and further developed by Franchisor from time to time.

“Transfer” refers to and means and shall include, without limitation, the following, whether voluntary or involuntary, conditional or unconditional, and/or direct or indirect: (a) an assignment, sale, gift, transfer, pledge or sub-franchise; (b) the grant of a mortgage, charge, lien or security interest, including, without limitation, the grant of a collateral assignment; (c) a merger, consolidation, exchange of shares or other ownership interests, issuance of additional ownership interests or securities representing or potentially representing ownership interests, or redemption of ownership interests; (d) a sale or exchange of voting interests or securities convertible to voting interests, or an agreement granting the right to exercise or control the exercise of the voting rights of any holder of ownership interests or to control the operations or affairs of Franchisee; and/or (e)

the legal and/or equitable transfer and/or sale of an Owners interests and/or voting rights in Franchisee. Transfer by Franchisee with the Franchised Business will require the prior written consent of Franchisor where such Transfer occurs by virtue of: (a) divorce or legal dissolution of marriage; (b) insolvency; (c) dissolution of a Corporate Entity; (d) last will and testament; (e) intestate succession; or (f) declaration of, or transfer in trust.

“Transfer Fee” is a fixed sum of \$10,000.

SCHEDULE 2 TO THE FRANCHISE AGREEMENT
FRANCHISE FEE, ACCEPTED LOCATION, DESIGNATED TERRITORY AND
OPENING DEADLINE

INITIAL FRANCHISE FEE: _____

ACCEPTED LOCATION AND DESIGNATED TERRITORY

The Accepted Location under this Agreement will be:

If the Accepted Location has not yet been selected and approved, the geographic area within which you will select the site for your Franchised Business is [subject to change in our discretion]:

The Designated Territory under this Agreement (if applicable) will be:

_____ mile drive-able distance around your Accepted Location

☐ Check if map is attached.

OPENING DEADLINE: _____

EVA USA INC.

FRANCHISEE:

Signature: _____

Signature: _____

Print Name: _____

Print Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

SCHEDULE 3 TO THE FRANCHISE AGREEMENT
STATEMENT OF FRANCHISE OWNERS

Franchisee represents that the following schedule is complete and accurately identifies Franchisee's Owners, Franchisee's Managing Owner, and their respective ownership interests in Franchisee. Defined terms shall have the meanings set forth in the Franchise Agreement between Franchisor and Franchisee.

If Franchisee is a Corporate Entity, Franchisee represents and affirms to Franchisor that the following list identifies each and every Owner of Franchisee and their respective ownership interests.		
Owner Name	Owner Address	Ownership Interest Percentage
Name of designated Managing Owner:		
Name of designated Manager [if known]:		

EVA USA INC.

Signature: _____

Print Name: _____

Title: _____

Date: _____

FRANCHISEE:

Signature: _____

Print Name: _____

Title: _____

Date: _____

SCHEDULE 4 TO THE FRANCHISE AGREEMENT
OWNER'S GUARANTY

OWNER'S GUARANTY AGREEMENT

This Owner's Guaranty Agreement (the "Agreement") is individually entered into by you as either an owner of _____ (hereinafter referred to as "Franchisee"), Franchisee, franchisor of the EVA franchise system and in favor of EVA USA Inc.'s successors and assigns, upon the terms and conditions set forth in this Agreement. In this Agreement, EVA USA Inc. is referred to as "us", "our" or "we", and each individual that signs this Agreement is referred to as "you".

Recitals and Representations

WHEREAS, we have developed a distinctive and proprietary system (the "System") for the establishment, development and operation of entertainment and leisure venue featuring free-roaming multi-player virtual reality arena with arcade options and multiple bar and lounge areas serving cocktails, craft beers, wine, and dining options under the ESPORTS VIRTUAL ARENAS ("EVA") brand name and other services and products that we authorize (the "Approved Services and Products") under the Licensed Marks (as defined in the Franchise Agreement);

WHEREAS, Franchisee has entered into an EVA Franchise Agreement (the "Franchise Agreement") for the ownership, development and operation of an EVA Franchised Business (the "Franchised Business");

WHEREAS, you have received and have thoroughly reviewed the completed Franchise Agreement, including the completed Schedules attached thereto with your lawyer or business advisor and/or acknowledge that you had an opportunity to do so;

WHEREAS, you represent to us that you are an Owner of Franchisee such that you own or control a legal, equitable or beneficial ownership or equity interest in Franchisee and/or otherwise meet the definition of an "Owner" as set forth in this Agreement;

WHEREAS, you acknowledge that this Agreement will apply to you individually, jointly and severally with all others who sign this Agreement (including if this Agreement is signed in counterparts or electronically among other Owners);

WHEREAS, you acknowledge that this Agreement personally obligates you to guarantee Franchisee's financial and operational obligations to us and obligates you to brand protection, confidentiality and non-competition restrictions and covenants and that you enter into this Agreement to induce us to enter into the Franchise Agreement with Franchisee; and

WHEREAS, you acknowledge that we are relying on this Agreement and that without this Agreement we would not have entered into and/or would not be simultaneously entering into the Franchise Agreement with Franchisee.

NOW THEREFORE, to induce us to enter into the Franchise Agreement and as consideration to us for entering into the Franchise Agreement with Franchisee and other consideration, the receipt and sufficiency of which you acknowledge, you agree as follows:

1. **Recitals and Representations.** You agree that the foregoing Recitals and Representations are true and accurate and constitute a material part of this Agreement and are hereby incorporated into the main body of this Agreement.
2. **Definitions.** The defined terms in the Franchise Agreement and Schedule 1 to the Franchise Agreement are expressly incorporated herein. By signing below, you acknowledge having reviewed the defined terms in the Franchised Agreement and Schedules thereto.
3. **Additional Acknowledgments.** In addition to the representations and acknowledgments contained in the Recitals and Representations, above, and incorporated into this Agreement, you acknowledge and represent that: (i) as of the Effective Date you are an Owner; (ii) that you are signing this Agreement in your individual capacity and that you are bound to the terms and conditions of this Agreement and irrespective of any change in your status as an Owner; (iii) in your capacity as an Owner of Franchisee that you have and will be gaining access to, among other things, the System and the Licensed Marks; (iv) you acknowledge that all of the components and aspects of the System and Licensed Marks critical to our success as the franchisor of the System and to the overall System; (v) you acknowledge that we need to protect the System and Licensed Marks and that to do so we require that you, in your individual capacity, to agree to the brand protection, non-competition and other covenants and restrictions contained in this Agreement and that you personally guarantee the financial and other obligations of Franchisee to us; and (vi) you acknowledge that the terms of this Agreement are fair and reasonable and that you have elected, based on your own decision, to enter into this Agreement to induce us to enter into the Franchise Agreement with Franchisee.
4. **Brand Protection.** You agree that: (i) you will not use the Know-How in any business or capacity other than the Franchised Business; (ii) you will maintain the confidentiality of the Know-How at all times; (iii) you will not make unauthorized copies of documents containing any Know-How; (iv) you will take such reasonable steps as we may ask of you from time to time to prevent unauthorized use or disclosure of the Know-How; and (v) you will stop using the Know-How immediately if you are no longer an Owner of Franchisee. You will not use the Licensed Marks for any purpose other than the development and operation of the Franchised Business pursuant to the terms of the Franchise Agreement and Operations Manual. You agree to assign to us or our designee, without charge, all rights to any Improvement developed by you, including the right to grant sublicenses. If applicable law precludes you from assigning ownership of any Improvement to us, then such Improvement shall be perpetually licensed by you to us free of charge, with full rights to use, commercialize, and sublicense the same. For purposes of this Agreement, “Know-How” refers to means Franchisor’s trade secrets and proprietary information relating to the development, establishment, marketing, promotion and/or operation of an EVA business including, but not limited to, methods, techniques, inventory, products and services standards and specifications and information reflected in, included in, comprising and/or constituting a part of the System. Without limitation to the foregoing, Know-How shall further include information contained in the Operations Manual and the Confidential Information.

5. **Non-Competition Covenants and Restriction.** You represent and agree that, during the Term of the Franchise Agreement and this Agreement, you will not engage in any Prohibited Activities. You represent, acknowledge and agree that during the Restricted Period after termination, expiration, or Transfer, you will not engage in any Prohibited Activities in the Restricted Territory. If you engage in any Prohibited Activities during the Restricted Period, then you agree that your Restricted Period will be extended by the period of time during which you were engaging in the prohibited activity (any such extension of time will not be construed as a waiver of your breach or otherwise impair any of our rights or remedies relating to your breach). You acknowledge and agree that this restriction is fair and reasonable and that if you did engage in a Prohibited Activity that such actions would constitute acts of unfair competition and will irreparably harm us and the System. For purposes of this Agreement, “Restricted Period” refers to and means the 24 month period after the earliest to occur of the following: (i) the expiration of the Franchise Agreement; (ii) the termination of the Franchise Agreement; (iii) the date on which Franchisee, in compliance with the terms of the Franchise Agreement, assigns the Franchise Agreement to another person provided that you do not own or hold, in the assignee, any direct or indirect ownership and/or equity interest whether legal, equitable or otherwise; or (iv) if you are an Owner of Franchisee, the date on which you, in compliance with the terms of the Franchise Agreement, cease to be an Owner of Franchisee. “Restricted Territory” refers to and means the geographic area: (a) comprising Franchisee’s Designated Territory; (b) within a 50 mile radius surrounding Franchisee’s Designated Territory or, if Franchisee is not granted a designated territory, then a 50 mile radius surrounding Franchisee’s Approved Location; (c) within a 25 mile radius surrounding the Approved Locations for all other EVA businesses operating and/or under development as of the Effective Date; and (d) within a 25 mile radius surrounding the Approved Locations for all other EVA businesses that are in operation or under development during all or any part of the Restricted Period. “Prohibited Activities” refers to and means any or all of the following: (a) owning and/or having any legal or equitable interest (whether as an individual proprietor or as an owner, partner, member or shareholder of a Corporate Entity or, in any similar capacity) in a Competitive Business (other than owning an interest of 3% or less in a publicly traded company that is a Competitive Business); (b) operating, managing, funding and/or performing services (whether as an employee, officer, director, manager, consultant, representative, agent, and/or creditor or in any similar capacity) for a Competitive Business; (c) diverting or attempting to divert any business or customers from us (or one of our affiliates or franchisees); and/or (d) inducing any customer or client of ours (or of one of our affiliates or franchisees) or of Franchisee to any other person business that is not an EVA Franchised Business. “Competitive Business” refers to and means any business that is the same as or similar to an EVA Franchised Business or offers the same or similar products and services including any business, that offers, sells and/or allows customers to play Virtual Reality gaming, team VR game play, arcade games, and related products and/or services. “Prohibited Activities” shall include (a) owning and/or having any legal or equitable interest whether, as an individual proprietor, owner, partner, member or shareholder of a Corporate Entity, or, in any similar capacity, in a Competitive Business that offers the same or similar products and services as EVA businesses other than owning an interest of 5% or less in a publicly traded company that is a Competitive Business; (b) operating, managing, funding and/or performing services whether, as an employee, officer, director, manager, consultant, representative, agent, and/or creditor or, in any similar capacity, for or benefitting a Competitive Business; (c) diverting or attempting to divert any business or customers from Franchisor or, one of Franchisor’s affiliates or franchisees; (d) inducing any customer or client of Franchisor, Franchisor’s affiliates, franchisees of the System, or, of Franchisee, to any other person or business that is not in our

System; and/or (e) engaging in any actions, inactions, and/or activities in violation of Sections 6.2 of this Agreement.

6. **Confidentiality Restrictions.** You represent, acknowledge and agree that, at all times you: (i) shall not use the Confidential Information in any business or capacity other than the Franchised Business; (ii) shall maintain the confidentiality of the Confidential Information; (iii) shall not make unauthorized copies of documents containing any Confidential Information; (iv) shall take such reasonable steps as we may ask of you and/or Franchisee from time to time to prevent unauthorized use or disclosure of the Confidential Information; (v) shall immediately and permanently stop using the Confidential Information upon the expiration or termination of the Franchise Agreement; (vi) shall immediately and permanently stop using the Confidential Information if you are no longer an Owner of Franchisee; (vii) shall immediately and permanently stop using the Confidential Information upon Franchisee's Transfer of the Franchise Agreement; and (viii) shall not disclose the Confidential Information to any third party except in a legal proceeding pursuant to an order of a court of competent jurisdiction and after affording us no less than 15 business days prior notice and an opportunity for us, at our election, to appear in such action.
7. **Reasonableness of Covenants and Restrictions.** You acknowledge and agree that: (i) the terms of this Agreement are reasonable both in time and in scope of geographic area; and (ii) you have sufficient resources and business experience and opportunities to earn an adequate living while complying with the terms of this Agreement. You waive any right to challenge the terms of this Agreement as being overly broad, unreasonable or otherwise unenforceable. You agree that our rights to seek injunctive relief and limitations set forth in the Franchise Agreement shall apply in equal force and effect as to you.
8. **Transfer Restrictions.** You expressly acknowledge and agree that, prior to Transferring an Owner's equity and/or ownership interests in Franchisee that, among other things, Franchisee must notify us and obtain our written consent. Likewise, you acknowledge and agree that under the Franchise Agreement that prior to Franchisee's Transfer of the Franchise Agreement, among other things, Franchisee must notify us and obtain our written consent.
9. **Personal Guaranty of Franchise Agreement and Financial Obligations.** To secure Franchisee's financial obligations under the Franchise Agreement and all Ancillary Agreements executed by Franchisee in connection with the Franchise Agreement, including, but not limited to, any agreement for the purchase of goods or services from us or an affiliate of ours (collectively the "Ancillary Agreements") you individually, jointly and severally, and personally and unconditionally: (i) guarantee to us and our successor and assigns, that Franchisee shall punctually satisfy and pay all of Franchisee's payment and other obligations under the Franchise Agreement; (ii) guarantee to us and our successor and assigns, that Franchisee shall punctually satisfy and pay all of Franchisee's payment and other obligations under the Ancillary Agreements; (iii) agree, at all times, to be personally bound by and personally liable for each and every fee, payment and monetary obligation due from Franchisee to us pursuant to the terms of the Franchise; and (iv) agree, at all times, to be personally bound by and personally liable for each and every fee, payment and monetary obligation due from Franchisee to us and/or our affiliates under the Ancillary Agreements. Your direct and immediate liability under this guaranty shall be joint and several with Franchisee and all other signatories to this Agreement.

10. **Arbitration, Consent to Jurisdiction and Venue, and Cross-Default.** This Agreement will be governed by, construed and enforced under the laws of Delaware and the courts in that state shall have jurisdiction over any legal proceedings arising out of this Agreement. Any dispute between the parties relating to this Agreement shall be brought in accordance with the dispute resolution procedures set forth in the Franchise Agreement. You agree that any judicial action or legal proceeding must be brought in a court of competent jurisdiction located within Delaware and within Wilmington, Delaware. You do hereby irrevocably consent to and waive any objection to such jurisdiction or venue. Without limitation to the foregoing and notwithstanding same, you agree that we, at our election, may bring any legal action or proceeding seeking a temporary restraining order, preliminary injunction, or any action seeking our enforcement of an arbitration award or any judicial decision in the federal or state court located in the county and state where you reside. You acknowledge and agree that a breach of this Agreement by you shall constitute a material event of default under the Franchise Agreement, permitting us, among other things, to terminate the Franchise Agreement in accordance with the terms thereof. If either party hires an attorney or files suit against the other party in relating to and alleging a breach of this Agreement, the losing party agrees to pay the prevailing party's reasonable attorneys' fees and costs incurred in connection with such breach.

11. **Notice.** You agree that we may deliver to you any notice or other communication contemplated by this Agreement in the same manner and to the same address listed in the notice provisions of the Franchise Agreement and any such delivery shall be deemed effective for purposes of this Agreement. You may change the address to which notices must be sent by sending us a written notice requesting such change, which notice shall be delivered in the manner and to the address listed in the Franchise Agreement.

IN WITNESS WHEREOF, this Guaranty has been entered into the day and year first before written.

EVA USA INC.

GUARANTOR:

Signature: _____

Signature: _____

Print Name: _____

Print Name: _____

Title: _____

Date: _____

Date: _____

Signature: _____

Print

Name:

Date: _____

**SCHEDULE 5 TO THE FRANCHISE AGREEMENT
NONDISCLOSURE, NON-COMPETITION AND
CONFIDENTIALITY AGREEMENT**

[THIS EXHIBIT IS FOR REFERENCE PURPOSES ONLY AS A SAMPLE FORM NONDISCLOSURE, NON-COMPETITION AND
CONFIDENTIALITY AGREEMENT THAT FRANCHISOR MAY APPROVE FOR USE BY FRANCHISEE – BEFORE USING WITH AN
EMPLOYEE OR CONTRACTOR FRANCHISEE SHOULD HAVE THIS AGREEMENT REVIEWED AND APPROVED BY AN
INDEPENDENT LOCAL ATTORNEY HIRED BY FRANCHISEE]

**NONDISCLOSURE, NON-COMPETITION AND
CONFIDENTIALITY AGREEMENT**

This Non-Disclosure and Non-Competition Agreement (this “Agreement”) is made as of
the ____ day of _____, 20____, is by and between _____

_____,
 (“Franchisee,” “we,” “us,” or “our”) and
 _____ (“Individual,” “you,” or “your”).

WHEREAS, Franchisee is a party to that certain Franchise Agreement dated _____,
20__ (“Franchise Agreement”) by and between Franchisee and the Franchisor, EVA USA, Inc.
 (“Company”); and

WHEREAS, Franchisee desires Individual to have access to and review certain Trade Secrets and
other Confidential Information, which are more particularly described below; and

WHEREAS, Franchisee is required by the Franchise Agreement to have Individual execute this
Agreement prior to providing Individual access to said Trade Secrets and other Confidential
Information; and

WHEREAS, Individual understands the necessity of not disclosing any such information to any
other party or using such information to compete against Company, Franchisee or any other
franchisee of Company in any business (i) offers the same or similar services and products as an
EVA business under any service system (ii) in which Trade Secrets and other Confidential
Information (as defined below) could be used to the disadvantage of Franchisee, or Company, any
affiliate of Company or Company’s other franchisees (hereinafter, “Competitive Business”);
provided, however, that the term “Competitive Business” shall not apply to any business operated
by Franchisee under a Franchise Agreement with Company.

NOW, THEREFORE, in consideration of the mutual promises and undertakings set forth herein,
and intending to be legally bound hereby, the parties hereby mutually agree as follows:

1. Trade Secrets and Confidential Information

- 1.1 Individual understands Franchisee possesses and will possess Trade Secrets and
other Confidential Information that are important to its business.
- 1.2 For the purposes of this Agreement, a “Trade Secret” is information in any form
(including, but not limited to, materials and techniques, technical or non-technical
data, formulas, patterns, compilations, programs, devices, methods, techniques,

drawings, processes, financial data, financial plans, product plans, passwords, lists of actual or potential customers or suppliers) related to or used in the EVA business that is not commonly known by or available to the public and that information: (i) derives economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use; and (ii) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

- 1.3 For the purposes of this Agreement “Confidential Information” means technical and non-technical information used in or related to EVA businesses that is not commonly known by or available to the public, including, without limitation, Trade Secrets and information contained in the Operations Manual and training guides and materials. In addition, any other information identified as confidential when delivered by Franchisee shall be deemed Confidential Information. Confidential Information shall not include, however, any information that: (i) is now or subsequently becomes generally available to the public through no fault of Individual; (ii) Individual can demonstrate was rightfully in its possession, without obligation of nondisclosure, prior to disclosure pursuant to this Agreement; (iii) is independently developed without the use of any Confidential Information; or (iv) is rightfully obtained from a third party who has the right, without obligation of nondisclosure, to transfer or disclose such information.
- 1.4 Any information expressly designated by Company or Franchisee as “Trade Secrets” or “Confidential Information” shall be deemed such for all purposes of this Agreement, but the absence of designation shall not relieve Individual of his or her obligations hereunder in respect of information otherwise constituting Trade Secrets or Confidential Information. Individual understands Franchisee’s providing of access to the Trade Secrets and other Confidential Information creates a relationship of confidence and trust between Individual and Franchisee with respect to the Trade Secrets and other Confidential Information.

2. Confidentiality/Non-Disclosure

- 2.1 Individual shall not communicate or divulge to (or use for the benefit of) any other person, firm, association, or corporation, with the sole exception of Franchisee, now or at any time in the future, any Trade Secrets or other Confidential Information. At all times from the date of this Agreement, Individual must take all steps reasonably necessary and/or requested by Franchisee to ensure that the Confidential Information and Trade Secrets are kept confidential pursuant to the terms of this Agreement. Individual must comply with all applicable policies, procedures and practices that Franchisee has established and may establish from time to time with regard to the Confidential Information and Trade Secrets.
- 2.2 Individual’s obligations under paragraph 2(a) of this Agreement shall continue in effect after termination of Individual’s relationship with Franchisee, regardless of the reason or reasons for termination, and whether such termination is voluntary or involuntary, and Franchisee is entitled to communicate Individual’s obligations under this Agreement to any future customer or employer to the extent deemed necessary

by Franchisee for protection of its rights hereunder and regardless of whether Individual or any of its affiliates or assigns becomes an investor, partner, joint venturer, broker, distributor or the like in an EVA business.

3. Non-Competition

- 3.1 During the term of Individual's relationship with Franchisee and for a period of two (2) years after the expiration or termination of Individual's relationship with Franchisee, regardless of the cause of expiration or termination, Individual shall not, directly or indirectly, divert or attempt to divert any business or customer of Franchisee or the Company or any licensed EVA location to any Competitive Business, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Company's service mark "EVA" and such other trade names, trademarks, service marks, trade dress, designs, graphics, logos, emblems, insignia, fascia, slogans, drawings and other commercial symbols as the Company designates to be used in connection with EVA or the Company's uniform standards, methods, procedures and specifications for the establishment and operation of an EVA business.
- 3.2 During the term of Individual's relationship with Franchisee, Individual shall not, directly or indirectly, develop, own, manage, operate, be employed by or have any interest in a Competitive Business or offer Competitive Business services without the express written consent of Franchisee and the Company.
- 3.3 For a period of two (2) years after the term of Individual's relationship with Franchisee, regardless of the cause of termination, Individual shall not, directly or indirectly, develop, own, manage, operate, be employee by or have any interest in a Competitive Business or offer Competitive Business services anywhere within a 25-mile radius of any EVA business location without the express written consent of Franchisee and the Company.
- 3.4 At no time shall Individual, directly or indirectly, solicit or otherwise attempt to induce or influence any employee or other business associate of Franchisee, Company or any other EVA business owner to violate a non-disclosure or non-competition agreement to which such employee or business associate is a party.

4. Reasonableness of Restrictions

Individual acknowledges that each of the terms set forth herein, including the restrictive covenants, is fair and reasonable and is reasonably required for the protection of Franchisee, Company, and Company's Trade Secrets and other Confidential Information, the Company's business system, network of franchises and trade and service marks, and Individual waives any right to challenge these restrictions as being overly broad, unreasonable or otherwise unenforceable. If, however, a court of competent jurisdiction determines that any such restriction is unreasonable or unenforceable, then Individual shall submit to the reduction of any such activity, time period or geographic restriction necessary to enable the court to enforce such restrictions to the fullest extent permitted under applicable law. It is the desire and intent of the parties that the provisions of this Agreement shall be enforced to the fullest extent permissible under the laws and public policies

applied in any jurisdiction where enforcement is sought.

5. **Relief for Breaches of Confidentiality, Non-Solicitation, and Non-Competition**

Individual further acknowledges that an actual or threatened violation of the covenants contained in this Agreement will cause Franchisee and Company immediate and irreparable harm, damage and injury that cannot be fully compensated for by an award of damages or other remedies at law. Accordingly, Franchisee and/or Company shall be entitled, as a matter of right, to an injunction from any court of competent jurisdiction restraining any further violation by Individual of this Agreement without any requirement to show any actual damage or to post any bond or other security. Such right to an injunction shall be cumulative and in addition to, and not in limitation of, any other rights and remedies that Franchisee and Company may have at law or in equity.

6. **Dispute Resolution**

- 6.1 **Choice of Law.** Except as to claims governed by federal law, Delaware law governs all claims that in any way relate to or arise out of this Agreement or any of the dealings of the parties (“Claims”).
- 6.2 **Jurisdiction and Venue.** You and we agree that venue and jurisdiction for any Claims, except those required to be submitted to arbitration, shall be proper solely in the state and federal court nearest to our corporate headquarters in Wilmington, Delaware.
- 6.3 **Jury Waiver.** In any trial between any of the parties as to any Claims, you and we agree to waive our rights to a jury trial and instead have such action tried by a judge.
- 6.4 **Class Action Waiver.** You agree to bring any Claims, if at all, individually and you shall not join such claim with claims of any other person or entity or bring, join or participate in a class action against us.
- 6.5 **Punitive Damages Waiver.** As to any Claims, you and we agree to waive our rights, if any, to seek or recover punitive damages.
- 6.6 **Limitation of Actions.** You agree to bring any Claims against us, if at all, within one (1) year of the occurrence of the facts giving rise to such Claims, and that any action not brought within this period shall be barred as a claim, counterclaim, defense, or set-off.
- 6.7 **Prior Notice of Claims.** As a condition precedent to commencing an action for a Claim, you must notify us within thirty (30) days after the occurrence of the violation or breach, and failure to timely give such notice shall preclude any claim for damages.
- 6.8 **Internal Dispute Resolution.** You must first bring any Claim to our CEO, after providing notice as set forth in Section 6(g) above. You must exhaust this internal dispute resolution procedure before you may bring your Claim before a third party.

- 6.9 **Mediation and Arbitration.** Before you may bring any Claim against us, you agree to try for a period of 60 days to mediate such claim before a mutually agreed to mediator in the city or county where our headquarters are located. If we cannot mutually agree on a mediator, you and we agree to use the mediation services of the American Arbitration Association (“AAA”) and split any AAA and mediator fees equally. If mediation is unsuccessful and you decide to pursue a legal claim against us, you agree to bring such claim solely in binding arbitration conducted in the city or county of our headquarters in accordance with the Commercial Arbitration Rules of the American Arbitration Association then in effect. The proceedings will be held by a single arbitrator. The decision of the arbitrator will be final and binding upon the parties. Judgment upon the award rendered by the arbitrator may be entered in any court having personal and subject matter jurisdiction.
- 6.10 **Waiver of Bond.** You agree that if we are forced to bring suit to enforce any provision of this Agreement, you agree to waive any requirement that we post bond to obtain a temporary, preliminary, or permanent injunction to enforce these duties.
- 6.11 **Attorney Fees.** If we are the substantially prevailing party as to any Claims, you agree to reimburse our costs and attorney fees incurred in pursuing or defending the Claims.

7. Miscellaneous

- 7.1 This Agreement constitutes the entire Agreement between the parties with respect to the subject matter hereof. This Agreement supersedes any prior agreements, negotiations and discussions between Individual and Franchisee. This Agreement cannot be altered or amended except by an agreement in writing signed by the duly authorized representatives of the parties.
- 7.2 This Agreement shall be effective as of the date this Agreement is executed and shall be binding upon the successors and assigns of Individual and shall inure to the benefit of Franchisee, its subsidiaries, successors and assigns. Company is an intended third-party beneficiary of this Agreement with the independent right to enforce the confidentiality and non-competition provisions contained herein.
- 7.3 The failure of either party to insist upon performance in any one (1) or more instances upon performance of any terms and conditions of this Agreement shall not be construed a waiver of future performance of any such term, covenant or condition of this Agreement and the obligations of either party with respect thereto shall continue in full force and effect.
- 7.4 In the event that any part of this Agreement shall be held to be unenforceable or invalid, the remaining parts hereof shall nevertheless continue to be valid and enforceable as though the invalid portions were not a part hereof.
- 7.5 This Agreement may be modified or amended only by a written instrument duly executed by Individual, Franchisee and Company.

- 7.6 The existence of any claim or cause of action Individual might have against Franchisee or Company will not constitute a defense to the enforcement by Franchisee or Company of this Agreement.

INDIVIDUAL CERTIFIES THAT HE OR SHE HAS READ THIS AGREEMENT CAREFULLY AND UNDERSTANDS AND ACCEPTS THE OBLIGATIONS THAT IT IMPOSES WITHOUT RESERVATION. NO PROMISES OR REPRESENTATIONS HAVE BEEN MADE TO SUCH PERSON TO INDUCE THE SIGNING OF THIS AGREEMENT.

THE PARTIES ACKNOWLEDGE THAT THE COMPANY IS A THIRD-PARTY BENEFICIARY TO THIS AGREEMENT AND THAT THE COMPANY SHALL BE ENTITLED TO ENFORCE THIS AGREEMENT WITHOUT THE COOPERATION OF THE FRANCHISEE. INDIVIDUAL AND FRANCHISEE AGREE THAT THIS AGREEMENT CANNOT BE MODIFIED OR AMENDED WITHOUT THE WRITTEN CONSENT OF THE COMPANY.

IN WITNESS WHEREOF, Franchisee has hereunto caused this Agreement to be executed by its duly authorized officer, and Individual has executed this Agreement, all being done in duplicate originals with one (1) original being delivered to each party as of the day and year first above written.

FRANCHISEE:

By: _____

Its: _____

INDIVIDUAL:

Signature: _____

Name Printed: _____

**SCHEDULE 6 TO THE FRANCHISE AGREEMENT
SITE SELECTION ACKNOWLEDGMENT FORM**

(THIS DOCUMENT DOES NOT CONSTITUTE THE APPROVAL OF AN APPROVED LOCATION, DOES NOT GRANT OR DESIGNATE AN OPERATING TERRITORY AND DOES NOT GRANT ANY TERRITORIAL RIGHTS)

Date of this Acknowledgment: _____

Pursuant to and subject to the terms of the Franchise Agreement dated _____ by and between EVA USA Inc., as Franchisor, and _____, as Franchisee (the "Franchise Agreement"), Franchisee has identified a potential area in which Franchisee may seek to identify a potential Approved Location for Franchisee's EVA Franchised Business. Based on Franchisee's request, Franchisor agrees that, during the limited period of time that commences on the Effective Date of the Franchise Agreement and ends within 90 calendar days thereafter, that Franchisor shall not grant to any third party the license or right to establish an EVA Approved Location within the following geographic area constituting the Site Selection Area, as such term is defined in the Franchise Agreement:

Site Selection Area: [Must be completed by Franchisor]
--

The terms contained in this Site Selection Acknowledgment shall have the meaning set forth in the Franchise Agreement. In the event of any inconsistency or conflict between this Site Selection Acknowledgment and the terms of the Franchise Agreement, the terms of the Franchise Agreement shall take precedence and govern. If Franchisor does not complete and sign the Site Selection Acknowledgment, then this Site Selection Acknowledgment Form shall not be effective and there shall be no Site Selection Area. As set forth in the Franchise Agreement, among other things, A SITE SELECTION AREA IS NOT AN OPERATING TERRITORY, DOES NOT CONSTITUTE THE APPROVAL AS TO ANY APPROVED LOCATION AND DOES NOT AFFORD FRANCHISEE ANY TERRITORIAL RIGHTS.

EVA USA INC.

Signature: _____

Print Name: _____

Title: _____

Date: _____

FRANCHISEE:

Signature: _____

Print Name: _____

Title: _____

Date: _____

SCHEDULE 7 TO THE FRANCHISE AGREEMENT
FRANCHISOR LEASE RIDER

FRANCHISOR'S RIDER TO LEASE

THIS RIDER TO LEASE ("Rider") is made as of _____, by and among _____ ("Landlord"), _____ ("Tenant") and EVA USA Inc. ("Franchisor").

This Rider supplements and forms a part of that certain lease between Landlord and Tenant, dated _____ (the "Lease"; any and all references to the Lease shall be deemed to include this Rider) for the leased premises located at _____ (the "Leased Premises"). This Rider is entered into in connection with Franchisor's grant of a franchise to Tenant to operate a franchised business at the Leased Premises, and is intended to provide Tenant the right to assign the Lease to Franchisor and to provide Franchisor the opportunity to preserve the Leased Premises as a wellness center operated under Franchisor's brand in the event of any termination of the Lease or any franchise agreement between Franchisor and Tenant. Landlord agrees that Franchisor will have the right, but not the obligation, to assume the Lease on the terms, covenants and conditions hereinafter set forth. All capitalized terms used herein, but not defined herein, shall have the same meaning as set forth in the Lease.

ARTICLE - I DEFAULT BY TENANT UNDER THE LEASE

SECTION 1.01. Landlord will send Franchisor copies of all written notices of default that it gives to Tenant at the same time Landlord gives such written notices to Tenant.

SECTION 1.02. If Tenant fails to cure a Tenant default under the Lease after the giving of any required default notice and passage of any applicable cure period, then Landlord shall so notify Franchisor and Franchisor or any or to a parent, subsidiary or affiliate of Franchisor (a "Franchisor Party") will have the right and the option (but not the obligation), by giving written notice to Landlord within five (5) business days after receipt of Landlord's notice that Tenant is in default under the Lease and has failed to cure the default within the applicable cure period set forth in the Lease, to (a) cure any such default on behalf of Tenant, or (b) request Landlord consent to the assumption of the Lease provided that Franchisor or such Franchisor Party cures all existing defaults of Tenant under the Lease and assumes in writing the obligations of Tenant under the Lease.

ARTICLE - II TERMINATION OF TENANT'S FRANCHISE AGREEMENT

In the event of the termination of Tenant's franchise agreement for the Leased Premises as a result of Tenant's breach thereof, Franchisor shall have the right to request Landlord consent to the assumption of the Lease by giving written notice to Landlord and Tenant of its election to so succeed to Tenant's interest under the Lease, within five (5) business days after the date of the termination of such franchise agreement, provided that Franchisor cures all existing defaults of Tenant under the Lease and assumes in writing the obligations of Tenant under the Lease. A party, whether Franchisor or any Franchisor Party, that assumes the Lease pursuant to Section 1.02(b) above or this Article II is sometimes referred to herein as an "Assuming Franchisor Party".

ARTICLE - III OBTAINING POSSESSION OF THE LEASED PREMISES

Landlord will, at no cost or expense to Landlord, cooperate and reasonably assist with any Assuming Franchisor Party in gaining possession of the Leased Premises if such Assuming Franchisor Party has delivered to Landlord a fully executed assumption of the Lease pursuant to Section 1.02(b) above or Article II above.

ARTICLE - IV ADDITIONAL PROVISIONS

SECTION 4.01. Tenant shall remain liable to Landlord for all of its obligations under the Lease, notwithstanding any assignment of the Lease to an Assuming Franchisor Party. Such Assuming Franchisor Party shall be entitled to recover from Tenant all amounts it pays to Landlord to cure Tenant's defaults under the Lease, including interest and reasonable collection costs.

SECTION 4.02. After an Assuming Franchisor Party assumes Tenant's interest in the Lease, unless otherwise agreed to in writing, such Assuming Franchisor Party will pay, perform and be bound by all of the duties and obligations of the Lease applicable to Tenant that accrue after such assumption, except that such Assuming Franchisor Party shall not be required to assume or be bound by the terms of any amendment to the Lease executed by Tenant without obtaining Franchisor's prior written approval, which approval shall not be unreasonably withheld by Franchisor.

SECTION 4.03. After an Assuming Franchisor Party assumes Tenant's interest in the Lease, Franchisor or such Franchisor Party will not be subject to any provision of the Lease that requires the Tenant to (a) continuously operate a business in the Leased Premises during the fifteen (15) days immediately following the date on which the Assuming Franchisor Party executes the assumption of the Lease if the Leased Premises is closed for remodeling or while Franchisor or the applicable Franchisor Party is seeking to obtain and train a new employees to operate a franchised business in the Leased Premises, or (b) make any payment to Landlord for any excess rent or other consideration that is greater than the rent and other charges payable under the Lease.

SECTION 4.04. After an Assuming Franchisor Party assumes Tenant's interest in the Lease, such Assuming Franchisor Party may, with Landlord's consent, which shall not be unreasonably withheld, conditioned or delayed, sublet or assign the Leased Premises to a franchisee of Franchisor who meets Franchisor's financial qualifications and requirements (a "Replacement Franchisee"). In the event of such a sublease or assignment, Franchisor shall deliver to Landlord (a) a copy of such Replacement Franchisee's application for the franchise, including but not limited to personal and financial information that Landlord customarily requires from all of its tenants, (b) as applicable, a copy of the sublease or a copy of the assumption agreement pursuant to which such Replacement Franchisee assumes the Lease and agrees to observe the terms, conditions and agreements on the part of tenant to be performed under the Lease (a "Replacement Franchisee Assumption Agreement") and (c) a Rider To Lease in the same form as this Rider, to be executed among Landlord, Franchisor and the applicable Replacement Franchisee (a "New Rider").

SECTION 4.05. If the Lease is terminated and the Franchisor does not exercise its option to assume the Lease, Tenant agrees, upon receipt of written demand from Franchisor to promptly remove signs decor and other items which Franchisor reasonably requests to be removed as being distinctive and indicative of Franchisor's trademarks and trade dress. Franchisor may enter upon the Leased Premises without being guilty of trespass or tort to effect such de-identification if Tenant fails to do

so within (10) days after receipt of written demand from Franchisor, provided, however, Franchisor shall promptly, at its sole cost and expense, repair, to Landlord's reasonable satisfaction, all damage caused to the Leased Premises and the Franchised Business in connection with such de-identification of the Leased Premises. Tenant shall pay Franchisor for its reasonable costs and expenses in effecting de-identification. Franchisor shall defend, indemnify and hold Landlord harmless from and against any claims arising from Franchisor's de-identification of the Leased Premises.

SECTION 4.06. BY EXECUTING THIS RIDER, FRANCHISOR DOES NOT HEREBY ASSUME ANY LIABILITY WITH RESPECT TO THE LEASED PREMISES OR ANY OBLIGATION AS TENANT UNDER THE LEASE, UNLESS AND UNTIL FRANCHISOR EXPRESSLY ASSUMES SUCH LIABILITY AND/OR OBLIGATION AS HEREIN ABOVE DESCRIBED.

SECTION 4.07. All notices hereunder shall be delivered by certified mail or nationally recognized overnight courier to the addresses described in the Lease or to such other addresses as any party hereto may, by written notice, instruct that notices be given. In the case of Franchisor, notices shall be sent to EVA USA Inc., 251 Little Falls Drive, Wilmington, DE 19808 and via email to Benjamin Gautier at ben@eva.gg with a copy to The Franchise Firm LLP, 433 Plaza Real, Suite 275, Boca Raton, FL 33432, until further notice.

SECTION 4.08. Landlord and Tenant agree that each of them shall provide written notice to Franchisor in the event of any change in their respective addresses. Franchisor shall provide written notice to Landlord and Tenant in the event of any change in Franchisor's address.

LANDLORD:

TENANT:

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

FRANCHISOR:

EVA USA, INC.

By: _____

Name: _____

Title: _____

Date: _____

SCHEDULE 8 TO THE FRANCHISE AGREEMENT
COLLATERAL ASSIGNMENT OF LEASE

COLLATERAL ASSIGNMENT OF LEASE

(for the benefit of EVA USA Inc. and its assigns)

For Value Received, the undersigned (“Assignor”) hereby assigns and transfers to EVA USA Inc. (“Assignee”), all of Assignor’s right, title and interest as tenant in, to and under a certain lease, a copy of which is attached hereto as Exhibit “A” (the “Lease”) for the following premises (the “Leased Premises”):

This Assignment is for collateral purposes only and except as may be otherwise expressly stated and specified herein under no circumstance shall Assignee have any liability or obligation under the Lease and/or Leased Premises, unless: (a) Assignee provides an express written statement that is addressed to Assignor and the landlord for the Leased Premises, is delivered by Assignee to Assignor and the landlord for the Leased Premises, is signed by an officer of Assignee, and that expressly states that Assignee is assuming all rights and interests in and to the Lease pursuant to this Assignment; and (b) Assignee takes possession of the Leased Premises pursuant to the terms hereof, and Assignee assumes the obligations of Assignor under the Lease.

Assignor represents that Assignor possesses full power and authority to enter into this Assignment and that at no time prior to executing this Assignment has Assignor assigned and/or transferred Assignor’s interests and/or rights in or to the Lease and/or the Leased Premises.

Assignee has the right and possesses full power and authority to take possession of the Leased Premises, to eject and expel Assignor from possession and occupancy of the Leased Premises and to terminate Assignor’s right, title and interest in and to the Lease in the event of: (a) a default by Assignor under the terms of the Lease and Assignor’s failure to timely cure such default, assuming that such default is capable of curing; (b) a default by Assignor (in Assignor’s capacity as an EVA franchisee) under the terms and conditions of the EVA Franchise Agreement between Assignor, as franchisee, and Assignee, as franchisor (the “Franchise Agreement”), and Assignor’s failure to timely cure such default, assuming that such default is capable of curing; (c) upon default of any agreement supporting or guaranteeing the Franchise Agreement; or (d) the expiration or termination of the Franchise Agreement.

Assignor agrees that Assignor will not and shall not permit, grant or suffer any termination, surrender or modification of the Lease without the prior written consent of Assignee. Throughout the term of the Franchise Agreement, Assignor shall elect and exercise all options to extend the terms of the or renewal of the Lease not less than 120 days prior to the last day that the option must be exercised unless Assignee otherwise agrees in writing. Should Assignor fail to comply with the

foregoing, Assignor does hereby appoint Assignee (subject to Assignees acceptance and invocation of such right) to act on behalf of Assignor for the purpose of effectuating extensions and renewals of the Lease.

ASSIGNOR:

By: _____

Name: _____

Title: _____

Date: _____

ASSIGNEE/FRANCHISOR:

EVA USA, INC.

By: _____

Name: _____

Title: _____

Date: _____

SCHEDULE 9 TO THE FRANCHISE AGREEMENT
ASSIGNMENT OF TELEPHONE NUMBERS AND SOCIAL AND DIGITAL MEDIA
ACCOUNTS

(for the benefit of EVA USA Inc. and its assigns)

THIS ASSIGNMENT OF TELEPHONE NUMBERS AND SOCIAL AND DIGITAL MEDIA ACCOUNTS ASSIGNMENT (“Assignment”) is entered into between _____ (the “Assignor”) and EVA USA Inc. and its successors and assigns (the “Assignee”).

WHEREAS, Assignee is the franchisor of the EVA franchise system (the “EVA Franchise System”);

WHEREAS, Assignor, as franchisee, and Assignee, as franchisor, are parties to an EVA Franchise Agreement (the “Franchise Agreement”)

WHEREAS, the term “Social and Digital Media” shall refer to and mean “any interactive or static electronic document, application or media that is connected to and/or in a network of computers, servers and/or other devices linked by communications software, part of the world wide web (including, but not limited to websites), linked by the internet or part of a web based application, software application, smart phone based application or social media platform including, but not limited to social media platforms and applications such as Facebook, LinkedIn, Twitter/X, Pinterest, Instagram, SnapChat, and YouTube, and world wide web and internet based directories and local directories that refers, references, identifies, reviews, promotes and/or relates, in any way, to EVA businesses, Assignor’s EVA Franchised Business and/or trademarks associated with the EVA Franchise System and/or Assignee. Social and Digital Media further includes the EVA website(s), web pages and website subdomains (including those related to, associated with and/or a part of the EVA Franchise System) associated with and/or related to Assignor’s EVA Franchised Business and all web pages, blog posts, videos, Sections, information, sub-domains, and all other media and/or publications relating to the EVA Franchise System that is displayed and/or transmitted digitally”; and

WHEREAS, in connection with Assignor’s establishment and operation of an EVA Franchised Business, Assignor will be utilizing accounts, information, phone numbers and Social and Digital Media subject to strict requirements set forth in the Franchise agreement.

NOW THEREFORE, Assignor, in exchange for good and valuable consideration provided and paid by Assignee (receipt of which is hereby acknowledged), agrees:

1. That Assignor does hereby assign to assignee all telephone numbers, facsimile numbers, listings, domain names and Social and Digital Media that is associated with Assignor’s EVA Franchised Business including, the following (all collectively referred to as the “Media”):

- (a) All phone numbers, facsimile numbers and listings that are currently, or in the future, associated with Assignor’s EVA Franchised Business;
- (b) The following telephone and facsimile numbers:

_____; and

- (c) All Social and Digital Media, all Social and Digital Media accounts and all Social and Digital Media log-in information.

The foregoing shall not be construed and/or interpreted as Assignees acknowledgment and/or agreement that Assignor owns and/or possesses any ownership interests in the foregoing telephone numbers, accounts and/or Social and Digital Media. Any and all rights of Assignor in and to same exist subject to a limited license pursuant to the EVA Franchise Agreement which shall take precedence and govern. However, this Assignment is intended by Assignor and Assignee to be an instrument that may be relied upon by all third parties to authorize and permit the assignments and transfers set forth in this Assignment and to facilitate the transfer of accounts and media to within the control of Assignee. Nothing contained in this Assignment shall be used to construe nor imply that Assignor possesses any ownership interests or rights in the Social and Digital Media and in the event of any inconsistency or conflict between this Assignment and the Franchise Agreement, the Franchise Agreement shall take precedence and govern.

2. This Assignment will become effective automatically upon the termination or expiration of the Franchise Agreement for any reason. As to all third parties' proof of the expiration or termination of the Franchise Agreement shall exist exclusively upon the written declaration of Assignee and Assignee's declaration shall be dispositive and not subject to challenge. Assignor agrees that all third parties may rely on this Assignment for the purpose of taking any and all actions to ensure that access to and control of the Media is maintained by Assignee.

UTILIZATION OF THIS ASSIGNMENT SHALL EXIST AT THE SOLE DISCRETION OF ASSIGNEE AND FOR THE SOLE BENEFIT OF ASSIGNEE.

ASSIGNEE/FRANCHISOR:
EVA USA INC.

ASSIGNOR/FRANCHISEE:

Signature: _____

Signature: _____

Print Name: _____

Print Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

SCHEDULE 10 TO THE FRANCHISE AGREEMENT
ACH PAYMENT AGREEMENT

FRANCHISEE NAME: _____

AUTHORIZATION AGREEMENT FOR ACH Payments

(I/we) do hereby authorize EVA USA Inc., hereinafter named the “Franchisor”, to initiate (debit or credit) entries to (my/our) (Checking Account / Savings Account) as indicated and named below as the depository financial institution, hereafter named FINANCIAL INSTITUTION pursuant to the terms of the Franchise Agreement by and between us and the Franchisor.

(I/we) acknowledge that the origination of ACH transactions to my (my/our) account must comply with the provisions of U.S. law. Furthermore, if any such debit(s) should be returned NSF, (I/we) authorize the Franchisor to collect such debit(s) by electronic debit and subsequently collect a returned debit NSF fee of \$100.00 per occurrence by electronic debit from my account identified below. In the event all funds and interests are not received by Franchisor within five (5) days from presentment and intended withdrawal from our account by Franchisor, then we will be deemed in default of the Franchise Agreement. We further agree to pay all reasonable costs of collection including but not limited to reasonable attorney’s fees and court costs incurred by the Franchisor. I am a duly authorized check signer on the financial institution account identified below and authorize all of the above as evidenced by my signature below.

CHECK (ACH) INFORMATION ROUTING NUMBER: _____

ACCOUNT NUMBER: _____

DEPOSITORY NAME: _____

BRANCH: _____

CITY: _____ STATE: _____ ZIP: _____

COMPANY NAME: _____

FIRST NAME/LAST NAME: _____

BILLING ADDRESS: _____

CITY _____ STATE _____ ZIP _____

PHONE NUMBER: _____

CUSTOMER NUMBER: _____

SIGNATURE ON FILE: _____

PHONE OR EMAIL APPROVAL AUTHORIZATION NUMBER: _____

FRANCHISEE:

By: _____

Name: _____

Title: _____

Date: _____

SCHEDULE 11 TO THE FRANCHISE AGREEMENT
GENERAL RELEASE

[THIS EXHIBIT IS NOT SIGNED AT CLOSING AND SERVES AS A SAMPLE FORM OF GENERAL RELEASE TO BE EXECUTED BY FRANCHISEE AND NON-PARTIES UNDER CIRCUMSTANCES ADDRESSED IN THE FRANCHISE AGREEMENT]

THIS GENERAL RELEASE is made and given on this ____ day of _____, 20____ by _____, (“**RELEASOR**”) an individual/corporation/ limited liability company/partnership with a principal address of _____, in consideration of:

_____ the execution by EVA USA Inc., a Delaware corporation (“**RELEASEE**”), of a successor Franchise Agreement or other renewal documents renewing the franchise (the “**Franchise**”) granted to RELEASOR by RELEASEE pursuant to that certain Franchise Agreement (the “**Franchise Agreement**”) between RELEASOR and RELEASEE; or

_____ RELEASEE’S consent to RELEASOR’S assignment of its rights and duties under the Franchise Agreement; or

_____ RELEASEE’S consent to RELEASOR’S assumption of rights and duties under the Franchise Agreement;

and other good and valuable consideration, the adequacy of which is hereby acknowledged, and accordingly RELEASOR hereby releases and discharges RELEASEE, RELEASEE’s officers, directors, shareholders, managers, members, partners, owners, employees and agents (in their corporate and individual capacities), and RELEASEE’s successors and assigns, from any and all causes of action, suits, debts, damages, judgments, executions, claims and demands whatsoever, in law or in equity, that RELEASOR and RELEASOR’s heirs, executors, administrators, successors and assigns had, now have or may have, upon or by reason of any matter, cause or thing whatsoever from the beginning of the world to the date of this RELEASE arising out of or related to the Franchise or the Franchise Agreement, including, without limitation, claims arising under federal, state and local laws, rules and ordinances. This General Release shall not be amended or modified unless such amendment or modification is in writing and is signed by RELEASOR and RELEASEE.

IN WITNESS WHEREOF, RELEASOR has executed this General Release as of the date first above written.

RELEASOR: _____
(type/print name)

By: _____

Name: _____

Title: _____

(or, if an individual)

Signed: _____

Name printed: _____

EXHIBIT E TO THE FRANCHISE DISCLOSURE DOCUMENT

**EVA USA INC.
MULTI-UNIT DEVELOPMENT AGREEMENT**

MULTI-UNIT DEVELOPMENT AGREEMENT

This Multi-Unit Development Agreement (this “Agreement” or “MUDA”) made and entered on _____ (the “Effective Date”) by and between:

- EVA USA Inc., a Delaware corporation, having its principal place of business at 251 Little Falls Drive, Wilmington, DE 19808 (“Franchisor,” “we,” “us,” or “our”); and
- _____, an individual/partnership/corporation/limited liability company established in the State of _____ and whose principal address is _____ (“Franchisee,” “you,” or “your”).

RECITALS

WHEREAS, we have developed a distinctive and proprietary system (the “System”) for the establishment, development and operation of entertainment and leisure venue featuring free-roaming multi-player virtual reality arena with arcade options and multiple bar and lounge areas serving cocktails, craft beers, wine, and dining options under the ESPORTS VIRTUAL ARENAS (“EVA”) brand name and other services and products that we authorize (the “Approved Services and Products”) under the Licensed Marks (defined below) (each, a “Franchised Business”);

WHEREAS, the System and, therefore, each Franchised Business, is identified by the Licensed Marks and distinctive Trade Dress, service offerings, business formats, equipment, products, supplies, operating procedures, programs, methods, procedures, and marketing and advertising standards, all of which are part of the System and all of which we may modify from time to time;

WHEREAS, you desire to obtain the non-exclusive license and right to use the System in the development and operation of one Franchised Business from a single fixed location within a designated territory and pursuant to the terms of this Agreement;

WHEREAS, you have been advised that, prior to signing this Agreement and prior to developing a Franchised Business under this Agreement, you should retain your own independent legal counsel to advise you as to all applicable federal, state and local laws including laws which may dictate the necessary management structure of your Franchised Business and that you have been advised that you are responsible for compliance with all applicable federal, state and municipal laws in your jurisdiction related to the operation of a Franchised Business;

WHEREAS, you have asked to obtain multiple franchise territories from us, and by entering into this Agreement, you understand and acknowledge: (a) the importance of our high standards of quality, appearance, and service and the necessity of operating your Franchised Business under this Agreement in conformity with our System standards and specifications; (b) that you received our current Franchise Disclosure Document and its exhibits, including this Agreement (the “Disclosure Document”) at least 14 calendar days before you signed this Agreement or made a payment to us in connection with the franchise sale; (c) that you have carefully reviewed the Disclosure Document

and had enough time, if you wanted, to consult with a lawyer, accountant or other professional advisor; (d) that you had the opportunity to ask us and our employees, agents, or representatives all appropriate questions and those questions have been answered to your satisfaction; (e) that, if you chose not use a professional advisor, you were satisfied relying on your own education, experience, and skill to evaluate the Disclosure Document and this Agreement; (f) that you have reached the age of majority, you have the legal capacity to enter into this Agreement, you are not violating any other agreement by entering into or performing under this Agreement, and you are not listed or “blocked” in connection with, and are not in violation of any anti-terrorism law, regulation, or executive order; (g) that no employee, agent or representative of ours made any oral, written or visual representation or projection to you of actual or potential sales, earnings or net or gross profits, costs involved in operating a Franchised Business, or the likelihood of success that is not in the Disclosure Document or that is contrary to, or different from, the information in the Disclosure Document; (h) that you understand the risks of owning your Franchised Business and you are able to accept such risks; (i) that you understand the success of your Franchised Business will depend primarily on your own efforts and abilities and those of your employees; (j) that our approval of the location for your Franchised Business does not guarantee your success; and (k) that other factors beyond our or your control will affect your Franchised Business’s success including competition, demographic patterns, consumer trends, economic and market conditions, government policies, labor costs, inflation, and other factors which may be difficult to anticipate, assess or even identify;

WHEREAS, by signing below, you understand and acknowledge that each location you open shall be subject to the then-current franchise agreement (the “Franchise Agreement”) which may have terms that are materially different than the franchise agreement you are signing in conjunction with this Agreement.

NOW THEREFORE, in consideration of the foregoing recitals and other good and valuable consideration, the receipt and sufficiency of which is hereby mutually acknowledged, the parties do hereby agree, as follows:

1. GRANT OF DEVELOPMENT RIGHTS

1.1. We hereby grant to you, pursuant to the terms and conditions of this Agreement, certain development rights (“Development Rights”) to establish and operate a specific number of Franchised Businesses (each, a “Unit”) at approved locations to be awarded through separate Franchise Agreements executed as provided in Section 3.1 hereof, and pursuant to the development schedule established in Attachment C of this Agreement (hereinafter “Development Schedule”). Each Franchised Business developed hereunder shall be located in the area described in Attachment D of this Agreement (hereinafter “Development Area”).

1.2. This Agreement is not a franchise agreement and does not grant to you any right to use the Licensed Marks. You shall have no right under this Agreement to sub-franchise, sub-license, or sell franchised businesses to third parties.

2. DEVELOPMENT FEE

2.1. In consideration of the Development Rights granted herein, you must pay the full initial franchise fee for the first Unit plus an upfront, non-refundable fee of \$25,000 per Unit (the “Development Fee”).

2.2. You must sign the then-current franchise agreement for each Unit to be developed under this Agreement, which may have materially different terms than the existing Franchise Agreement on the Effective Date of this Disclosure Document. Each franchise agreement must be signed at least nine months before the date each Unit is required to be developed under the Development Schedule.

2.3. You acknowledge and agree that the Development Fee is fully earned by us upon execution of this MUDA, is not refundable, and will not be credited against any other fees you may pay to us pursuant to this MUDA or any Franchise Agreement.

3. SCHEDULE AND MANNER FOR EXERCISING DEVELOPMENT RIGHTS

3.1. You shall assume all responsibility and expense for locating potential sites for your Units and shall submit to us for our evaluation and approval, information and documentation we request, which shall include, at minimum, a description of the site, the terms of the lease or purchase, and such other information and materials as we may reasonably require. We will make reasonable efforts to notify you within 30 days after receipt of such information and materials from you to accept or decline the site in our sole discretion. We shall have no obligation to approve sites which do not meet our criteria for you to meet the Development Schedule.

3.2. Recognizing that time is of the essence, you agree to exercise the Development Rights granted hereunder in the manner specified herein, and in accordance with the Development Schedule. Your failure to adhere to the Development Schedule shall constitute a default under this Agreement as provided in Section 9.1. Under no circumstances may you or an affiliate (defined herein as a separate corporate entity commonly owned by you) open a Unit for business unless and until there is a fully executed Franchise Agreement in place for each such Unit, and we have been paid all amounts due and owing to us upon execution of such Franchise Agreement.

3.3. You shall exercise your Development Rights granted herein only by executing a Franchise Agreement for each Unit at a site approved by us in the Development Area as hereinafter provided within ten days after receipt of said Franchise Agreement from us for the approved site and return same to us for our execution. The Franchise Agreement for the first Unit shall be executed contemporaneously with this Agreement by you or your affiliate. In the event we do not receive the properly executed Franchise Agreement within ten days from delivery to you, our approval of the approved site may be voided, at our option.

3.4. You acknowledge that neither our acceptance of the premises nor any information communicated to you regarding our standard site selection criteria, nor the specific location of your Unit will constitute a warranty or representation of any kind, express or implied, as to the suitability

of the site for your Unit. Our acceptance of the proposed site merely signifies that we are willing to grant a franchise at the approved site.

3.5. You shall be required to execute each franchise agreement and own a minimum of 51% of the issued and outstanding stock or membership interests for each Unit to be opened pursuant to said franchise agreement. In no event shall you relinquish control over any entity operating each Unit without our express, written approval which may be withheld for any reason in our discretion.

4. DEVELOPMENT RIGHTS AND OBLIGATIONS

4.1. Subject to the provisions of this Agreement, we grant to you the Development Rights, as described in Section 1.1. Notwithstanding any other provision of this MUDA, Development Rights under this Agreement may or may not, in our sole discretion, include the right to develop Units at “Non-Traditional Sites”. Non-Traditional Sites include without limitation military bases, hotels, college campuses, airports, train stations, travel plazas, casinos, and sports or entertainment venues or stadiums. If a Non-Traditional Site becomes available within the Development Area during the term of this Agreement, we may, in our sole discretion, offer you the opportunity to develop a Unit at the Non-Traditional Site. You will have 30 days after we notify you that the site is available to accept this right of first refusal. If you accept the development of the Non-Traditional Site, it will be included in your Development Schedule.

4.2. Provided you are in full compliance with all the terms and conditions of this Agreement, including, without limitation, your development obligations described in Section 3.2., and you are in full compliance with all of your obligations under all Franchise Agreements executed pursuant to this Agreement, then during the term of the MUDA, neither we nor any of our affiliates will develop or operate or grant franchises for the development or operation of EVA franchised businesses within the Development Area, except the franchises that are granted to you pursuant to this Agreement and except as otherwise expressly provided in this Agreement. We have the right to terminate this exclusivity if you are not in full compliance with all of the terms and conditions of the MUDA and all of the Franchise Agreements signed under it.

4.3. Upon the termination or expiration of this Agreement, we and our affiliates shall have the right to develop and operate, and to grant to others development rights and franchises to develop and operate, EVA franchised businesses within the Development Area subject only to the territorial rights granted to you with respect to each Unit operated by you pursuant to the Franchise Agreements signed under this MUDA and subject, further, to the right of first refusal described in Section 6 below.

4.4. We and our affiliates retain all rights with respect to each Unit, the System, the Licensed Marks and the sale of any EVA branded goods and services, anywhere in the world, including, without limitation, the right:

4.4.1. to produce, offer and sell and to grant others the right to produce, offer and sell any of the products or services offered at EVA franchised businesses and any other goods or services displaying the Licensed Marks or other trade and service marks through alternative channels

of distribution (including, but not limited to, the Internet, catalog sales, grocery stores, telemarketing or other marketing methods) both within and outside your Development Area, and under any terms and conditions we deem appropriate;

4.4.2. to operate and to grant others the right to operate EVA franchised businesses located outside the Development Area under any terms and conditions we deem appropriate and regardless of proximity to your Development Area and Units thereunder;

4.4.3. to operate and to grant others the right to operate EVA businesses at Non-Traditional Sites within and outside the Development Area under any terms and conditions we deem appropriate; and

4.4.4. the right to acquire and operate a business operating one or more competing businesses located or operating in your Development Area.

4.5. To maintain your rights under the MUDA, you must have open and maintain in operation the cumulative number of Units stated on the Development Schedule by the dates agreed upon. Failure to do so will be grounds for either a loss of territorial exclusivity or a termination of this Agreement and your development rights.

5. RENEWAL

This MUDA shall not be subject to renewal. However, if you wish to purchase a new Development Area and continue to develop Units, we will, in good faith, negotiate a new MUDA with you subject to availability in our discretion and on terms commensurate with our then-current MUDA and Development Fee schedules.

6. TERM AND RIGHT OF FIRST REFUSAL

6.1. Unless sooner terminated in accordance with the terms of this MUDA, the term of this MUDA and all Development Rights granted hereunder shall expire on the date the last Unit is opened pursuant to the Development Schedule established in Attachment C.

6.2. If, at any time or from time to time following the opening for business of all the Units in accordance with the Development Schedule, we determine that it is desirable to operate one or more additional Units in the Development Area, and provided you have timely complied with the Development Schedule and are in compliance with all terms and conditions of all Franchise Agreements signed under the MUDA, you shall have a right of first refusal to obtain the Development Rights to such additional Units upon such reasonable terms and conditions as are determined by us including, but not limited to, the imposition of a new Development Fee for each Unit. In such case, we shall advise you in writing of the terms and conditions for the acquisition of the Development Rights for such additional Unit(s). If you do not exercise this first right of refusal, in whole, we may, following the expiration of the 60-day period, grant the Development Rights to such additional Unit(s) to any other person or persons on the same terms and conditions or we may elect to develop and construct any such additional Unit(s).

7. YOUR OBLIGATIONS

7.1. You acknowledge and agree that:

7.1.1. Except as otherwise provided herein, this Agreement includes only the right to select sites for the establishment of Units and to submit the same to us for our approval in accordance with the terms of this Agreement. This Agreement does not include the grant of a license by us to you of any rights to use the Marks, the System, or to open or operate any EVA franchised businesses within the Development Area. You shall obtain the license to use such additional rights at each Unit upon the execution of each Franchise Agreement by both you and us and only in accordance with the terms of each Franchise Agreement.

7.1.2. The Development Rights granted hereunder are personal to you and cannot be sold, assigned, transferred or encumbered, in whole or in part, except as stated in Section 11 hereof.

7.1.3. Except as provided in Sections 6.1. and 6.2., the Development Rights granted hereunder are non-exclusive, and we retain the right, in our sole discretion:

7.1.3.1. to continue to construct and operate other EVA businesses and to use the System and the Marks at any location outside the Development Area, and to license others to do so.

7.1.3.2. to develop, use and franchise the rights to any trade names, trademarks, service marks, trade symbols, emblems, signs, slogans, insignia, or copyrights not designated by us as Licensed Marks for use with different franchise systems for the sale of the different products or services not in connection with the System at any location, on such terms and conditions as we may deem advisable and without granting you any rights therein.

7.1.3.3. to develop, merchandise, sell and license others to sell any of our products, proprietary or otherwise, presently existing or to be developed in the future, to the public through alternative channels of distribution outside or inside of the Development Area and to use the Licensed Marks in connection therewith.

7.1.4. You have sole responsibility for the performance of all obligations arising out of the operation of your development business pursuant to this Agreement, including, but not limited to, the payment when due of any and all taxes levied or assessed by reason of such operation.

7.1.5. In all public records, in your relationship with other persons, and in any documents, you shall indicate clearly the independent ownership of your development business and that the operations of said business are separate and distinct from the operation of a Unit.

7.1.6. You shall, at all times, preserve in confidence any and all materials and information furnished or disclosed to you by us, and you shall disclose such information or materials only to such of your employees or agents who must have access to it in connection with their employment. You shall not at any time, without our prior written consent, copy, duplicate, record

or otherwise reproduce such materials or information, in whole or in part, nor otherwise make the same available to any unauthorized person.

7.1.7. You shall comply with all requirements of federal, state and local laws, rules and regulations.

7.1.8. You shall at no time have the right to sub-franchise any of your Development Rights hereunder.

7.1.9. In no event shall any Unit be opened for business unless and until a Franchise Agreement for such Unit has been fully executed and any additional initial fees due to us or our affiliates have been paid.

8. OUR SERVICES

8.1. We will review the information regarding potential sites for your Units that you provide to us to determine whether the sites meet our then-current standards and criteria, and if the site meets our criteria, accept the site.

8.2. We will assist you in determining the layout and configuration of each Unit once the location has been approved. After you and we have determined the layout and configuration of each Unit, you must arrange for site plan and build-out plans and specifications to be prepared and submitted to us for our review.

8.3. We will review your site plan and final build-out plans and specifications for conformity to our standards and specifications.

8.4. We may provide other resources and assistance as may be developed and offered to our developers in our discretion and as we deem appropriate.

9. DEFAULT AND TERMINATION

9.1 The occurrence of any of the following events of default shall constitute good cause for us, at our option and without prejudice to any other rights or remedies provided for hereunder or by law or equity, to terminate this Agreement upon notice to you without opportunity to cure the default, except where prohibited by any applicable state or federal law, whereupon this Agreement shall be terminated in accordance with the provisions of any such law:

9.1.1. If you shall, in any respect, fail to meet the Development Schedule.

9.1.2. If you purport to affect any assignment other than in accordance with Section 11 hereof.

9.1.3. Except as provided in Section 11 hereof, if you attempt to sell, assign, transfer or encumber this Agreement prior to the time that at least 50% of the Units to be

constructed and opened for business in accordance with the Development Schedule are, in fact, open or under construction.

9.1.4. If you make, or have made, any material misrepresentation to us in connection with obtaining this Agreement, any site approval hereunder, or any Franchise Agreement signed under this Agreement.

9.1.5. If you default in the performance of any obligation under any Franchise Agreement with us, provided such default results in the termination of the Franchise Agreement.

9.1.6. If you suffer a violation of any law, ordinance, rule or regulation of a governmental agency in connection with the operation of any Unit under this Agreement, and permit the same to go uncorrected after notification thereof, unless there is a bona fide dispute as to the violation or legality of such law, ordinance, rule or regulation, and you promptly resort to courts or forums of appropriate jurisdiction to contest such violation or legality.

9.1.7. If you or an owner of yours owning a 25% or more interest in the Developer entity is convicted in a court of competent jurisdiction of an indictable offense punishable by a term of imprisonment in excess of one year.

9.1.8. If you, or any of your partners, if you are a partnership, or any of your officers, directors, shareholders, or members, if you are a corporation or limited liability company, shall become insolvent or make a general assignment for the benefit of creditors; if a petition in bankruptcy is filed by you or such a petition is filed against and not opposed by you; if you are adjudicated a bankrupt or insolvent; if a bill in equity or other proceeding for the appointment of a receiver or other custodian for you or your business or assets is filed and consented to by you; if a receiver or other custodian (permanent or temporary) of your assets or property, or any part thereof, is appointed by any court of competent jurisdiction; if proceedings for a composition with creditors under any state or federal law should be instituted by or against you; if a final judgment remains unsatisfied or of record for 30 days or longer (unless a *supersedeas* bond is filed); if you are dissolved; if execution is levied against your business or property; if suit to foreclose any lien or mortgage against the premises or equipment is instituted against you and not dismissed within 30 days; or if the real or personal property of the business shall be sold after levy thereupon by any sheriff, marshal, or constable.

9.1.9. If you, or any shareholder or principal, if you are corporate entity, or any of your affiliates cease to operate all of the Units developed pursuant to the terms of this Agreement.

9.2 Upon occurrence of any of the events stated in this Section 9.2, we may, without prejudice to any other rights or remedies contained in this Agreement or provided by law or equity, terminate this Agreement. Such termination shall be effective 30 days after written notice (or such other notice as may be required by applicable state law) is given by us to you of any of such events, if such defaults are not cured within such period:

9.2.1. If you shall use the System or Licensed Marks, or any other names, marks, systems, insignia, symbols or rights which are our property, except pursuant to, and in accordance with, a valid and effective Franchise Agreement.

9.2.2. If you, or persons controlling, controlled by or under common control with you, shall have any interest, direct or indirect, in the ownership or operation of any business engaged in the sale of products or services similar to those permitted to be sold by you within the Development Area or in any business which looks like, copies or imitates an EVA business or operates in a manner tending to have such effect other than pursuant to a valid and effective Franchise Agreement with us.

9.2.3. If you fail to remit to us any payments pursuant to Section 2 when same are due. Any amounts paid by you toward the Development Fee upon termination shall be non-refundable.

9.2.4. If you shall begin work upon any Unit at any site unless all the conditions stated in Section 3 hereof have been met.

9.2.5. If you fail to obtain our prior written approval or consent, including but not limited to site approval or site plan approval, as expressly required by this Agreement.

9.2.6. If you default in the performance of any other obligation under this Agreement.

9.2.7. If you open any Unit for business before a Franchise Agreement for such Unit has been fully executed by you and us and all initial fees due to us have been paid.

10. OBLIGATIONS FOLLOWING TERMINATION

10.1. Upon termination of this Agreement becoming effective for any reason, or upon expiration of the term hereof, you agree as follows:

10.1.1. to cease immediately any attempts to select sites on which to establish Units.

10.1.2. to cease immediately to hold yourself out in any way as a Developer of ours or to do anything which would indicate a relationship between you and us.

10.1.3. to immediately and permanently cease to use the Licensed Marks and distinctive forms, slogans, signs, and symbols associated with the Developer program and the System.

10.1.4. You shall comply with the covenants contained in Section 12 of this Agreement.

10.2. No right or remedy herein conferred upon or reserved for us is exclusive of any other right or remedy provided or permitted by law or in equity.

11. TRANSFER OF INTEREST

11.1. This Agreement is personal to you, and you shall neither sell, assign, transfer nor encumber this Agreement, the Development Rights, or any other interest hereunder, nor suffer or permit any such assignment, transfer or encumbrance to occur directly, indirectly or contingently by agreement or by operation of law without our prior written consent. You understand that this Agreement may not be pledged, mortgaged, hypothecated, given as security for an obligation or in any manner encumbered. The assignment or transfer of any interest, except in accordance with this Section 11 shall constitute a material breach of this Agreement.

11.2. In the event that you are a corporation or desire to conduct business in a corporate capacity, said corporate entity or assignment to a corporate entity (which may include a corporation, limited liability company or partnership) must receive our prior written approval and you agree to comply with the provisions hereinafter specified, including without limitation, personal guarantees by the equity owners of all of the obligations of said corporate entity or assignee corporate entity to us and other parties designated by us. The corporate entity or assignee corporate entity shall not engage in any business activities other than those directly related to the operation of the Units pursuant to the terms and conditions of the Franchise Agreements with us, and all assets related to the operation of the Units shall be held by the corporate entity or assignee corporate entity. There shall be no transfer fee charged by us for a one-time assignment to a corporate entity.

11.3. If you are a corporation or if your rights hereunder are assigned to a corporate entity, you or those individuals disclosed on Attachment B attached hereto shall be the legal and beneficial owner of not less than 51% of the outstanding equity of said entity and shall act as such entity's principal officer. The assignment to a corporate entity will not relieve you of personal liability to us for performance of any of the obligations under this Agreement. Any subsequent transfer of voting rights of the equity of the entity or assignee entity, and any transfer or issuance of equity of the entity or assignee entity shall be subject to our prior written approval. We agree that we will not unreasonably restrict the issuance or transfer of equity, provided that you comply with the provisions of this Section 11, and provided that in no event shall any equity of such corporate entity or assignee corporate entity be sold, transferred or assigned to a business competitor of ours. The articles of organization and governing documents (including by-laws, operating agreement or partnership agreement) of the entity or assignee entity shall reflect that the issuance and transfer of equity is restricted, and all certificates shall bear the following legend, which shall be printed legibly and conspicuously on each certificate:

“The transfer of this certificate is subject to the terms and conditions of a Multi-Unit Development Agreement with EVA USA, Inc., dated _____. Reference is made to said Multi-Unit Development Agreement and related franchise agreements and to restrictive provisions of the governing documents of this entity.”

11.4. The entity or assignee entity's records shall indicate that a stop transfer order shall be in effect against the transfer of any equity, except for transfers permitted by this Section 11. In addition to the foregoing, the equity of such entity or assignee entity shall not be publicly sold or

traded. You are strictly prohibited from offering your securities through a public offering or private placement.

11.5. In the event of your death, disability or permanent incapacity, we shall consent to the transfer of all of the interest of you to your spouse, heirs or relatives, by blood or marriage, or if this Agreement was originally executed by more than one party, then to the remaining party(ies) who originally executed this Agreement, whether such transfer is made by your Last Will and Testament or by operation of law, provided that the requirements of Section 11 hereof have been met. In the event that your heirs do not obtain our consent as prescribed herein, your personal representative shall have a reasonable time to dispose of your interest hereunder, which disposition shall be subject to all the terms and conditions for transfers under this Agreement.

11.6. You have represented to us that you are entering into this Agreement with the intention of complying with its terms and conditions and not for the purpose of resale of the Development Rights hereunder. Therefore, you agree that any attempt to assign this MUDA, prior to the time that at least 50% of the Units to be constructed hereunder are opened or under construction, except pursuant to Sections 11.2 and 11.3 hereof, shall be deemed to be an event of default.

11.7. Except as provided in Section 11.6, if you receive from an unaffiliated third party and desire to accept a bona fide written offer to purchase your business, Development Rights and interests, we shall have the option, exercisable within 30 days after receipt of written notice setting forth the name and address of the prospective purchaser, the price and terms of such offer, and a copy of such offer and the other information stated in this Section 11.7, to purchase such business, Development Rights and interests, including your right to develop sites within the Development Area, on the same terms and conditions as offered by said third party. In order that we may have information sufficient to enable us to determine whether to exercise this option, we may require you to deliver to us certified financial statements as of the end of your most recent fiscal year and such other information about your business and operations as we may request. If we decline or do not accept the offer in writing within 30 days, you may, within 30 days from the expiration of the option period, sell, assign and transfer your business, Development Rights and interest to said third party, provided we have consented to such transfer as required by this Section 11. Any material changes in the terms of the offer prior to closing of the sale to such third party shall constitute a new offer, subject to the same rights of first refusal by us or our nominee, as in the case of an initial offer. Our failure to exercise the option afforded by this Section 11.7 shall not constitute a waiver of any other provision of this Agreement, including all of the requirements of this Section 11.7 with respect to the proposed transfer.

11.8. You acknowledge and agree that the restrictions on transfer imposed herein are reasonable and are necessary to protect the Development Rights, the System and the Marks, as well as our reputation and image, and are for the protection of us, you and other multi-unit developers and franchisees. Any assignment or transfer permitted by this Section 11.7 shall not be effective until we receive a completely executed copy of all transfer documents, and we consent in writing thereto.

11.9. Except as provided in Section 11.6. hereof, we agree not to unreasonably withhold our consent to a sale, assignment or transfer by you hereunder. Consent to such transfer otherwise permitted or permissible as reasonable may be refused unless:

11.9.1. All of your obligations created by this Agreement, all other franchise documents, including all Franchise Agreements, and the relationship created hereunder are assumed by the transferee.

11.9.2. All ascertained or liquidated debts of you to us or our affiliates are paid.

11.9.3. You are not in default hereunder.

11.9.4. We are reasonably satisfied that the transferee meets all of our requirements for new multi-unit developers, including but not limited to, good reputation and character, business acumen, operational ability, management skills, financial strength and other business considerations.

11.9.5. Transferee executes or, in appropriate circumstances, causes all necessary parties to execute, our standard form of MUDA, Franchise Agreements for all Units open or under construction hereunder, and such other then-current ancillary agreements being required by us of new multi-unit developers on the date of transfer.

11.9.6. You execute a general release, in a form satisfactory to us, of any and all claims against us, our officers, directors, employees and principal stockholders of any and all claims and causes of action that you may have against us or any subsidiary or affiliated corporations in any way relating to this Agreement or the performance or non-performance thereof by us.

11.9.7. You or transferee will pay us our then-current transfer fee and cover our reasonable costs in effecting the transfer and in providing training and other initial assistance to transferee.

11.10. Upon the death or mental incapacity of any person with an interest of more than 50% in this Agreement or in you, the executor, administrator or personal representative of such person shall transfer his interest to a third party approved by us within 12 months. Such transfers, including, without limitation, transfers by devise or inheritance, shall be subject to the same conditions as any *inter vivos* transfer. However, in the case of transfer by devise or inheritance, if the heirs or beneficiaries of any such person are unable to meet the conditions stated in Section 11.1 hereof, the personal representative of the deceased shall have a reasonable time, not to exceed 12 months from the date said personal representative is appointed, to dispose of the deceased's interest in you or in the Development Rights, which disposition shall be subject to all the terms and conditions for transfers contained in this Agreement. It is understood and agreed, however, that notwithstanding the foregoing, the Development Schedule shall be complied with as though no such death or mental incapacity had occurred. In the event the interest described above is not disposed of within such time, we shall have the right to terminate this Agreement, provided such termination had not previously occurred for failure to perform pursuant to the Development Schedule, upon 90

days' notice to your representative, or we shall have the right to re-purchase same at the same price being sought by your representative.

11.11. Our consent to a transfer of any interest in you or in the Development Rights pursuant to this Section shall not constitute a waiver of any claims we may have against the transferring party, nor shall it be deemed a waiver of our right to demand exact compliance with any of the terms of this Agreement by the transferee.

11.12. We shall have the right to assign this Agreement and all of our attendant rights and privileges to any person, firm, corporation or other entity provided that, with respect to any assignment resulting in the subsequent performance by the assignee of our functions: (a) the assignee shall, at the time of such assignment, be financially responsible and economically capable of performing our obligations; and (b) the assignee shall expressly assume and agree to perform such obligations. You expressly affirm and agree that we may sell our assets, our rights to the Licensed Marks or to the System outright to a third party; may go public; may engage in a private placement of some or all of our securities; may merge, acquire other corporations, or be acquired by another corporation; may undertake a refinancing, recapitalization, leveraged buyout or other economic or financial restructuring; and, with regard to any or all of the above sales, assignments and dispositions, you expressly and specifically waive any claims, demands or damages arising from or related to the loss of said Marks (or any variation thereof) and/or the loss of association with or identification of "EVA USA, Inc." as Franchisor. Nothing contained in this Agreement shall require us to remain in our current industry or to offer the same products and services, whether or not bearing the Licensed Marks, in the event that we exercise our right to assign our rights in this Agreement.

12. COVENANTS

12.1. You covenant that during the term of this Agreement, except as otherwise approved in writing by us, you (or if Developer is a corporation or partnership, the Operating Principal) or your manager shall devote full time, energy, and best efforts to the management and operation of the Developer's business governed by this Agreement.

12.2. You specifically acknowledge that, pursuant to this Agreement, you will receive confidential information, including without limitation, marketing methods and techniques of us and the System. You covenant that, during the term of this Agreement, you and persons controlling, controlled by or under common control with you shall not, either directly or indirectly, for yourself/himself, or through, on behalf of or in conjunction with any person, persons or legal entity:

12.2.1. Divert or attempt to divert any business or customer of any EVA franchised business operated under the System to any competitor or do any other act injurious or prejudicial to the goodwill associated with the System.

12.2.2. Employ or seek to employ any person who is at that time employed by us or any of our franchisees or developers, or directly or indirectly induce such person to leave their employ.

12.2.3. Own, maintain, operate, affiliate with, or have an interest in any business (whether directly operating such a business or as a franchisee, area representative, developer, or otherwise) that is competitive with an EVA franchised business.

12.3. You and your owners covenant that, except as otherwise approved in writing by us, you shall not, for a continuous uninterrupted period of two years from the date of: (a) a transfer permitted under Section 11; (b) expiration or termination of this Agreement (regardless of the cause for termination); or (c) a final order of a duly authorized arbitrator, panel of arbitrators, or a court of competent jurisdiction (after all appeals have been taken) with respect to any of the foregoing or with respect to the enforcement of this Section 12.3, either directly or indirectly, for yourself, or through, on behalf of, or in conjunction with any persons or entity, own, maintain, operate, engage in, develop or acquire any interest in any business that is competitive with a Unit and, and which business is, or is intended to be, located (a) within the Development Area; (b) within a 50 mile radius of the Development Area; or (c) within a 25 mile radius of any EVA franchised business operating under the System at the time of transfer, expiration or termination.

12.4. Sections 12.2 and 12.3 above shall not apply to ownership by Developer of an interest in any business operated under the System under a franchise granted by us or of less than 5% beneficial interest in the outstanding equity securities of any publicly held entity.

12.5. The parties agree that each of the foregoing covenants shall be construed as independent of any other covenant or provision of this Agreement. If all or any portion of a covenant is held unreasonable or unenforceable by a court or agency having valid jurisdiction in an unappealed final decision to which we are a party, you expressly agree to be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenant were separately stated in and made a part of this Section 12.

12.6. You understand and acknowledge that we shall have the right, in our sole discretion, to reduce the scope of any covenant set forth in Sections 12.2 and 12.3 of this Agreement, or any portion thereof, without your consent, effective immediately upon receipt of written notice thereof; and you agree that you shall comply forthwith with any covenant as so modified, which shall be fully enforceable.

12.7. You expressly agree that the existence of any claims you may have against us, whether or not arising from this Agreement, shall not constitute a defense to the enforcement by us of the covenants in this Section 12. You agree to pay all costs and expenses (including reasonable attorneys' fees and expenses) we incur in connection with the enforcement of this Section 12.

12.8. You shall require and obtain execution of covenants, in a form reasonably acceptable to us, of confidentiality and non-competition similar to those set forth elsewhere in this Agreement (including covenants applicable upon the termination of a person's relationship with you) from any or all of the following persons: (a) all managers of Developer; (b) all officers, directors, and holders of a beneficial interest of 5% or more of the securities of Developer, and of any entity directly or indirectly controlling Developer, if Developer is an entity; and (c) the general partners and any limited partners if Developer is a partnership. The covenants required by this Section 12 shall be in a form specified by us, including, without limitation, specific identification of us as a third-party beneficiary of such covenants with the independent right to enforce them.

12.9. You and your owners agree to comply with and/or to assist us to the fullest extent possible in our efforts to comply with Anti-Terrorism Laws (as defined below). In connection with such compliance, you and your owners certify, represent, and warrant that none of your respective property or interests is subject to being "blocked" under any of the Anti-Terrorism Laws and that neither you nor any of your owners are otherwise in violation of any of the Anti-Terrorism Laws. For the purposes of this Section 12.9, the following terms have the following meanings: (a) "Anti-Terrorism Laws" means Executive Order 13224 issued by the President of the United States ("Executive Order 13224"), the Terrorism Sanctions Regulations (Title 31, Part 595 of the U.S. Code of Federal Regulations), the Foreign Terrorist Organizations Sanctions Regulations (Title 31, Part 597 of the U.S. Code of Federal Regulations), the Cuban Assets Control Regulations (Title 31, Part 515 of the U.S. Code of Federal Regulations), the USA PATRIOT Act, and all other present and future federal, state and local laws, ordinances, regulations, policies, lists and any other requirements of any other requirements of any governmental authority (including, without limitation, the United States Department of Treasury Office of Foreign Assets Control, and any other government agency with jurisdiction over the parties to this Agreement and/or their actions) addressing or in any way relating to terrorist acts and/or acts of war; (b) "Owner" means any person, partner, member, or shareholder who owns any direct or indirect interest in Developer. You and your owners certify that none of you, your respective employees, or anyone associated with any of them is listed in the Annex to Executive Order 13224 (the "Annex"). You agree not to knowingly hire any individual who is listed in the Annex (or, if he or she is already employed, retain the employment of that individual). You also agree not to knowingly: (a) establish a new relationship with a person as an employee, owner, banker, or otherwise who is listed in the Annex (whether or not we have consented to a Transfer involving such new owner); and (b) maintain a business relationship (whether with an employee, an owner, banker, or otherwise) with a person who is added to the Annex. You certify that you have no knowledge or information that, if generally known, would result in you or your owners, your employees, or anyone else associated with you to be listed in the Annex to Executive Order 13224. You understand that you are solely responsible for ascertaining what actions you must take to comply with the Anti-Terrorism Laws, and you specifically acknowledge and agree that your indemnification responsibilities set forth in this Agreement also apply to your obligations under this Section 12.9. Any misrepresentation by you under this Section or any violation of the Anti-Terrorism Laws by you, your owners, your employees, and/or their respective affiliates shall constitute grounds for immediate termination of this Agreement and any other agreement you have entered into with us or one of our affiliates.

13. NOTICES

Any and all notices required or permitted under this Agreement shall be in writing and shall be personally delivered or mailed by certified or registered mail, return receipt requested, to the respective parties at the addresses listed in the opening paragraph unless and until a different address has been designated by written notice to the other party. Any notice by certified or registered mail shall be deemed to have been given at the date and time of mailing.

14. INDEPENDENT CONTRACTOR AND INDEMNIFICATION

14.1. It is understood and agreed by the parties hereto that this Agreement does not create a fiduciary relationship between them, and that nothing in this MUDA is intended to constitute either party an agent, legal representative, subsidiary, joint venturer, partner, employee or servant of the other for any purpose whatsoever. Each party to this Agreement is an independent contractor, and neither shall be responsible for the debts or liabilities incurred by the other.

14.2. You shall hold yourself out to the public to be an independent contractor operating pursuant to this Agreement. You agree to take such actions as shall be necessary to that end.

14.3. You understand and agree that nothing in this Agreement authorizes you to make any contract, agreement, warranty or representation on our behalf, or to incur any debt or other obligation in our name, and that we assume no liability for, nor shall be deemed liable by reason of, any act or omission of yours or any claim or judgment arising therefrom. You shall indemnify and hold us and our officers, directors, and employees harmless against any and all such claims arising directly or indirectly from, as a result of, or in connection with your activities hereunder, as well as the cost, including reasonable attorneys' fees, of defending against them, except that the foregoing shall not apply to infringement actions regarding the Licensed Marks which are caused solely by our actions or actions caused by the negligent acts of us or our agents.

15. APPROVALS

15.1. Whenever this Agreement requires our prior approval or consent, you shall make a timely written request to us for such approval or consent, and, except as otherwise provided herein, any approval or consent granted shall be in writing.

15.2. We make no warranties or guarantees upon which you may rely and assume no liability or obligation to you or any third party to which we would not otherwise be subject, by providing any waiver, approval, advise, consent or services to you in connection with this Agreement, or by reason of any neglect, delay or denial of any request therefor.

16. NON-WAIVER

No failure of ours to exercise any power reserved to us under this Agreement or to insist upon compliance by you with any obligation or condition in this Agreement, and no custom or practice of the parties at variance with the terms hereof, shall constitute a waiver of our rights to demand exact compliance with the terms of this Agreement. Our waiver of any particular default

shall not affect or impair our right with respect to any subsequent default of the same or of a different nature; nor shall any delay, forbearance or omission of ours to exercise any power or right arising out of any breach or default by you of any of the terms, provisions or covenants of this Agreement affect or impair our rights, nor shall such constitute a waiver by us of any rights hereunder or rights to declare any subsequent breach or default.

17. SEVERABILITY AND CONSTRUCTION

17.1. Each covenant and provision of this Agreement shall be construed as independent of any other covenant or provision of this Agreement. The provisions of this Agreement shall be deemed severable.

17.2. If all or any portion of a covenant or provision of this Agreement is held unreasonable or unenforceable by a court or agency having valid jurisdiction in a decision to which we are a party, you expressly agree to be bound by any lesser covenant or provision imposing the maximum duty permitted by law which is subsumed within the terms of such covenant or provision, as if that lesser covenant or provision were separately stated in and made a part of this Agreement.

17.3. Nothing in this Agreement shall confer upon any person or legal entity other than us or you, and such of our respective successors and assigns as may be contemplated by Section 11 hereof, any rights or remedies under or by reason of this Agreement.

17.4. All captions in this Agreement are intended solely for the convenience of the parties and none shall be deemed to affect the meaning or construction of any provision hereof.

17.5. All references herein to gender and number shall be construed to include such other gender and number as the context may require, and all acknowledgments, promises, covenants, agreements and obligations herein made or undertaken by you shall be deemed jointly and severally undertaken by all those executing this Agreement on your behalf.

17.6. This Agreement may be executed in multiple copies, each of which shall be deemed an original.

18. ENTIRE AGREEMENT; APPLICABLE LAW

18.1. This Agreement, the documents referred to herein and the Attachments attached hereto constitute the entire, full and complete agreement between us and you concerning the subject matter hereof and supersede any and all prior agreements; provided, however, that nothing in this or any related agreement is intended to disclaim the representations made by us in the Disclosure Document that was furnished to you by us. No amendment, change or variance from this Agreement shall be binding on either party unless mutually agreed to by the parties and executed by their authorized officers or agents in writing.

18.2. This Agreement takes effect upon its acceptance and execution by us. Except to the extent this Agreement or any particular dispute is governed by the U.S. Trademark Act of 1946 (Lanham Act, 15 U.S.C. Section 1051 and the sections following it) or other federal law, this

Agreement and the relationship created hereby are governed by Delaware law, excluding any law regulating the sale of franchises or governing the relationship between a franchisor and franchisee, unless the jurisdictional requirements of such laws are met independently without reference to this Section. References to any law or regulation also refer to any successor laws or regulations and any implementing regulations for any statute, as in effect at the relevant time. References to a governmental agency also refer to any successor regulatory body that succeeds in the function of such agency.

18.3. Subject to the Arbitration provision below, you and we each consent and irrevocably submit to the exclusive jurisdiction and venue of the state and federal courts of competent jurisdiction in Wilmington, Delaware, and waive any objection to the jurisdiction and venue of such courts. This exclusive choice of jurisdiction and venue provision does not restrict the ability of the parties to confirm or enforce judgments or awards in any appropriate jurisdiction.

19. DISPUTE RESOLUTION

19.1 WITH THE EXCEPTION OF ANY CONTROVERSY OR CLAIM RELATING TO (A) THE OWNERSHIP OR IMPROPER USE OF OUR PROPRIETARY MARKS OR CONFIDENTIAL INFORMATION, (B) EQUITABLE CLAIMS, AND (C) AMOUNTS DUE FROM YOU TO US, THE PARTIES AGREE TO SUBMIT ANY CLAIM, CONTROVERSY OR DISPUTE BETWEEN OR INVOLVING US OR ANY OF OUR AFFILIATES (AND OUR AND THEIR RESPECTIVE SHAREHOLDERS, OFFICERS, DIRECTORS, AGENTS, REPRESENTATIVES AND/OR EMPLOYEES) AND YOU (AND YOUR AGENTS, REPRESENTATIVES AND/OR EMPLOYEES, AS APPLICABLE) ARISING OUT OF OR RELATED TO: (A) THIS MUDA OR ANY OTHER AGREEMENT BETWEEN US AND YOU OR OUR AND YOUR RESPECTIVE AFFILIATES; (B) OUR RELATIONSHIP WITH YOU; (C) THE VALIDITY OF THIS MUDA OR ANY OTHER AGREEMENT BETWEEN YOU AND US OR OUR AND YOUR RESPECTIVE AFFILIATES; OR (D) ANY SYSTEM STANDARD, TO NON-BINDING MEDIATION AT A PLACE THAT WE DESIGNATE WITHIN 25 MILES OF WHERE OUR PRINCIPAL OFFICES ARE LOCATED AT THE TIME THE DEMAND FOR MEDIATION IS FILED. (IF YOU AND WE CANNOT AGREE ON A LOCATION, THE MEDIATION WILL BE CONDUCTED AT OUR HEADQUARTERS). THE MEDIATION SHALL BE CONDUCTED BY EITHER A MUTUALLY AGREED-UPON MEDIATOR OR, FAILING SUCH AGREEMENT WITHIN A REASONABLE PERIOD OF TIME (NOT TO EXCEED 15 DAYS) AFTER EITHER PARTY HAS NOTIFIED THE OTHER OF ITS DESIRE TO SEEK MEDIATION, BY THE AMERICAN ARBITRATION ASSOCIATION IN ACCORDANCE WITH ITS COMMERCIAL MEDIATION PROCEDURES. ABSENT AGREEMENT TO THE CONTRARY, THE MEDIATOR SHALL BE EXPERIENCED IN THE MEDIATION OF FRANCHISE DISPUTES. YOU AND WE AGREE THAT ANY STATEMENTS MADE BY EITHER YOU OR US IN ANY SUCH MEDIATION PROCEEDING WILL NOT BE ADMISSIBLE IN ANY SUBSEQUENT ARBITRATION OR LEGAL PROCEEDING. EACH PARTY WILL BEAR ITS OWN COSTS AND EXPENSES OF CONDUCTING THE MEDIATION AND SHARE EQUALLY THE COSTS OF ANY THIRD PARTIES WHO ARE REQUIRED TO PARTICIPATE. NEVERTHELESS, BOTH YOU AND WE HAVE THE RIGHT IN A

PROPER CASE TO OBTAIN TEMPORARY RESTRAINING ORDERS AND TEMPORARY OR PRELIMINARY INJUNCTIVE RELIEF FROM A COURT OF COMPETENT JURISDICTION. HOWEVER, THE PARTIES MUST IMMEDIATELY AND CONTEMPORANEOUSLY SUBMIT THE DISPUTE FOR NON-BINDING MEDIATION. IF THE PARTIES ARE UNABLE TO RESOLVE THE CLAIM, CONTROVERSY OR DISPUTE WITHIN 90 DAYS AFTER THE MEDIATOR HAS BEEN CHOSEN, THEN, UNLESS SUCH TIME PERIOD IS EXTENDED BY THE WRITTEN AGREEMENT OF THE PARTIES, EITHER PARTY MAY BRING A LEGAL PROCEEDING UNDER THIS SECTION. THE MEDIATION PROVISIONS OF THIS MUDA ARE INTENDED TO BENEFIT AND BIND CERTAIN THIRD-PARTY NON-SIGNATORIES, AND ALL OF YOUR AND OUR OWNERS AND AFFILIATES.

19.2. WITH THE EXCEPTION OF ANY CONTROVERSY OR CLAIM RELATING TO (A) THE OWNERSHIP OR IMPROPER USE OF OUR PROPRIETARY MARKS OR CONFIDENTIAL INFORMATION, (B) EQUITABLE CLAIMS, AND (C) AMOUNTS DUE FROM YOU TO US, ANY DISPUTE ARISING OUT OF OR IN CONNECTION WITH THIS MUDA, IF NOT RESOLVED BY THE NEGOTIATION AND MEDIATION PROCEDURES DESCRIBED ABOVE, MUST BE DETERMINED WITHIN 50 MILES OF WHERE OUR PRINCIPAL OFFICES ARE LOCATED AT THE TIME THE DEMAND FOR ARBITRATION IS FILED BY THE AMERICAN ARBITRATION ASSOCIATION (“AAA”) (IF YOU AND WE CANNOT AGREE ON A LOCATION, THE ARBITRATION WILL BE CONDUCTED AT OUR HEADQUARTERS). THIS ARBITRATION CLAUSE WILL NOT DEPRIVE US OF ANY RIGHT WE MAY OTHERWISE HAVE TO SEEK PROVISIONAL INJUNCTIVE RELIEF FROM A COURT OF COMPETENT JURISDICTION. THE ARBITRATOR MUST HAVE SUBSTANTIAL EXPERIENCE IN FRANCHISE LAW AND WITH COMMERCIAL DISPUTES. THE PARTIES ASK THAT THE ARBITRATOR LIMIT DISCOVERY TO THE GREATEST EXTENT POSSIBLE CONSISTENT WITH BASIC FAIRNESS IN ORDER TO MINIMIZE THE TIME AND EXPENSE OF ARBITRATION. IF PROPER NOTICE OF ANY HEARING HAS BEEN GIVEN, THE ARBITRATOR WILL HAVE FULL POWER TO PROCEED TO TAKE EVIDENCE OR TO PERFORM ANY OTHER ACTS NECESSARY TO ARBITRATE THE MATTER IN THE ABSENCE OF ANY PARTY WHO FAILS TO APPEAR. BOTH PARTIES WAIVE ANY RIGHTS THEY MAY HAVE TO DEMAND TRIAL BY JURY OR TO SEEK PUNITIVE DAMAGES FROM ONE ANOTHER. THE ARBITRATOR WILL HAVE NO POWER TO: (A) STAY THE EFFECTIVENESS OF ANY PENDING TERMINATION OF FRANCHISE; (B) ASSESS PUNITIVE DAMAGES AGAINST EITHER PARTY; OR (C) MAKE ANY AWARD THAT MODIFIES OR SUSPENDS ANY LAWFUL PROVISION OF THIS MUDA. THE PARTY AGAINST WHOM THE ARBITRATOR RENDERS A DECISION MUST PAY ALL EXPENSES OF ARBITRATION. ANY COURT OF COMPETENT JURISDICTION MAY ENTER JUDGMENT UPON ANY AWARD.

19.3. As a mandatory condition precedent prior to your taking any legal or other action against us, whether for damages, injunctive, equitable or other relief (including, but not limited to, rescission), based upon any alleged act or omission of ours, you shall first give us 90 days prior written notice and opportunity to cure such alleged act or omission, or to resolve such matter.

19.4. Nothing in this Agreement shall bar our right to obtain specific performance of the provisions of this Agreement and injunctive relief against threatened conduct that will cause us loss or damage, under customary equity rules, including applicable rules for obtaining restraining orders and preliminary injunctions. You agree that we may apply for such injunctive relief, without bond, but upon due notice, in addition to such further and other relief as may be available at equity or law, and your sole remedy, in the event of the entry of such injunction, shall be the dissolution of such injunction, if warranted, upon hearing duly held (all claims for damages by reason of the wrongful issuance of any such injunction being expressly waived).

19.5. No right or remedy conferred upon or reserved to us or you by this Agreement is intended to be, nor shall be deemed, exclusive of any other right or remedy herein or by law or equity provided or permitted, but each shall be cumulative of every other right or remedy.

19.6. YOU AND WE HEREBY UNCONDITIONALLY AND IRREVOCABLY WAIVE ANY RIGHT TO A JURY TRIAL IN ANY ACTION ARISING OUT OF OR IN CONNECTION WITH THIS MUDA, THE RELATIONSHIP CREATED BY THIS AGREEMENT, OR ANY OTHER AGREEMENTS BETWEEN YOU AND US AND/OR YOUR AND OUR RESPECTIVE AFFILIATES.

19.7. FOR YOUR OBLIGATIONS TO US AND CLAIMS FOR UNAUTHORIZED USE OF THE MARKS OR CONFIDENTIAL INFORMATION, YOU WAIVE, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT TO, OR CLAIM FOR, ANY CONSEQUENTIAL, PUNITIVE OR EXEMPLARY DAMAGES AGAINST US. YOU ALSO AGREE THAT, IN THE EVENT OF A DISPUTE BETWEEN YOU AND US, THE PARTY MAKING THE CLAIM WILL BE LIMITED TO EQUITABLE RELIEF AND RECOVERY OF ANY ACTUAL DAMAGES YOU SUSTAIN.

19.8. ANY AND ALL CLAIMS ARISING OUT OF OR IN CONNECTION WITH THIS MUDA OR THE RELATIONSHIP BETWEEN YOU AND US MUST BE MADE BY WRITTEN NOTICE TO THE OTHER PARTY WITHIN ONE YEAR FROM THE OCCURRENCE OF THE ACT OR EVENT GIVING RISE TO SUCH CLAIM OR ONE YEAR FROM THE DATE ON WHICH YOU OR WE KNEW OR SHOULD HAVE KNOWN, IN THE EXERCISE OF REASONABLE DILIGENCE, OF THE FACTS GIVING RISE TO SUCH CLAIMS, WHICHEVER OCCURS FIRST, EXCEPT FOR CLAIMS FOR: (A) INDEMNIFICATION; OR (B) UNAUTHORIZED USE OF THE CONFIDENTIAL INFORMATION OR PROPRIETARY MARKS. HOWEVER, THIS PROVISION DOES NOT LIMIT OUR RIGHT TO TERMINATE THIS AGREEMENT IN ANY WAY.

19.9. You shall pay to us all damages, costs and expenses (including without limitation reasonable attorneys' fees) that we incur subsequent to the termination or expiration of the license

granted under this Agreement in: (a) obtaining injunctive or other relief for the enforcement of any provisions of this Agreement; (b) successfully defending a claim that we defrauded you into signing this Agreement, that the provisions of this Agreement are not fair, were not properly entered into, and/or that the terms of this Agreement do not govern the parties' relationship; and/or (c) enforcing any term in this Agreement.

20. TIMELY PERFORMANCE

You hereby acknowledge that your timely development of the Units in the Development Area in accordance with the Development Schedule is of material importance to us and you. You agree, as a condition of the continuance of the rights granted hereunder, to develop and open Units within the Development Area in accordance with the Development Schedule, to operate such Unit pursuant to the terms of the Franchise Agreements and to maintain all such Units in operation continuously. We agree to diligently act upon any request of or approval from you and any material delay in your ability to meet the Development Schedule which is directly caused by our failure to act diligently upon a request for approval shall not constitute a default hereunder. Further, a failure or delay in performance by any party to this Agreement shall not be a default hereunder if such failure or delay arises out of or results from a "Force Majeure", which for purposes of this Agreement shall be defined as fire, flood, acts of God, global pandemic, government shutdown, earthquake or other natural disasters, or acts of a public enemy, war, act of terrorism, rebellion or sabotage. Force Majeure shall not include your lack of financing.

21. ACKNOWLEDGMENTS

21.1. You acknowledge and agree that we shall have the right to operate the System as we determine is appropriate, including but not limited to making decisions of whether to enter into an agreement of any sort with any party (such as a prospective franchisee), determining the terms of any agreement that we will enter into with any party (such as the provisions of a Franchise Agreement), determining whether and how to enforce its agreements (such as whether and when to bring actions to require payment in full by all parties, including franchisees), and all other matters whatsoever pertaining to the System. You understand that you shall not have any right whatsoever to enforce or to require us to do business with any particular party, enter into any particular agreement, or to enforce the terms of any particular Franchise Agreement.

21.2. You acknowledge that you have conducted an independent investigation of this opportunity and recognize that the business venture contemplated by this Agreement involves business risks and that its success will be largely dependent upon the ability of you as an independent businessperson or business. We expressly disclaim the making of, and you acknowledge that you have not received, any warranty or guarantee, express or implied, orally or in writing, as to the potential volume, profits, or success of the business venture contemplated by this Agreement.

21.3. You acknowledge that you have read and understood this Agreement, the documents referred to in this Agreement and agreements relating thereto, if any; and that we have accorded you ample time and opportunity to consult with advisors and/or attorneys of your own choosing about the potential benefits and risks of entering into this Agreement.

21.4. You acknowledge and agree that we have in the past, and may in the future, modify the offer of its licenses to other multi-unit developers in any manner and at any time, which offers and agreements have or may have terms, conditions, and obligations that differ from the terms, conditions, and obligations in this Agreement.

21.5. You acknowledge that you received the Disclosure Document required by the Federal Trade Commission Franchise Rule at least 14 calendar days prior to the date on which this Agreement was executed or any consideration was paid to us.

21.6. Each party represents and warrants to the others that there are no other agreements, court orders, or any other legal obligations that would preclude or in any manner restrict such party from: (a) negotiating and entering into this Agreement; (b) exercising its rights under this Agreement; and/or (c) fulfilling its responsibilities under this Agreement.

21.7. You acknowledge that the success of the business venture contemplated under this Agreement is speculative and depends, to a large extent, upon your ability as an independent businessperson, his/her active participation in the daily affairs of the business, market conditions, area competition, availability of product, quality of services provided as well as other factors. We do not make any representation or warranty express or implied as to the potential success of the business venture contemplated hereby.

21.8. We expressly disclaim the making of, and you acknowledge that you have not received nor relied upon, any warranty or guaranty, express or implied, as to the revenues, profits or success of the business venture contemplated by this Agreement.

22. EFFECTIVE DATE

22.1 This Agreement shall be effective as of the date it is executed by us.

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

EVA USA, INC.

DEVELOPER:

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

**MULTI-UNIT DEVELOPMENT AGREEMENT
ATTACHMENT A**

CERTIFICATION BY DEVELOPER

The undersigned, _____, personally, (“**Developer**”) do/does hereby certify that they have conducted an independent investigation of the business contemplated by this Multi-Unit Development Agreement and the EVA USA, Inc. Franchise Agreement, and that the decision to execute the Multi-Unit Development Agreement was based entirely upon the independent investigation by the undersigned; and the undersigned further certifies that he has not relied upon, in any way, any claims regarding potential sales, income, or earnings to be derived from the business contemplated by the Franchise Agreement and Multi-Unit Development Agreement, and has not relied upon any claims regarding past or current sales, income or earnings of Franchisor-operated Units, except as may be included in the EVA Franchise Disclosure Document heretofore provided to Developer. The undersigned further certifies that he/she understands the risks involved in this investment and EVA USA, Inc. makes no representation or guaranty, explicit or implied, that the Developer will be successful or will recoup his/her investment.

Each of the undersigned owns a 5% or greater beneficial interest in Developer, each has read this Multi-Unit Development Agreement, and each agrees to be individually bound by all obligations of Developer hereunder.

IN WITNESS WHEREOF, this Certification has been signed the day and year below.

DEVELOPER’S MEMBERS/STOCKHOLDERS:

Personally and Individually (Printed Name)

Personally and Individually (Printed Name)

Personally and Individually (Signature)

Personally and Individually (Signature)

Date Signed

Date Signed

**MULTI-UNIT DEVELOPMENT AGREEMENT
ATTACHMENT B**

GUARANTY

In consideration of the execution by EVA USA, Inc. of the annexed Multi-Unit Development Agreement, and acknowledging that undersigned will benefit directly or indirectly from the execution thereof, the undersigned, _____, agree(s) to be jointly and severally bound by and agree to guaranty the performance of all of the terms and conditions of the Multi-Unit Development Agreement and any amendments thereto or renewals thereof, and do hereby execute this Multi-Unit Development Agreement for the purpose of binding and obligating themselves to the terms and conditions of the aforesaid Multi-Unit Development Agreement and any amendments thereto or renewals thereof.

The guarantors hereunder hereby waive notice of termination or default under the Multi-Unit Development Agreement.

Each of the undersigned owns a 5% or greater beneficial interest in Developer, each has read this Multi-Unit Development Agreement, and each agrees to be individually bound by all obligations of Developer hereunder.

IN WITNESS WHEREOF, this Guaranty has been signed the day and year below.

GUARANTORS:

Personally and Individually (Printed Name)

Personally and Individually (Printed Name)

Personally and Individually (Signature)

Personally and Individually (Signature)

Date Signed

Date Signed

**MULTI-UNIT DEVELOPMENT AGREEMENT
ATTACHMENT C**

DEVELOPMENT SCHEDULE

The Agreement authorizes and obliges Developer to establish and operate the number of Units in the chart below pursuant to a then-current franchise agreement for each Unit. The following is Developer's Development Schedule (the chart below may expand based on the number of Units purchased):

Unit #	Deadline for Opening	Total # of Units to be Open and Operating on Deadline	Amount Due
			\$ _____
			\$ _____
			\$ _____
			\$ _____
			\$ _____
Total Development Fee:			
Initial Franchise Fee:			
Total Due at Signing:			

As set forth in the Development Agreement, this Development Schedule shall be deemed completed, and this Agreement shall expire upon the opening of the final Unit being developed pursuant to this Agreement.

IN WITNESS WHEREOF the parties hereto, intending to be legally bound hereby have duly executed this Development Schedule.

EVA USA, INC.

By: _____

Name: _____

Title: _____

Date: _____

DEVELOPER:

By: _____

Name: _____

Title: _____

Date: _____



**MULTI-UNIT DEVELOPMENT AGREEMENT
ATTACHMENT D**

DEVELOPMENT AREA

The following describes the Development Area within which Developer may locate Units under the MUDA:

☐ **Check if Map attached**

IN WITNESS WHEREOF the parties hereto, intending to be legally bound hereby have duly executed this Development Area.

EVA USA, INC.

DEVELOPER:

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

**MULTI-UNIT DEVELOPMENT AGREEMENT
ATTACHMENT E**

STATE ADDENDA TO THE MULTI-UNIT DEVELOPMENT AGREEMENT

ILLINOIS ADDENDUM TO MULTI-UNIT DEVELOPMENT AGREEMENT

If any of the terms of the Multi-Unit Development Agreement are inconsistent with the terms below, the terms below control.

1. Capitalized terms used but not defined in this Addendum have the meanings given in the Agreement. The “Illinois Act” means the Illinois Franchise Disclosure Act of 1987.
2. The Multi-Unit Development Agreement is governed by Illinois law.
3. In conformance with Section 4 of the Illinois Act, any provision in the Multi-Unit Development Agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a Multi-Unit Development Agreement may provide for arbitration to take place outside of Illinois.
4. Your rights upon Termination and Non-Renewal are set forth in Sections 19 and 20 of the Illinois Act.
5. In conformance with Section 41 of the Illinois Act, any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Act or any other law of Illinois is void.
6. This Addendum is effective as of the Effective Date.

FRANCHISEE:

EVA USA, INC.

By:_____

By:_____

Date:_____

Date:_____

MARYLAND ADDENDUM TO MULTI-UNIT DEVELOPMENT AGREEMENT

If any of the terms of the Multi-Unit Development Agreement are inconsistent with the terms below, the terms below control.

1. Capitalized terms used but not defined in this Rider have the meanings given in the Agreement. The “Maryland Franchise Law” means the Maryland Franchise Registration and Disclosure Law, Business Regulation Article, §14-206, Annotated Code of Maryland.
2. Notwithstanding any provision of the Agreement to the contrary, as a condition of the sale of a franchise, Franchisor shall not require a prospective franchisee to agree to a release, assignment, novation, waiver, or estoppel that would relieve Franchisor or any other person from liability under the Maryland Franchise Law.
3. Pursuant to COMAR 02-02-08-16L, 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.
4. Any provision of the Agreement which provides for a period of limitations for causes of action shall not apply to causes of action under the Maryland Franchise Law, Business Regulation Article, §14-227, Annotated Code of Maryland. Franchisee must bring an action under such law within three years after the grant of the franchise.
5. Notwithstanding any provision of the Agreement to the contrary, Franchisee does not waive its right to file a lawsuit alleging a cause of action arising under the Maryland Franchise Law in any court of competent jurisdiction in the State of Maryland.
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.

FRANCHISEE:

EVA USA, INC.

By:_____

By:_____

Date:_____

Date:_____

EXHIBIT F TO THE FRANCHISE DISCLOSURE DOCUMENT

**EVA USA INC.
LIST OF CURRENT AND FORMER FRANCHISEES**

Franchisees as of December 31, 2023			
State	Business Location	Franchisee	Contact Information
Texas	3105 Justin Road, Building C Flower Mound, TX 75028	Middle Initial, LLC	(972) 955-3022

Franchisees that have Left the System as of December 31, 2023			
State	Business Location	Franchisee	Contact Information
N/A	N/A	N/A	N/A

EXHIBIT G TO THE FRANCHISE DISCLOSURE DOCUMENT

FRANCHISEE DISCLOSURE QUESTIONNAIRE

FRANCHISEE DISCLOSURE QUESTIONNAIRE

Do not sign the Franchisee Disclosure Questionnaire if you are a resident of Maryland or the business is to be operated in Maryland.

As you know, EVA USA, Inc. and you are preparing to enter into a Franchise Agreement for the operation of a franchised business. In this Franchisee Disclosure Questionnaire, EVA USA, Inc. will be referred to as “we”, “our” or “us.” The purpose of this Questionnaire is to determine whether any statements or promises were made to you that we did not authorize and that may be untrue, inaccurate, or misleading. Please review each of the following questions carefully and provide honest and complete responses to each question.

1. Have you received and personally reviewed EVA USA, Inc.’s Franchise Agreement and each exhibit, addendum, and schedule attached to it?
Yes _____ No _____
2. Have you received and personally reviewed the EVA USA, Inc. Franchise Disclosure Document we provided to you?
Yes _____ No _____
3. Do you understand that the success or failure of your business will depend in large part upon your skills and abilities, competition from other businesses, interest rates, inflation, labor and supply costs, lease terms, and other economic and business factors?
Yes _____ No _____
4. Has any employee or other person speaking on our behalf made any statement or promise concerning the revenues, profits, or operating costs of an EVA business that we or our franchisees operate?
Yes _____ No _____
5. Has any employee or other person speaking on our behalf made any statement or promise concerning an EVA business that is contrary to, or different from, the information contained in the Disclosure Document?
Yes _____ No _____
6. Has any employee or other person speaking on our behalf made any statement or promise concerning the likelihood of success that you should or might expect to achieve from operating a franchised business?
Yes _____ No _____

7. Has any employee or other person speaking on our behalf made any statement, promise, or agreement concerning the advertising, marketing, training, support service, or assistance that we will furnish to you that is contrary to, or different from, the information contained in this Disclosure Document?

Yes _____ No _____

8. If you have answered “Yes” to any of questions 4 through 7, please provide a full explanation of your answer in the following blank lines. (Attach additional pages, if necessary, and refer to them below.) If you have answered “No” to each of these questions, please leave the following lines blank.

9. Do you understand that in all dealings with you, our officers, directors, employees, and agents act only in a representative capacity and not in an individual capacity and these dealings are solely between you and us?

Yes _____ No _____

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

By signing this Franchisee Disclosure Questionnaire, you are representing that you have responded truthfully to the above questions as if you were signing them under oath.

Signature

Signature

Name of Franchisee/Applicant

Name of Franchisee/Applicant

Date

Date

EXHIBIT H TO THE FRANCHISE DISCLOSURE DOCUMENT

**EVA USA INC.
STATE ADDENDA TO THE DISCLOSURE DOCUMENT**

CALIFORNIA ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

As to franchises governed by the California Franchise Investment Law, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

RISK FACTORS:

1. In registering this franchise, the California Department of Financial Protection and Innovation has not reviewed, and makes no statement concerning, the franchisor's compliance with state and federal licensing and regulatory requirements relating to the practice of medicine. You should consult with your attorney concerning these laws, regulations, and ordinances that may affect the operation of your business. If California Medical Board, or any other agency overseeing the practice of medicine in this state, determines that the operation of the franchise fails to comply with state law, the franchisor may be required to cease operations of the franchised business in California. This may result in the termination of your franchise and loss of your investment.

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 FRANCHISE DISCLOSURE DOCUMENT.

Item 3 of the Disclosure Document is amended by adding the following paragraph:

Neither we nor any person or franchise broker in Item 2 of this Disclosure Document is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling these persons from membership in this association or exchange.

Item 5 of the Disclosure Document is amended by adding the following paragraph:

The Department has determined that we, the franchisor, have not demonstrated we are adequately capitalized and/or that we must rely on franchise fees to fund our operations. The Commissioner has imposed a fee deferral condition, which requires that we defer the collection of all initial fees from California franchisees until we have completed all of our pre-opening obligations, and you are open for business. For California franchisees who sign a development agreement, the payment of the development and initial fees attributable to a specific unit in your development schedule is deferred until that unit is open.

Item 17 of the Disclosure Document is amended by adding the following paragraphs:

California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning termination, transfer, or non-renewal of a franchise. If the franchise agreement contains a provision that is inconsistent with the law, the law will control.

Item 17.g. of the Disclosure Document is modified to state that, in addition to the grounds for immediate termination specified in Item 17.h., the franchisor can terminate upon written notice and a 60-day opportunity to cure for a breach of the Franchise Agreement.

Item 17.h. of the Disclosure Document is modified to state that the franchisor can terminate immediately for insolvency, abandonment, mutual agreement to terminate, material misrepresentation, legal violation persisting 10 days after notice, repeated breaches, judgment, criminal conviction, monies owed to the franchisor more than 5 days past due, and imminent danger to public health or safety.

Item 19 of the Disclosure Document: The earnings claims figures do not reflect the costs of sales, operating expenses, or other costs or expenses that must be deducted from the gross sales figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expense you will incur in operating your franchised business. Franchisees or former franchisees, listed in the Disclosure Document, may be one source of this information.

The franchise agreement requires application of the laws of Delaware. This provision may not be enforceable under California law.

The franchise agreement contains a covenant not to compete which extends beyond the termination of the franchise. This provision may not be enforceable under California law.

The franchise agreement requires binding arbitration. The arbitration will occur in Wilmington, Delaware, with the costs being borne according to the Rules for Commercial Arbitration of the American Arbitration Association. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

SECTION 31125 OF THE FRANCHISE INVESTMENT LAW REQUIRES US TO GIVE TO YOU A DISCLOSURE DOCUMENT APPROVED BY THE COMMISSIONER OF THE DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION BEFORE WE ASK YOU TO CONSIDER A MATERIAL MODIFICATION OF YOUR FRANCHISE AGREEMENT.

YOU MUST SIGN A GENERAL RELEASE OF CLAIM IF YOU RENEW OR TRANSFER YOUR FRANCHISE. CALIFORNIA CORPORATIONS CODE §31512 VOIDS A WAIVER OF YOUR RIGHTS UNDER THE FRANCHISE INVESTMENT LAW (CALIFORNIA CODE §§31000 THROUGH 31516). BUSINESS AND PROFESSIONS CODE §20010 VOIDS A

WAIVER OF YOUR RIGHTS UNDER THE FRANCHISE RELATIONS ACT (BUSINESS AND PROFESSIONS CODE §§20000 THROUGH 20043).

Our website is located at www.eva.gg.

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

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

HAWAII ADDENDUM TO THE DISCLOSURE DOCUMENT

As to franchises governed by the Hawaii Franchise Investment Law, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

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

THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, OR SUBFRANCHISOR, AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE, OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THE DISCLOSURE DOCUMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

THIS DISCLOSURE DOCUMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

Item 5 of the Disclosure Document is amended to state that the Initial Franchise Fees owed by franchisees shall be deferred until Franchisor has satisfied its pre-opening obligations to franchisee and franchisee has commenced operations its Franchised Business.

Registered agent in the state authorized to receive service of process:

Commissioner of Securities of the State of Hawaii
Department of Commerce and Consumer Affairs
Business Registration Division
Securities Compliance Branch
335 Merchant Street, Room 203
Honolulu, HI 96813

ILLINOIS ADDENDUM TO THE DISCLOSURE DOCUMENT

As to franchises governed by the Illinois Franchise Disclosure Act, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

1. Item 5 of the Franchise Disclosure Document is amended to state that the Initial Franchise Fees owed by franchisees shall be deferred until Franchisor has satisfied its pre-opening obligations to franchisee and franchisee has commenced operations its Franchised Business. The Illinois Attorney General Office has imposed this deferral requirement due to Franchisor's financial condition.

2. Item 17.w. is modified to provide that Illinois law applies.

3. 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.

4. In conformance with Section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation, or provision of the Franchise Agreement purporting to bind you to waive compliance with any provision of the Illinois Franchise Disclosure Act or any other law of the State of Illinois is void.

5. The conditions under which your Franchise Agreement can be terminated and your rights upon nonrenewal may be affected by Sections 19 and 20 of the Illinois Franchise Disclosure Act.

6. No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

MARYLAND ADDENDUM TO THE DISCLOSURE DOCUMENT

As to franchises governed by the Maryland Franchise Registration and Disclosure Law, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

1. Item 5 is modified to also provide, “Based on the Franchisor’s financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until Franchisor completes its pre-opening obligations under the Franchise Agreement. In addition, all development fees and initial payments by area developers shall be deferred until the first franchise under the Multi-Unit Development Agreement opens.

2. Item 17.b. is modified to also provide, “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.

3. Item 17.u. is modified to also provide, “A Maryland franchise regulation states that it is an 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.”

4. Item 17.v. is modified to also provide, “Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.”

5. The Franchise Disclosure Questionnaire is modified to provide “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.”

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

MINNESOTA ADDENDUM TO THE DISCLOSURE DOCUMENT

As to franchises governed by the Minnesota franchise laws, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

- Minn. Stat. §80C.21 and Minn. Rule 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreements can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statutes, Chapter 80C, or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.
- With respect to franchises governed by Minnesota law, the franchisor will comply with Minn. Stat. Sec. 80C.14 Subds. 3, 4, and 5 which require (except in certain specified cases), that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the franchise agreement and that consent to the transfer of the franchise will not be unreasonably withheld.
- The franchisor will protect the franchisee's rights to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify the franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name.
- Minnesota considers it unfair to not protect the franchisee's right to use the trademarks. Refer to Minnesota Statutes 80C.12, Subd. 1(g).
- Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.
- The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rules 2860.4400J.

Also, a court will determine if a bond is required.

The Limitations of Claims section must comply with Minnesota Statutes, Section 80C.17, Subd. 5

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

Item 21 of the Franchise Disclosure Document shall be amended to include the following: "Franchisor has posted a surety bond with the State of Minnesota equal to the Initial Franchise Fee multiplied by the number of franchises projected to be opened in Minnesota this fiscal year."

NEW YORK ADDENDUM TO THE DISCLOSURE DOCUMENT

As to franchises governed by the New York franchise laws, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

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 DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND THE APPROPRIATE STATE OR PROVINCIAL AUTHORITY.

THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE SET 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 the “Summary” sections of Item 17(c), titled **“Requirements for franchisee to renew or extend,”** and Item 17(m), entitled **“Conditions for franchisor approval of transfer”**:

However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687.4 and 687.5 be satisfied.

4. The following language replaces the “Summary” section of Item 17(d), titled **“Termination by franchisee”**:

You may terminate the agreement on any grounds available by law.

5. The following is added to the end of the “Summary” sections of Item 17(v), titled **“Choice of forum,”** and Item 17(w), titled **“Choice of law”**:

The 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.

6. Franchise Questionnaires and Acknowledgements—No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

7. Receipts—Any sale made must be in compliance with §683(8) of the Franchise Sale Act (N.Y. Gen. Bus. L. §680 *et. seq.*), which describes the time period a Franchise Disclosure Document (offering prospectus) must be provided to a prospective franchisee before a sale may be made. New York law requires a franchisor to provide the Franchise Disclosure Document at the earlier of the first personal meeting, ten (10) business days before the execution of the franchise or other agreement, or the payment of any consideration that relates to the franchise relationship.

NORTH DAKOTA ADDENDUM TO THE DISCLOSURE DOCUMENT

As to franchises governed by the North Dakota franchise laws, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

Restrictive Covenants: To the extent that covenants not to compete apply to periods after the term of the franchise agreement, they are generally unenforceable under North Dakota law.

General Release: Any requirement that the franchisee sign a general release upon renewal of the franchise agreement does not apply to franchise agreements covered under North Dakota law.

Enforcement of Agreement: Any requirement in the Franchise Agreement that requires the franchisee to pay all costs and expenses incurred by the franchisor in enforcing the agreement is void. Instead, the prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney's fees.

Items 5 and 7 of the of the Disclosure Document shall be amended to state that the Initial Franchise Fees/Development Fee owed by franchisees/developers shall be deferred until Franchisor has satisfied its pre-opening obligations to franchisees/developers and franchisee/developer has commenced operations of its Franchised Business.

Item 17(i) of the Disclosure Document is modified and deletes the obligation of franchisees to consent to termination or liquidated damages.

Item 17(u) of the Disclosure Document is modified and amended to provide that all arbitration or mediation required under the Franchise Agreement/Multi-Unit Development Agreement shall be at a location agreeable to all parties and may not be remote from the franchisee's Franchised Business.

Item 17(v) of the Disclosure Document is modified and amended to provide that franchisees are not required to consent to the jurisdiction of courts outside of North Dakota.

Item 17(w) of the Disclosure Document is modified and amended to provide that North Dakota law governs any cause of action arising out of the Franchise Agreement.

Provisions concerning choice of law, jurisdiction and venue, jury waiver, and waiver of punitive damages are hereby deleted and in their place is substituted the following language: "You agree to bring any claim against us, including our present and former employees, agents, and affiliates, which in any way relates to or arises out of this Agreement, or any of the dealings of the parties hereto, solely in arbitration before the American Arbitration Association."

The statute of limitations under North Dakota law shall apply.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the relation relationship shall have the effect of (i) waiving any claims

under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

RHODE ISLAND ADDENDUM TO THE DISCLOSURE DOCUMENT

As to franchises governed by the Rhode Island Franchise Investment Act, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

Item 17.m. of the Disclosure Document is revised to provide:

Section 19-28.1-14 of the Rhode Island Franchise Investment Act prohibits a franchisee to be restricted in choice of jurisdiction or venue. To the extent any such restriction is purported to be required by us, it is void with respect to all franchisees governed under the laws of Rhode Island.

Item 17.w. of the Disclosure Document is revised to provide:

Rhode Island law applies.

SOUTH DAKOTA ADDENDUM TO THE DISCLOSURE DOCUMENT

As to franchises governed by the South Dakota franchise laws, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

1. South Dakota Securities Regulation Office is requiring 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 and franchisees open for business.

VIRGINIA ADDENDUM TO THE DISCLOSURE DOCUMENT

As to franchises governed by the Virginia Retail Franchising Act, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

1. In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document is amended as follows:

Additional Disclosure: The following statements are added to Item 17.h.

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

Item 5 to the Disclosure Document is amended to add the following:

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.

WISCONSIN ADDENDUM TO THE DISCLOSURE DOCUMENT

As to franchises governed by the Wisconsin Fair Dealership Law, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

1. Item 17 is modified to also provide,

If the franchise agreement contains any provisions that conflict with the Wisconsin Fair Dealership Law, the provisions of this Addendum shall prevail to the extent of such conflict.

With respect to franchises governed by Wisconsin law, the Wisconsin Fair Dealership Law applies to most, if not all, franchise agreements and prohibits the termination, cancellation, non-renewal or the substantial change of the competitive circumstances of a dealership agreement without good cause. That Law further provides that 90 days' prior written notice of a proposed termination, etc. must be given to the dealer. The dealer has 60 days to cure the deficiency and if the deficiency is cured, the notice is void.

EXHIBIT I TO THE FRANCHISE DISCLOSURE DOCUMENT

STATE EFFECTIVE DATES

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

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

State	Effective Date
California	
Hawaii	
Illinois	
Indiana	
Maryland	
Michigan	
Minnesota	
New York	
North Dakota	
Rhode Island	
South Dakota	
Virginia	
Washington	
Wisconsin	

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

EXHIBIT J TO THE FRANCHISE DISCLOSURE DOCUMENT

RECEIPTS

RECEIPT

This Disclosure Document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this Disclosure Document and all the agreements carefully.

If EVA USA, Inc. offers you a franchise, we must provide this Disclosure Document to you 14 calendar days before you sign a binding agreement with, or make a payment to, us or an affiliate of ours in connection with the proposed franchise sale, or sooner if required by applicable law.

Applicable state laws in New York and Rhode Island require that we give you this document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreements or the payment of any consideration that relates to the franchise relationship. Michigan requires that we give you this Disclosure Document at least 10 business days before the signing of any binding franchise or other agreement, or the payment of any consideration, whichever occurs first.

If EVA USA Inc. does not deliver this Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the applicable state administrator identified Exhibit A of this Disclosure Document. We authorize the respective state agencies identified in Exhibit A of this Disclosure Document to receive service of process for us in the particular state.

The Issuance Date of this Disclosure Document is: April 26, 2024

The franchise sellers for this offering are:

Name	Principal Business Address	Telephone Number
Benjamin Gautier	251 Little Falls Drive, Wilmington, DE 19808	(888) 556-0150
Jeremy Voyer	251 Little Falls Drive, Wilmington, DE 19808	(888) 556-0150

I received a Disclosure Document issued on April 26, 2024, that included the following exhibits:

A. List of State Administrators/Agents for Service of Process	G. Franchisee Disclosure Questionnaire
B. Operations Manual Table of Contents	H. State Specific Addenda
C. Financial Statements	I. State Effective Dates
D. Franchise Agreement	J. Receipts
E. Multi-Unit Development Agreement	
F. List of Current and Former Franchisees	

_____	_____	_____
Date	Print Name	Signature

_____	_____	_____
Date	Print Name	Signature

Please keep this copy for your records.

RECEIPT

This Disclosure Document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this Disclosure Document and all the agreements carefully.

If EVA USA, Inc. offers you a franchise, we must provide this Disclosure Document to you 14 calendar days before you sign a binding agreement with, or make a payment to, us or an affiliate of ours in connection with the proposed franchise sale, or sooner if required by applicable law.

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F. List of Current and Former Franchisees	

_____	_____	_____
Date	Print Name	Signature

_____	_____	_____
Date	Print Name	Signature

Please sign this copy of the receipt, date your signature, and return it to EVA USA, Inc., 251 Little Falls Drive, Wilmington, DE 19808, contact@eva.gg.