

FRANCHISE DISCLOSURE DOCUMENT



ALM Franchise LLC
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We offer franchises for our scoop and scoop shoppe plus “A La Mode Shoppes”, which are ice cream shoppes that offer handcrafted, small-batch ice cream made exclusively in our nut-free, sesame free and egg-free facility. A La Mode Shoppes serve nut-free, egg-free and sesame-free ice cream products as well as some dairy-free and gluten-free options and other food and beverage products.

The total investment necessary to begin operation of an A La Mode Shoppe franchise is:

Scoop Shoppe Plus	\$284,500 to \$483,000. This includes \$50,000 to \$70,000 that must be paid to us or our affiliates.
Scoop Shoppe	\$190,000 to \$368,000. This includes \$45,000 to \$55,000 that must be paid to us or our affiliates.

If you want development rights, you must pay us a development fee equal to \$35,000 (the initial franchise fee for the first A La Mode Shoppe) plus a deposit of \$17,500 for the second A La Mode Shoppe you will develop and each additional A La Mode Shoppe you will develop. The total investment necessary to begin operation when you sign a development agreement rider is \$302,000 to \$500,500, which assumes the development of a minimum of 2 A La Mode Shoppes (the minimum required if you sign a development agreement rider), and includes \$52,500 that must be paid to us or our 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 governmental agency has verified the information contained in this document.**

You may wish to receive your Disclosure Document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Marc Roth at 400 E 56th Street Apt 38 B, New York, New York 10022 and (917) 676-1080.

The terms of your contract will govern your franchise relationship. Don't rely on the Disclosure Document alone to understand your contract. Read all of your contract carefully. Show your contract and this Disclosure Document to an advisor, like a lawyer or 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, D.C. 20580. You can also visit the FTC's home page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information on franchising.

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

Issuance date of this Franchise Disclosure Document: March 18, 2026

STATE COVER PAGE

How to Use This Franchise Disclosure Document

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

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

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

Your state may have a franchise law, or other law, that requires franchisors to register before offering or selling franchises in the state. Registration does not mean that the state recommends the franchise or has verified the information in this document. To find out if your state has a registration requirement, or to contact your state, use the agency information in Exhibit 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 the development agreement rider require you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in New York. 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 New York than in your own state.
2. **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 franchisor in a system with a longer operating history.
3. **Supplier Control.** You must purchase all or nearly all of the inventory & supplies necessary to operate your business from Franchisor, its affiliates, or from suppliers that Franchisor designates at prices that the Franchisor or they set. These prices may be higher than prices you could obtain elsewhere for the same or similar goods. This may reduce the anticipated profit of your franchised business.
4. **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.

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

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APPLICABLE STATE LAW MIGHT REQUIRE ADDITIONAL DISCLOSURES RELATED TO THE INFORMATION CONTAINED IN THIS DISCLOSURE DOCUMENT. THESE ADDITIONAL DISCLOSURES, IF ANY, APPEAR IN EXHIBIT K.

Item 1

THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

The franchisor is ALM Franchise LLC (“we,” “us,” or “our”). “You” means the individual or entity that buys the franchise. If you are a corporation, partnership, limited liability company, or other entity, your owners must sign our “Guaranty and Assumption of Obligations,” which means that all of the provisions of the Franchise Agreement (a form of which is attached as Exhibit C) also will apply to your owners.

We are a New York limited liability company formed on February 3, 2026. Our principal business address is 400 E 56th Street, Apt 38B, New York, New York 10022. We operate under our legal name, the name “A La Mode” and no other name. If we have an agent in your state for service of process, we disclose that agent in Exhibit B. We began offering franchises for A La Mode Shoppes in March 2026. We have not previously conducted business in this or any other line of business.

We grant franchises for businesses operating under the “A La Mode” name and other trademarks, trade names, service marks, and commercial symbols (collectively, the “Marks”). For reference purposes in this Disclosure Document, we collectively refer to all businesses using the System (defined below) and the Marks as “A La Mode Shoppes,” and we call the A La Mode Shoppe that you will operate the “Shoppe.” A La Mode Shoppes are ice cream shoppes that offer handcrafted, small-batch ice cream made in our nut-free, sesame free and egg-free facility and serve nut-free, sesame-free and egg-free ice cream products, some dairy-free and gluten-free options and other food and beverage products (collectively, “Menu Items”) using the Marks and the System (defined below).

A La Mode Shoppes use our business formats, methods, procedures, signs, designs, layouts, standards, specifications and Marks (the “System”), all of which we may improve, further develop or otherwise modify. Menu Items are prepared in our or our affiliate’s nut-free facility according to our specified recipes and procedures and use high quality ingredients, including all food and beverage items, ingredients, condiments and other products, services and equipment (collectively, the “Proprietary Products”) which now comprise, or in the future may comprise, part of the System or our trade secrets, which are developed by and are proprietary to us or our affiliates. If you acquire a franchise, you must operate the Shoppe according to the System. The Shoppe will be operated from a site we approve located at the principal business address listed on Exhibit B of the Franchise Agreement (the “Premises”).

Our affiliate is A La Mode Shoppe Inc., (“A La Mode Inc.”), a New York corporation company formed on July 11, 2014. A La Mode Inc.’s principal place of business is the same as ours. A La Mode Inc. is the owner of the Marks. On August 24, 2020, we and A La Mode Inc. entered into a trademark, copyright, and know-how license agreement allowing us to use, and sublicense to our franchise owners the right to use, the Marks, System, and other intellectual property anywhere in the world. A La Mode Inc. currently owns and operates an A La Mode Shoppe in New York, New York.

Our affiliate, A La Mode East Hampton LLC (“East Hampton”) is a New York limited liability company formed on December 7, 2021. East Hampton’s principal place of business is the same as ours. East Hampton currently owns and operates an A La Mode Shoppe in East Hampton, New York.

Our affiliate, Dessurt Corp. (“Dessurt”) is a New York corporation incorporated on October 27, 2015 that shares our principal address. Dessurt is the manufacturer of the Proprietary Products that

you must purchase for the Shoppe, which are all processed and manufactured in a nut-free, sesame free and egg-free facility.

Our affiliates have not offered franchises for A La Mode Shoppes or for any other businesses. Except as described above, we have no other affiliates who currently provide products or services to franchise owners of A La Mode Shoppes or who have offered or currently offer franchises in any lines of business.

Our predecessor is A La Mode Franchising LLC. Its principal business address is 360 E 55th Street, New York, New York 1022. A La Mode Franchise has the same ownership as us and was the franchisor of A La Mode Shoppes from September 2020 to September 2021. A La Mode Franchising LLC never operated an A La Mode Shoppe and never offered franchises in any other line of business.

Except as described above, we have no other parents, predecessors or affiliates that must be included in this item.

We offer two types of A La Mode Shoppes: (i) “Scoop Shoppes Plus”, and (ii) “Scoop Shoppes.” Scoop Shoppes Plus will have a footprint large enough (typically 1,000 – 1,200 square feet) to host events such as birthday parties and magic shows. Scoop Shoppes operate in a smaller footprint (typically 200 – 600 square feet) with limited to no seating and only offer Menu Items and Proprietary Products. Unless otherwise specified in this Disclosure Document, references to “A La Mode Shoppes” include both Scoop Shoppes Plus and Scoop Shoppes.

The Shoppe will be located in a specific geographic territory (the “Territory”). You must operate the Shoppe in compliance with the System and as set forth in the Franchise Agreement and our confidential operations manual, which consists of the materials (which may include audiotapes, videotapes, magnetic media, computer software and written materials) we generally furnish to franchisees for use in the operation of A La Mode Shoppes (the “Operations Manual”). The Shoppe meet our specifications as to exterior and interior decor, furniture and logos, and equipment. The Shoppe must have the managers and personnel in sufficient numbers as necessary to promptly, efficiently and effectively service customers.

We also may grant multi-unit development rights to qualified franchise owners, who then will have the right to develop a minimum of 2 and maximum of 4 A La Mode Shoppes within a defined area (the “Area”) over a specific time period or according to a pre-determined development schedule. These franchise owners may open and operate A La Mode Shoppes directly or through controlled affiliates. You must sign our then-current form of franchise agreement for each additional A La Mode Shoppe you develop and operate, which may contain materially different terms than the Franchise Agreement. Our Development Agreement Rider to the Franchise Agreement is attached as Exhibit D. (See Items 5 and 12)

The market for ice cream and frozen yogurt shops is well developed and intensely competitive. While you will still compete in this market, you will be exclusively selling nut-free, egg-free, and sesame-free products which is a unique product base and more niche than the general ice cream and frozen yogurt retail market. You will serve the general public and will compete with a variety of businesses, from locally owned to national chains of bakeries, ice cream and/or frozen yogurt shops. The public’s demand for ice cream is affected by many factors including, without limitation, changing consumer tastes and spending habits, local and national economic conditions, demographics and population, location and traffic patterns, seasonal weather patterns, and prices. Many of the businesses

that compete with A La Mode Shoppes have substantial resources, operating histories, and business experience and include national, regional, and local chains. Your efforts to successfully implement a local advertising plan will be necessary to compete with other businesses.

You must comply with existing laws, regulations, and ordinances that apply generally to all businesses, such as the Americans with Disabilities Act, federal wage and hour laws and state law equivalents, the Affordable Care Act, the Occupational Safety and Health Act, anti-terrorism and anti-corruption laws (such as the Patriot Act and the Foreign Corrupt Practices Act), and data protection and privacy laws (such as credit card protection under the U.S. Fair and Accurate Credit Transactions Act, or “FACTA”). It is your sole responsibility to comply with all applicable laws, and to obtain and maintain all necessary licenses and permits required by public authorities. You should investigate these laws that may apply to the food and beverage industry and to all businesses in general.

Because the Shoppe serves food and beverages, you also must comply with all existing regulations concerning food service, nutrition, calorie content, and other federal or state regulations that apply specifically to the food and beverage service industry. For example, the Environmental Protection Agency, U.S. Food and Drug Administration, the U.S. Department of Agriculture, as well as state and local environmental and health departments and other agencies, have laws and regulations concerning the preparation of food and sanitary conditions of food and beverage establishments. you (or your managing owner) and the General Manager you appoint must attend, receive, and hold a current ServSafe® Food Protection Manager Certification accredited by the American National Accreditation Board (ANAB) from either the National Restaurant Association or any third-party recommended on the ServSafe® website accredited by the ANAB, in addition to any safe food handling courses that may be required by the local municipality in which the Shoppe is located. State and local agencies may periodically conduct inspections for compliance with these requirements. Under the federal Clean Air Act and certain state laws, you may be required to comply with applicable statutory guidelines, such as localized quality standards for ozone, carbon monoxide and particulate matters. Certain provisions of such laws impose limits on emissions resulting from commercial food preparation.

Item 2

BUSINESS EXPERIENCE

Marc Roth: Founder and Member

Mr. Roth is our co-founder and member. He was also the co-founder and has been a member of our affiliates (i) A La Mode Inc. since January 2015, (ii) Dessurt since January 2016, and (iii) A La Mode East Hampton LLC since December 2021. All of Mr. Roth’s positions are located in New York, New York.

Sandy Roth: Founder and Members

Mrs. Roth is our co-founder and member. She was also the co-founder and has been a member of our affiliates (i) A La Mode Inc. since January 2015, (ii) Dessurt since January 2016, and (iii) A La Mode East Hampton LLC since December 2021. All of Mrs. Roth’s positions are located in New York, New York.

Item 3

LITIGATION

No litigation is required to be disclosed in this Item.

Item 4

BANKRUPTCY

No bankruptcy proceedings are required to be disclosed in this Item.

Item 5

INITIAL FEES

Franchise Agreement

Initial Franchise Fee

If we grant you a franchise for an A La Mode Shoppe, then when you sign the Franchise Agreement, you must pay us a non-recurring initial franchise fee (the “Initial Franchise Fee”). If this is your first A La Mode Shoppe, then the Initial Fee will be \$35,000. If you currently own an A La Mode Shoppe, then the Initial Franchise Fee will be \$24,500. The Initial Franchise Fee is fully earned by us when paid and is not refundable under any circumstances, except as provided below in this Item 5. The Initial Franchise Fee is uniform as to all franchise owners purchasing a franchise for an A La Mode Shoppe.

We offer an incentive program for eligible veterans of the United States military forces (the “Vet Fran Incentive”) under which participants may pay a reduced Initial Franchise Fee (currently a 15% reduction of our current standard initial franchise fee of \$35,000) under their first Franchise Agreement for a new A La Mode Shoppe. To qualify, veterans must provide us adequate documentation of their honorable discharge (by submission of a Form DD-256 or other materials we deem acceptable) and the qualified veteran must own at least 51% of the franchisee entity.

You may be eligible to receive a refund of up to 50% (less any costs or expenses incurred by us for administration or training of you and your employees/managers) of your Initial Franchise Fee if: (1) your required attendees to our initial training program described in Item 11 below cannot complete initial training to our satisfaction, we terminate your Franchise Agreement (at our option), and you sign and submit to us a release of claims in a form we prescribe (a sample of which is attached as Exhibit H); or (2) we and you cannot agree upon a location for the Shoppe within 120 days after the date we sign the Franchise Agreement (the “Effective Date”), we terminate your Franchise Agreement (at our option), and you sign and submit to us a release of claims in a form we prescribe (a sample of which is attached as Exhibit H); or (3) you are unable to obtain all necessary governmental approvals, licenses, permits, or other legal authorizations required to open and operate the Shoppe lawfully by the agreed upon opening date, we terminate your Franchise Agreement (at our option), and you sign and

submit to us a release of claims in a form we then prescribe (a sample of which is attached as Exhibit H).

Development Agreement Rider

If we allow you to sign our Development Agreement Rider to the Franchise Agreement because you commit to develop a minimum number of A La Mode Shoppes in an Area, we currently charge a development fee that you must pay in full when you sign the Development Agreement Rider. The development fee due equals the full \$35,000 Initial Franchise Fee for the A La Mode Shoppe covered by that Franchise Agreement plus a deposit of \$17,500 for the second A La Mode Shoppe you will develop and each additional A La Mode Shoppe you will develop. The balance of the Initial Franchise Fee (that is, the remaining \$17,500) for each A La Mode Shoppe is due when you sign the Franchise Agreement for that A La Mode Shoppe. Generally, you will be required to open a minimum of 2 and maximum of 4 A La Mode Shoppes under a Development Agreement Rider, but we and you will determine the number of A La Mode Shoppes you must develop, and the dates by which you must develop them, before signing the Development Agreement Rider.

The development fee is not refundable under any circumstances. If you sign the Development Agreement Rider, pay the development fee, and then cannot find sites for A La Mode Shoppes or choose not to perform for another reason (in which case the first Franchise Agreement and/or the Development Agreement Rider is terminated), we may keep the entire development fee and need not return any money to you.

Grand Opening Campaign

You must spend a minimum amount to advertise and promote the Shoppe during a grand opening period beginning on the date the Shoppe opens and ending 60 days thereafter. We estimate that you will spend between (i) \$5,000 and \$15,000 on a grand opening campaign for a Scoop Shoppe Plus, and (ii) between \$5,000 and \$10,000 on a grand opening campaign for a Scoop Shoppe. You will comply with our guidelines on any grand opening advertising campaign, which may require that we collect all or some portion of this amount and spend it on your behalf. If collected by us or our affiliates, these amounts are fully earned and non-refundable.

Opening Inventory

You must purchase an initial supply of certain Menu Products, Proprietary Products and other products and marketing materials from designated or approved suppliers (which may, but need not, include us or our affiliates) prior to opening the Shoppe. We estimate that you will spend between (i) \$10,000 and \$20,000 on opening inventory for a Scoop Shoppe Plus, and (ii) between \$5,000 and \$10,000 on opening inventory for a Scoop Shoppe. If collected by us or our affiliates, these amounts are fully earned and non-refundable.

Range of Pre-Opening Amounts Received During Prior Fiscal Year

We did not receive any amounts toward the pre-opening fees described above from any franchise owners during our fiscal year ending December 31, 2025.

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Item 6

OTHER FEES

Column 1 Type of Fee⁽¹⁾	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
Continuing Service and Royalty Fee (“Royalty”)	6% of weekly Gross Sales ⁽²⁾	Payable weekly, but no later than the Tuesday following the reporting week which ends the immediately preceding Sunday or other day determined by us. ⁽²⁾	“Gross Sales” means all revenue that you derive from operating the Shoppe, including, but not limited to, all amounts that you receive at or away from the Premises, and whether from cash, check, credit and debit card, barter exchange, trade credit, or other credit transactions and all other income of every kind and nature related to the Shoppe, but (1) excluding all federal, state, or municipal sales, use, or service taxes collected from customers and paid to the appropriate taxing authority and (2) reduced by the amount of any documented refunds, credits, allowances, and charge-backs the Shoppe in good faith gives to customers.
Advertising and Development Fund Contribution (“Fund Contribution”)	Up to 2% of weekly Gross Sales (currently 1% of weekly Gross Sales)	Payable weekly, but no later than the Tuesday following the reporting week which ends the immediately preceding Sunday or other day determined by us. ⁽²⁾	Fund contributions are payable in the same manner as the Royalty. See Item 11 for a detailed discussion about the Advertising and Development Fund (the “Fund”)
Local Advertising	On a monthly basis, a minimum of 1% of Shoppe’s prior month’s Gross Sales	As incurred	You must spend this amount on local marketing activities for the Shoppe according to our guidelines

Column 1	Column 2	Column 3	Column 4
Type of Fee⁽¹⁾	Amount	Due Date	Remarks
Initial Training Fee	Then current training fee per person for our initial training program (currently, \$500 per person, per day, plus expenses, not to exceed \$700 per person, per day.)	As incurred	We provide initial training for you (or your managing owner) and the manager-level employee you appoint (the “General Manager”) at no additional cost (see Item 11). We may charge you for initial training for additional employees at our training facility (see Item 11)
Additional or Renewal Training and Assistance	Then current training fee per person for additional training during the term (currently, \$500 per person, per day, not to exceed \$700 per person, per day.)	As incurred	We may charge you for additional or special assistance or training you need or request or that we may require during the franchise term. These amounts also apply to on-site consultation services we may provide at the Shoppe during the franchise term (including any additional or special guidance, assistance, or training you request during the initial on-site support period) and for new General Managers you may hire or appoint during the franchise term (see Item 11)
Conference Fee	Our then-current charge to attend any franchisee conference we schedule (currently \$500, not to exceed \$1,500)	As required	Required for each franchisee conference we schedule.
Transfer	(i) \$1,500 for transfers of non-controlling interests in franchisee; and (ii) \$15,000 for transfers to a new A La Mode Shoppe Owner or if an existing A La Mode franchisee has a controlling ownership in the transferee	Unless the transfer is of a non-controlling ownership interest, you will pay a \$5,000 non-refundable deposit at the time you indicate you wish to transfer your interest in the Shoppe. The balance of the fee is due prior to the sale of the Shoppe.	\$15,000 if the transfer is to an existing franchisee or the transfer is to a franchisee not currently in our system. \$1,500 if you request us to approve a change in shares that do not impact the controlling interest in the franchisee entity

Column 1 Type of Fee⁽¹⁾	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
Relocation	\$10,000	50% upon our approval to relocate the Shoppe. 50% upon our acceptance of a new site for the Shoppe.	Applicable to relocation in the event lease expires or is terminated without your fault, or if the site for the Premises is destroyed, condemned, or otherwise rendered unusable.
Renewal	\$5,000	Upon signing a Successor Franchise Agreement	You must meet certain conditions to have the option to acquire a successor franchise
Operations Manual	Our actual cost to replace the Operations Manua, which we estimate will be \$500	Immediately upon receipt of invoice	Due only if your copy of the Operations Manual is stolen, lost or significantly damaged
Technology Fee (“Technology Fee”)	Not currently charged	Payable weekly, but no later than the Tuesday following the reporting week which ends the immediately preceding Sunday or other day determined by us. ⁽²⁾	This covers our costs associated with our internal ordering platform. We reserve the right to charge a Technology Fee of up to \$75 per week upon 30 days’ prior written notice to you. We may increase the amount of the Technology Fee by up to five percent (5%) annually, upon written notice to you.
Testing	Our actual cost for the inspection and testing, which we estimate will be between \$2,000 to \$5,000	As incurred	This covers our costs and expenses for evaluating and testing new products or inspecting new suppliers you propose
Computer Systems, Maintenance, and Support	Up to \$100	Weekly	For any technologies that we invoice you for directly. Paid at the same time and manner as the Royalty.
Audit	The cost of inspection or audit, which we estimate to be \$250 per instance.	Upon invoice	Due if you do not give us reports, supporting records, or other required information
Mystery Shopper Program	Our actual costs and expenses	Upon invoice	Due when we (or a third party we designate) assess the Shoppe for quality assurance purposes

Column 1	Column 2	Column 3	Column 4
Type of Fee⁽¹⁾	Amount	Due Date	Remarks
Interest on overdue amounts	4% above the prime rate of interest on the first day of each month or the maximum rate allowable by applicable law ⁽³⁾	As agreed	Due on all overdue amounts
Insurance	You must reimburse our costs	As incurred	If you fail to obtain insurance, we may obtain insurance for you and you must reimburse us
Insufficient Funds Processing Fee	\$250, plus our expenses	As incurred	Due if you have insufficient funds in your EDTA to cover a payment, or, if you pay by check, a check is returned for insufficient funds
Costs and Attorneys' Fees	Will vary under circumstances	As incurred	Due when you do not comply with the Franchise Agreement
Brand Damages	Will vary under circumstances ⁽⁴⁾	As incurred	Due only if we terminate the Franchise Agreement before it expires, in which case you must pay us for all Brand Damages related to the early termination
Indemnification	Will vary under circumstances	As incurred	You must reimburse us if we are held liable for claims from the Shoppe's operations and other damages we incur
Management Fee	Direct out-of-pocket costs and expenses (plus \$400 per day)	As incurred	Due when we (or a third party we designate) manage the Shoppe after your or your managing owner's death or disability or upon your default or abandonment
Administrative Fee	\$500 per day that we have the right to terminate the Franchise Agreement	As incurred	Due when you do not comply with the Franchise Agreement

1/ Except for product and service purchases described in Item 8, and except as otherwise noted in this Item 6, all fees are imposed and collected by and payable to us or our affiliates. Except as noted above, all fees are uniform and nonrefundable.

2/ Before the Shoppe begins operating, you must sign and deliver to us the documents we require to authorize us to debit your business checking account automatically for the Royalty, Fund contributions, Technology Fee, and other amounts due under the Franchise Agreement and for your purchases from us and/or our affiliates (the "Electronic Depository Transfer Account" or

“EDTA”). We will debit the EDTA for these amounts on their due dates. Funds must be available in the EDTA for withdrawal. We may require payment other than by automatic debit, and you must comply with our payment instructions.

If you do not report the Shoppe’s Gross Sales, we may debit your EDTA for 120% of the last Royalty and Fund contribution that we debited. If the amounts we debit are less than the amounts you actually owe us, then we will debit your EDTA for the remaining balance on the day we specify. If the amounts we debit are greater than the amounts you actually owe us, then we will credit the excess against the amounts that we otherwise would debit from your EDTA during the following month less a 2% administrative fee on the excess amount due to your failure to report.

- 3/ If there is no applicable legal maximum rate, interest will be calculated at the rate of 4% above the prime rate of interest on the first day of each month for the past due amount, as published in The Wall Street Journal.
- 4/ Brand Damages include all damages, costs, expenses, attorneys’ and experts’ fees directly or indirectly related to early termination, including lost Royalties, lost Fund contributions, lost profits, loss of goodwill and damage to our Marks and reputation, lost opportunities, travel and personnel costs, expenses that we may incur in developing or finding another franchise owner to develop a new A La Mode Shoppe in the Territory, and any other lost payments or benefits we would have received for the balance of the term of the Franchise Agreement after the effective date of termination.

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Item 7

ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

1. Scoop Shoppe Plus

Column 1	Column 2	Column 3	Column 4	Column 5
Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is to be made
Initial Franchise Fee (1)	\$35,000	Lump Sum	Upon signing Franchise Agreement (and, if applicable, Development Agreement Rider)	Us
Facility Occupancy (2)	\$12,000 - \$18,000	As Agreed	As Incurred	Landlord
Lease, Utility and Security Deposits	\$8,000 - \$12,000	As Agreed	As Incurred	Landlord
Design & Architectural Fees	\$8,000 - \$17,000	As Agreed	As Incurred	Outside Suppliers
Leasehold Improvements (3)	\$100,000 - \$150,000	As Agreed	As Incurred	Outside Suppliers

Column 1	Column 2	Column 3	Column 4	Column 5
Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is to be made
Furniture, Fixtures, Equipment and Smallwares (4)	\$70,000 - \$150,000	As Agreed	As Incurred	Outside Suppliers
Signage	\$3,000 - \$6,000	As Agreed	As Incurred	Outside Suppliers
Computer System (5)	\$1,500 - \$2,000	As Agreed	As Incurred	Outside Suppliers
Professional Fees	\$3,000 - \$5,000	As Agreed	As Incurred	Lawyers, Accountants and other Advisors
Opening Inventory (6)	\$10,000 - \$20,000	As Agreed	Before opening	Designated and Approved Suppliers, Us
Office Equipment and Supplies	\$2,000 - \$5,000	As Agreed	As Incurred	Designated and Approved Suppliers
Grand Opening Campaign (7)	\$5,000 - \$15,000	As Incurred	Before opening	Designated and Approved Suppliers, Us
Training Expenses (out-of-pocket costs for up to 2 people) (8)	\$5,000 - \$6,000	As Incurred	As Incurred	Third Parties
Insurance (9)	\$2,000 - \$7,000	As Incurred	As Incurred	Insurance Company
Additional Funds – 3 months (10)	\$20,000 - \$35,000	As Incurred	As Incurred	Third Parties
TOTAL ESTIMATED INITIAL INVESTMENT (11)	\$284,500 - \$483,000			

2. Scoop Shoppe

Column 1 Type of Expenditure	Column 2 Amount	Column 3 Method of Payment	Column 4 When Due	Column 5 To Whom Payment is to be made
Initial Franchise Fee (1)	\$35,000	Lump Sum	Upon signing Franchise Agreement (and, if applicable, Development Agreement Rider)	Us
Facility Occupancy (2)	\$6,000 - \$15,000	As Agreed	As Incurred	Landlord
Lease, Utility and Security Deposits	\$4,000 - \$10,000	As Agreed	As Incurred	Landlord
Design & Architectural Fees	\$5,000 - \$15,000	As Agreed	As Incurred	Outside Suppliers
Leasehold Improvements (3)	\$50,000 - \$120,000	As Agreed	As Incurred	Outside Suppliers
Furniture, Fixtures, Equipment and Smallwares (4)	\$50,000 - \$100,000	As Agreed	As Incurred	Outside Suppliers
Signage	\$2,000 - \$4,000	As Agreed	As Incurred	Outside Suppliers
Computer System (5)	\$1,500 - \$2,000	As Agreed	As Incurred	Outside Suppliers
Professional Fees	\$3,000 - \$5,000	As Agreed	As Incurred	Lawyers, Accountants and other Advisors
Opening Inventory (6)	\$5,000 - \$10,000	As Agreed	As Incurred	Designated and Approved Suppliers, Us
Office Equipment and Supplies	\$2,000 - \$5,000	As Agreed	As Incurred	Designated and Approved Suppliers
Grand Opening Campaign (7)	\$5,000 - \$10,000	As Incurred	As Incurred	Designated and Approved Suppliers, Us
Training Expenses (out-of-pocket costs for up to 2 people) (8)	\$5,000 - \$6,000	As Incurred	As Incurred	Third Parties
Insurance (9)	\$1,500 - \$6,000	As Incurred	As Incurred	Insurance Company

Column 1	Column 2	Column 3	Column 4	Column 5
Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is to be made
Additional Funds – 3 months (10)	\$15,000 - \$25,000	As Incurred	As Incurred	Third Parties
TOTAL ESTIMATED INITIAL INVESTMENT (11)	\$190,000 - \$368,000			

Explanatory Notes

- * Except for the Initial Franchise Fee (See Item 5 and Note 1 below), all amounts listed in the above table are nonrefundable. No separate initial investment is required when you sign the Development Agreement Rider.
1. The Initial Franchise Fee for your first A La Mode Shoppe is \$35,000. If you currently own an A La Mode Shoppe, then the Initial Franchise Fee for subsequent A La Mode Shoppes is \$24,500. Veterans of the United States military may qualify for a 15% reduction of the current standard Initial Franchise Fee (\$35,000) under the Franchise Agreement for their first A La Mode Shoppe. You may be eligible for a refund of a portion of the Initial Franchise Fee if (1) we elect to terminate your Franchise Agreement prior to the opening of your A La Mode Shoppe due to the following: (a) you (or the required attendees) fail to complete our initial training program to our satisfaction, or (b) we and you cannot agree upon a location for the Shoppe within 120 days after the date we sign the Franchise Agreement, or (c) you are unable to obtain all necessary governmental approvals, licenses, permits, or other legal authorizations required to open and operate the Shoppe lawfully by the agreed upon opening date, and (2) you sign and submit to us a release of claims in a form we prescribe (a sample of which is attached as Exhibit H).
 2. It is your responsibility to identify a suitable Premises within the Territory, which we must approve. We estimate that the Premises should occupy approximately (a) 1,000 to 1,200 square feet of space for a Scoop Shoppe Plus, or (b) 200 to 600 square feet of space for a Scoop Shoppe. We anticipate that you will rent the Premises and the range estimates 3 months' rent. It is possible, however, that you might choose to buy, rather than rent, real estate on which a building suitable for the Shoppe already is constructed or could be constructed. Real estate costs depend on location, size, visibility, economic conditions, accessibility, competitive market conditions, and the type of ownership interest you are buying. Rent depends on geographic location, size, local rental rates, businesses in the area, site profile, and other factors, and could be considerably higher in large metropolitan areas. A La Mode Shoppes can be located in free-standing units, strip shopping centers and other venues in downtown commercial areas and in residential areas with high street visibility.
 3. Leasehold improvements may include necessary construction work, including landscaping and grading of the Premises and parking lots, and other alterations to the proposed site to create a suitable retail space for the Shoppe. This estimate excludes any allowances for tenant improvements that you may receive from the landlord of the Premises.

4. The costs for furniture, fixtures and equipment vary depending on the type of A La Mode Shoppe you operate, including the size, configuration and condition of the Shoppe.
5. You must purchase a Computer System (defined in Item 11) and related software that meets our specifications, which hardware and software components we detail in Item 11. See Item 11 for more information on our required technology specifications for the Computer System.
6. You are responsible for purchasing an initial supply of certain Menu Products, Proprietary Products and other products and marketing materials from designated or approved suppliers (which may, but need not, include us or our affiliates).
7. We must approve your grand opening marketing plan that covers a period beginning with the scheduled opening of the Shoppe and ending 60 days after the date the Shoppe opens for business. Your advertising must comply with our specifications. We may collect all or some portion of this amount and spend it on your behalf.
8. These estimates are for training costs for 2 people to attend initial training. The low end of the training costs estimate assumes you are located near our training facility and does not include wages for your employees. The high end of the training costs estimate assumes you are not located near our training facility and includes airfare, lodging, food, car rental, and wages for your employees.
9. You must obtain and maintain certain types and amounts of insurance. (See Item 8) Insurance costs depend on policy limits, types of policies, nature and value of physical assets, gross revenue, number of employees, square footage, location, business contents, and other factors bearing on risk exposure. The estimate contemplates insurance costs for 3 months.
10. This item estimates your initial start-up expenses (other than the items identified separately in the table). These expenses include: payroll costs (but not any draw or salary for you); equipment; installations; security deposits; utility costs; incorporation fees; materials; and any unforeseen incidental expenses related to facilities improvements. Your costs depend on your management skill, experience, and business acumen; local economic conditions; the local market for your products and services; the prevailing wage rate; competition; and the sales level reached during the initial period. We relied on our affiliate's and our executives' experience in operating and franchising A La Mode Shoppes to compile these estimates.
11. You should review these estimated figures carefully with a business advisor before deciding to acquire the franchise. These amounts are only estimates and your costs could vary considerably depending on the particular circumstances for the Shoppe. We do not offer financing directly or indirectly for any part of the initial investment. The availability and terms of financing depend on many factors, including the availability of financing generally, your creditworthiness and collateral, and lending policies of financial institutions from which you request a loan.

The estimates above generally apply to a new A La Mode Shoppes. If we allow you to purchase an existing company-owned location, then the initial estimates may vary depending on the circumstances to require a greater or smaller investment than shown above in this Item; however, we do not anticipate that the estimated initial investment will cost significantly more than the estimates shown for a new franchise location.

**YOUR ESTIMATED INITIAL INVESTMENT
DEVELOPMENT AGREEMENT RIDER**

Column 1 Type of Expenditure	Column 2 Amount	Column 3 Method of Payment	Column 4 When Due	Column 5 To Whom Payment is to be made
Development Fee (Note 1)	\$52,500	One lump sum	Upon Signing Development Agreement Rider	Us
Total Initial Investment of a Single A La Mode Scoop Shoppe Plus (Note 2)	\$249,500 - \$448,000			
TOTAL \$302,000 - \$500,500 (Note 2)				

Note 1: As described in Item 5, if you execute a Development Agreement Rider, you must pay us a development fee in full when you sign the Development Agreement Rider, which is fully earned when paid and not refundable under any circumstances. The development fee due equals the full \$35,000 Initial Franchise Fee for the A La Mode Shoppe covered by that Franchise Agreement plus a deposit of \$17,500 for the second A La Mode Shoppe you will develop and each additional A La Mode Shoppe you will develop in the Area. The development fee presented in this Item 7 table assumes the development of a minimum of 2 A La Mode Shoppes.

Note 2: An initial investment will be required for each A La Mode Shoppe you open. Our current estimated initial investment for a single A La Mode Shoppe is set forth in the Item 7 tables above. The estimate for a single A La Mode Scoop Shoppe Plus in this table is reduced by the Initial Franchise Fee (\$35,000), which is payable as part of the Development Fee. You must open a minimum of 2 A La Mode Shoppes under the Development Agreement Rider.

Item 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Franchise Agreement

You must operate the Shoppe according to our System Standards. System Standards may regulate, among other things, the Proprietary Products, Menu Items, ingredients, recipes, types, models, and brands of equipment, fixtures, furniture, furnishings, and signs (collectively, “Operating Assets”); products, other equipment and supplies you must use in operating the Shoppe; unauthorized and prohibited products, ingredients, recipes, equipment, and services; inventory requirements; and designated and approved suppliers of Operating Assets and other items.

In the case of Operating Assets, suppliers may be limited to us, our affiliates, and/or our designated third party suppliers, and you must buy those Operating Assets during the franchise term only from us, our affiliates, and/or our designated third party suppliers at the prices we and they decide to charge. We have the absolute right to limit the suppliers with whom you may deal. We restrict your sources of Operating Assets in order to protect our trade secrets, assure quality, assure a reliable supply of products that meet our standards, achieve better terms of purchase and delivery service, control usage of the Marks by third parties, and monitor the manufacture, packaging, processing, and sale of these items.

You currently must purchase all Proprietary Products, including all nut-free, egg-free and sesame-free ice cream products and other food and beverage products from our affiliate, Dessert.

Except as we describe above, there are no other goods, services, supplies, ingredients, recipes, fixtures, equipment, inventory, computer hardware and software, real estate or comparable items for establishing or operating the Shoppe that you currently must buy or lease from us (or an affiliate) or designated suppliers, or for which we or any of our affiliates are currently an approved supplier.

None of our officers currently owns an interest in any designated third-party supplier to the franchise network.

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

If we institute any type of restrictive sourcing program (which we have already done for Proprietary Products and may do so for other items) and you want to use any item or service that we have not yet evaluated or to buy or lease from a supplier that we have not yet approved or designated, you first must send us a written request for approval along with sufficient information, specifications, and samples so that we can determine whether the item or service complies with System Standards or the supplier meets our approved supplier criteria. We list examples of our criteria for supplier approval in the following paragraph below in this Item, and we will make available our then current criteria to you, as necessary, upon request if we are asked to evaluate and approve a new supplier, item, or service for use with the System. We may require you or the supplier to reimburse us for our costs and expenses for the evaluation (see Item 6) and will provide you written notification of our approval or disapproval of your request within a reasonable time (no more than 120 days). We estimate our costs to conduct such an inspection to be between \$2,000 and \$5,000. We periodically will establish procedures for your requests and may limit the number of approved items, services, and/or suppliers as we think best.

Supplier approval might depend on product quality, delivery frequency and reliability, service standards, financial capability, customer relations, concentration of purchases with limited suppliers to

obtain better prices and service, or other criteria. We and our affiliates have the right to receive payments or other material consideration from suppliers on account of their actual or prospective dealings with you and other franchise owners and to use all amounts that we and our affiliates receive without restriction (unless we and our affiliates agree otherwise with the supplier) for any purposes we and our affiliates deem appropriate. Supplier approval might be temporary until we evaluate the supplier in more detail. We may inspect a proposed supplier's facilities during and after the approval process to make sure that the supplier meets our standards. If it does not, we may revoke our approval by notifying the supplier and you in writing. We have no obligation to approve any request for a new supplier, product, or service. We may charge you our actual costs of inspection and testing of products in connection with our evaluation and approval or disapproval of proposed suppliers.

Neither we nor our affiliates received any payments directly from franchise owners, or from suppliers based on franchise owner purchases, in respect of products or services during the prior fiscal year.

Insurance. Besides these purchases or leases, you must obtain and maintain, at your own expense, the insurance coverage that we periodically require and satisfy other insurance-related obligations underwritten by an insurance company having an A.M. Best's rating of A- or higher, a financial size of VII or better and is licensed to do business in the state where the Shoppe will be located. You currently must have comprehensive commercial general liability coverage (\$1 million per occurrence for bodily injury and property damage and \$2 million aggregate; \$2 million products and completed operations aggregate; \$1 million personal and advertising injury limit; and \$100,000 damage to rented premises), and other policies containing the minimum liability coverage we specify, such as worker's compensation and employer's liability insurance (\$1,000,000 per accident for bodily injury, \$1,000,000 per employee for injury by disease, and \$1,000,000 aggregate for injury by disease), and any other coverage required by law or your lease. Premiums depend on the insurance carrier's charges, terms of payment, and your history. All insurance policies must name us and our affiliates, officers, partners, shareholders, members, directors, managers, agents, employees, successors and assignees as additional insured parties. If you fail to obtain or maintain required insurance coverage for the Shoppe, we may do so on your behalf and invoice you for reimbursement of our costs to arrange the missing coverage.

Advertising Materials. Before you use them, you must send us for review samples of all advertising, promotional, and marketing materials that we (or a supplier we may designate, at our option) have not prepared or previously approved. If you do not receive written notice of approval within 10 days after you submit materials to us, they are deemed disapproved. You may not use any advertising, promotional, or marketing materials that we have not approved or have disapproved.

A La Mode Shoppe Development. You are responsible for developing the Shoppe, and you must use the services of a licensed contractor. We may give you mandatory and suggested specifications and layouts for an A La Mode Shoppe, including requirements for dimensions, design, image, interior layout, decor, and color scheme. These plans might not reflect the requirements of any federal, state, or local law, code, or regulation, including those arising under the Americans with Disabilities Act ("ADA") or similar rules governing public accommodations for persons with disabilities. You must prepare a site survey and all required construction plans and specifications for the Shoppe's site and make sure that they comply with the ADA and similar rules, other applicable ordinances, building codes, permit requirements, and lease requirements and restrictions. We may review and approve all final plans and specifications before you begin constructing the Shoppe and all revised or "as built" plans and specifications during construction. Our review is only to ensure your

compliance with our design requirements. We may inspect the Shoppe during its development and during the franchise term.

A La Mode Shoppe Site. You must submit, for our approval, all information and materials we request regarding any site at which you propose to operate an A La Mode Shoppe. We have the right to approve your lease or sublease and to require that you sign our required form of Lease Addendum to any third-party lease you sign (attached as an exhibit to the Franchise Agreement). We may also enter into a master lease for the site of the Shoppe and sublease the Premises to you.

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

During our 2025 fiscal year, neither we nor our affiliates received any (i) revenue or other material consideration from selling items to A La Mode Shoppe franchise owners, or (ii) rebates from any suppliers, but we may do so in the future. We anticipate that we will, but have no obligation to, deposit certain future amounts we receive from suppliers (as a result of purchases made by A La Mode Shoppes from those suppliers) to the Fund for the general benefit of the Marks and the promotion of all A La Mode Shoppes generally.

There currently are no purchasing or distribution cooperatives. We may negotiate purchase arrangements with suppliers (including price terms). We do not provide material benefits to A La Mode Shoppe franchise owners (for example, renewal or granting additional franchises) based on their purchase of particular products or services or use of particular suppliers.

Development Agreement Rider

The Development Agreement Rider does not require you to buy or lease from us (or our affiliates), our designees, or approved suppliers, or according to our specifications, any goods, services, supplies, fixtures, equipment, inventory, computer hardware and software, real estate, or comparable items. You must give us information and materials we request regarding each site at which you propose to operate an A La Mode Shoppe so we can assess that site. The information and materials we may request is consistent with the information and materials we may request for site selection under the Franchise Agreement. (See Item 11)

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	SECTION IN AGREEMENT	DISCLOSURE DOCUMENT ITEM
a. Site selection and acquisition/lease	Sections 1.D, 2.A., and 2.B of Franchise Agreement; Section 6 of Development Agreement Rider	Items 7, 8, and 12
b. Pre-opening purchases/leases	Sections 2.A to 2.F and 8 of Franchise Agreement	Items 5, 7, 8, and 11
c. Site development and other pre-opening requirements	Section 2 of Franchise Agreement	Items 7, 8, and 11
d. Initial and ongoing training	Section 4 of Franchise Agreement	Items 6, 7, and 11
e. Opening	Section 2.F of Franchise Agreement; Section 3 of Development Agreement Rider	Item 11
f. Fees	Sections 2.B, 2.E, 3.A to 3.C, 3.E, 3.G, 4.A to 4.D, 8.C, 8.F, 9, 11.B, 12.C, 13.A, 14.C, 14.F, 15.D, 16.D, and 17.C of Franchise Agreement; Section 5 of Development Agreement Rider;	Items 5, 6, and 7
g. Compliance with standards and policies/operating manual	Sections 4.C, 4.D, and 8 of Franchise Agreement	Items 8 and 11
h. Trademarks and proprietary information	Sections 5 and 6 of Franchise Agreement; Section 4 of Development Agreement Rider	Items 13 and 14
i. Restrictions on products/services offered	Sections 1.D and 8 of Franchise Agreement; Section 4 of Development Agreement Rider	Items 8, 11, 12, and 16
j. Warranty and customer service requirements	Section 8 of Franchise Agreement	Items 8, 12, and 16
k. Territorial development and sales quotas	Sections 2, 3, and 6 of Development Agreement Rider	Items 12 and 17
l. Ongoing product/service purchases	Sections 2.E, 2.F, and 8 of Franchise Agreement	Items 6 and 8
m. Maintenance, appearance, and remodeling requirements	Sections 8 and 13 of Franchise Agreement	Items 8, 11, 16, and 17
n. Insurance	Section 8.F of Franchise Agreement	Items 7 and 8
o. Advertising	Section 9 of Franchise Agreement	Items 6, 7, 8, and 11
p. Indemnification	Section 16.D of Franchise Agreement; Section 10 of Development Agreement Rider	Item 6

OBLIGATION		SECTION IN AGREEMENT	DISCLOSURE DOCUMENT ITEM
q.	Owner's participation/ management/staffing	Sections 1.C, 4, 6, and 8 of Franchise Agreement	Items 11 and 15
r.	Records and reports	Section 10 of Franchise Agreement	Not Applicable
s.	Inspections and audits	Section 11 of Franchise Agreement	Items 6 and 11
t.	Transfer	Section 12 of Franchise Agreement; Section 9 of Development Agreement Rider	Item 17
u.	Renewal	Section 13 of Franchise Agreement	Item 17
v.	Post-termination obligations	Section 15 of Franchise Agreement	Item 17
w.	Non-competition covenants	Sections 7, 12, 15, and 16 of Franchise Agreement	Items 15 and 17
x.	Dispute resolution	Section 17 of Franchise Agreement; Section 10 of Development Agreement Rider	Item 17
y.	Other - Guaranty	Sections 1.C and 12.C of Franchise Agreement; Attachment to Franchise Agreement	Items 1 and 15

Item 10

FINANCING

We and our affiliates do not offer direct or indirect financing. Neither we nor our affiliate will guarantee your note, lease, or 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 and begin operating the Shoppe, we (or an affiliate, as applicable) will:

1. Approve or disapprove each site that you propose according to our general criteria for selection of a A La Mode Shoppe site. We anticipate that you will operate the Shoppe in a commercial space that you will lease. The site must meet our then-current criteria for demographic characteristics; traffic patterns; parking; character of neighborhood; competition from, proximity to, and nature of other businesses; size; appearance; and other physical and commercial characteristics. You must submit and receive our approval of an acceptable site

and related materials to us within 60 days after the Effective Date. (Franchise Agreement – Sections 1.D, 2.A and 2.B; Development Agreement Rider – Section 6)

2. Approve your third-party lease for the Premises. The lease must be in form and substance we approve, and must include the provisions of our required lease addendum. You must promptly submit a proposed lease or purchase document for the Premises for our approval following our approval of the site for the Premises, and in any case no later than 120 days after the Effective Date. You must deliver to us the approved and fully-signed lease (including the provisions of the lease addendum) within 7 days after you sign the lease or purchase document for the Premises or, if earlier, before the date specified in any Development Agreement Rider that we and you sign. At our option, we may terminate your Franchise Agreement if you and we do not agree on an acceptable site, and you do not submit a lease or purchase document for that site to us, within 120 days after the Effective Date. (Franchise Agreement – Sections 2.B and 14.B)
3. Designate the Territory for the Shoppe, and if you sign a Development Agreement Rider, the Area in which you develop and operate additional A La Mode Shoppes. (Franchise Agreement – Section 1.F; Development Agreement Rider – Section 2)
4. Provide you mandatory and suggested specifications and layouts for an A La Mode Shoppe including requirements for dimensions, design, image, interior layout, decor, fixtures, equipment, signs, furnishings, and color scheme. (Franchise Agreement – Section 2.C)
5. As discussed in Item 8, identify the Operating Assets, Menu Items, Proprietary Products and related products and services, recipes, ingredients, equipment and supplies that you must use to develop and operate the Shoppe, the minimum standards and specifications that you must satisfy, and the designated and approved suppliers from whom you must or may buy or lease these items (which may be limited to and/or include us, our affiliates, and/or other specified exclusive sources). We or our affiliates assist in the delivery certain Proprietary Products that are required in operating an A La Mode Shoppe, including our handcrafted, small-batch ice cream made exclusively in our nut-free, sesame free and egg-free facility. Neither we nor our affiliates install any items for use in operation of an A La Mode Shoppe. (Franchise Agreement – Sections 2.A, 2.D, and 8)
6. Provide you access to one copy of the Operations Manual, the current table of contents of which is Exhibit G. As of the date of this Disclosure Document, the Operations Manual contains approximately 180 pages. (Franchise Agreement – Section 4.D)
7. Advise you on the Shoppe's grand opening advertising program. (Franchise Agreement – Section 9.A)
8. Train you (or your managing owner) and your General Manager. (Franchise Agreement – Section 4.A) We describe this training later in this Item.
9. Designate a specific number of A La Mode Shoppes you must develop and open at approved locations in the Area (if we grant you development rights). We also will supply to you our site selection criteria and may put you in contact with a commercial real estate broker in your Area. (Development Agreement Rider – Sections 2, 3, and 6) (See Items 5, 12 and 15) Some of the

assistance noted above may be performed during the term of a Development Agreement Rider but before the signing of a second or subsequent Franchise Agreement.

Ongoing Assistance

During your operation of the Shoppe, we (or an affiliate, as applicable) will:

1. Advise you regarding the Shoppe's operation based on your reports or our inspections. We also will guide you on standards, specifications, and operating procedures and methods that A La Mode Shoppes use; purchasing required and authorized Proprietary Products, Menu Items and Operating Assets and other products and services and arranging for their distribution to you; advertising and marketing materials and programs; employee training; and administrative, bookkeeping, and accounting procedures. We will guide you in our Operations Manual, bulletins, or other written materials; by electronic media; by telephone consultation; and/or at our office or the Shoppe. (Franchise Agreement – Section 4.C)
2. Give you, at your request (and our option), additional or special guidance, assistance, and training. (Franchise Agreement – Section 4) (See Item 6)
3. Continue to provide you access to one copy of the Operations Manual, which could include audiotapes, videotapes, compact disks, computer software, other electronic media, and/or written materials. The Operations Manual contains mandatory and suggested specifications, standards, operating procedures, and rules ("System Standards") that we periodically require. We may modify the Operations Manual periodically to reflect changes in System Standards. (Franchise Agreement – Sections 4.D and 8)
4. Issue and modify System Standards for A La Mode Shoppes. We periodically may modify System Standards, which may accommodate regional or local variations, and these modifications may require you to invest additional capital in the Shoppe and/or incur higher operating costs. (Franchise Agreement – Section 8) (See Item 16)
5. Establish, to the fullest extent allowed by applicable law, maximum, minimum, or other pricing requirements with respect to the prices you may charge for products and services. (Franchise Agreement – Section 8.G)
6. Inspect the Shoppe and observe the Shoppe's operations to help you comply with the Franchise Agreement and all System Standards. (Franchise Agreement – Section 11.A)
7. Let you use our confidential information. (Franchise Agreement – Section 6)
8. Let you use our Marks. (Franchise Agreement – Section 5)
9. Periodically offer refresher training courses. (Franchise Agreement – Section 4.B) (See Item 6)

Advertising and Development Fund

Recognizing the value of advertising and marketing to the goodwill and public image of A La Mode Shoppes, we have established a formal Advertising and Development Fund (the "Fund") for

advertising, marketing, and public relations programs and materials we deem appropriate. Under the Franchise Agreement, we have the right to require you to contribute up to 2% of your weekly Gross Sales to the Fund. We currently require you to contribute 1% of your Weekly Gross Sales to the Fund.

We may designate a separate entity as we deem appropriate in our sole discretion to operate and administer the Fund. Any such entity will have all of the rights and duties described here. You must contribute to the Fund the amounts that we periodically require. (See Item 6) A La Mode Shoppes that we or our affiliates operate may, but need not contribute to the Fund on the same basis as franchise owners. We have the right to collect for deposit into the Fund any advertising, marketing, or similar allowances paid to us by suppliers who deal with A La Mode Shoppes and with whom we have agreed that we will so deposit these allowances.

We and/or an advertising agency that we designate will direct all programs that the Fund finances, with sole control over the creative concepts, materials, and endorsements used and their geographic, market, and media placement and allocation. The Fund may pay for preparing and producing video, audio, and written materials and electronic media; costs associated with inbound marketing channels and providers (for example, Google, Facebook and Yelp); developing, implementing, and maintaining an electronic commerce Website and/or related strategies; administering regional and multi-regional marketing and advertising programs, including purchasing trade journal, direct mail, and other media advertising; using advertising, promotion, and marketing agencies and other advisors to provide assistance; and supporting public relations, market research, and other advertising, promotion, and marketing activities. The Fund may advertise locally, regionally, and/or nationally in printed materials, on radio or television, and/or on the Internet, whatever we think best. The Fund periodically may give you samples of advertising, marketing, and promotional formats and materials at no cost. We or the Fund will sell you multiple copies of these materials at their direct cost of producing them, plus any related shipping, handling, and storage charges.

We will account for the Fund separately from our other funds and not use the Fund for its or our general operating expenses. However, we may use the Fund to pay the reasonable salaries and benefits of personnel who manage and administer the Fund, the Fund's other administrative costs, travel expenses of personnel while they are on Fund business, meeting costs, exposition and show costs, overhead relating to Fund business, and other expenses that we incur in activities reasonably related to administering or directing the Fund and its programs, including conducting market research; public relations; preparing advertising, promotion, and marketing materials; and collecting and accounting for Fund contributions. Because we did not implement the Fund during our 2025 fiscal year, it has no operating history and is not currently audited.

The Fund is not our asset. The Fund also is not a trust. We have a contractual obligation to hold all Fund contributions for the benefit of the contributors and to use contributions only for their permitted purposes (described above). We do not have a fiduciary obligation to you for administering the Fund. The Fund may spend in any fiscal year more or less than the total Fund contributions in that year, borrow from us or others (paying reasonable interest) to cover deficits, re-pay any amounts owed to us or others as borrowed by the Fund in prior periods, or invest any surplus for future use. We do not expect to use any of the Fund contributions specifically to develop materials and programs that will be used principally to solicit franchise owners. However, media, materials, and programs, including our Website, prepared using Fund contributions may describe our franchise program, reference the availability of franchises and related information, and process franchise leads. We will prepare an annual, unaudited statement of Fund collections and expenses and give it to you upon written request. We may have the Fund audited annually, at the Fund's expense, by an independent certified public

accountant. We may incorporate the Fund or operate it through a separate entity when we think best. The successor entity will have all of the rights and duties described here.

The Fund is to maximize recognition of the Marks and patronage of A La Mode Shoppes. Although we may use the Fund to develop advertising and marketing materials and programs, and to place advertising and marketing, that will benefit all A La Mode Shoppes, we need not ensure that Fund expenditures in or affecting any geographic area are proportionate or equivalent to Fund contributions by A La Mode Shoppes operating in that geographic area or that any A La Mode Shoppes benefits directly or in proportion to its Fund contribution from the development of advertising and marketing materials or the placement of advertising. We may use collection agents and institute legal proceedings to collect Fund contributions at the Fund's expense. We also may forgive, waive, settle, and compromise all claims by or against the Fund. We assume no other direct or indirect liability or obligation to you for collecting amounts due to, maintaining, directing, or administering the Fund.

We may at any time defer or reduce a franchise owner's Fund contributions and, upon 30 days' prior written notice to you, reduce or suspend Fund contributions and operations for one or more periods of any length and terminate (and, if terminated, reinstate) the Fund. If we terminate the Fund, we will distribute all unspent monies to franchise owners, and to us and our affiliates, in proportion to their, and our, respective contributions during the preceding 12-month period. (Franchise Agreement – Section 9.B)

Your Local Advertising

In addition to your Fund contributions and your grand opening advertising obligation, you must, during the second month of the Term and in all subsequent months, spend a minimum of 1% of the Shoppe's prior month's Gross Sales to advertise and promote the Shoppe. The total sum of the Fund contribution level, minimum local advertising requirement and cooperative advertising requirement (if applicable) will not exceed 3% of the Shoppe's Gross Sales. You must participate at your own expense in all advertising, promotional and marketing programs that we require. You must send us monthly reports of your marketing expenditures.

Your local advertising and promotion must follow our guidelines. All advertising and promotional materials that you develop for the Shoppe must contain notices of our website's domain name in the manner we designate. You may not develop, maintain, or authorize any Website that mentions or describes you or the Shoppe or displays any of the Marks without our prior written approval. We alone may establish, maintain, modify or discontinue all internet, worldwide web and electronic commerce activities pertaining to the System, including through the use of a page or profile on a social media website such as Facebook, LinkedIn and X. All advertising, promotion, marketing, and public relations must be completely clear, factual, and not misleading and conform to both the highest standards of ethical advertising and marketing and the policies that we periodically require. Before you use them, you must send us or our designated agency for review samples of all advertising, promotional, marketing, and public relations materials that we have not prepared or previously approved. Promotional material includes materials you provide on a Website or similar medium. If you do not receive written approval or disapproval within 10 days after we or our designated agency receives the materials, they are deemed to be disapproved. You may not use any advertising, promotional, marketing, or public relations materials that we have not approved or that we have disapproved.

You must list and advertise the Shoppe in at least one recommended classified telephone directory distributed within the Territory (in designated business classifications) and use an approved form of classified telephone directory advertisement. If other A La Mode Shoppes are located within the directory's distribution area, we may require you to participate in a collective telephone directory advertisement with those A La Mode Shoppes and pay your share. (Franchise Agreement – Section 9.C) (See Items 6, 8, and 9)

There is no obligation for us to maintain any advertising program or to spend any amount on advertising in your geographic area.

Cooperative Advertising Programs

We do not have any local or regional cooperative advertising programs.

We do not have a franchise owner advisory council that advises us on advertising policies.

Computer System

You must obtain and use in the Shoppe a computer system containing the hardware and software we specify or that we recommend (the "Computer System"). The Computer System currently includes the required point-of-sale ("POS") system and related hardware and software from our designated vendor.

Currently, our required POS system is Clover. You must purchase and maintain a POS system consisting of at least one POS terminal. The POS terminal will cost between \$2,000 - \$3,000, which includes a monitor, cash register drawer, card reader, digital scanner, printer and related hardware and software.

You may purchase other equipment to be used at the Shoppe from any vendor so long as we have not designated a sole or approved vendor for a particular component and your Computer System for the Shoppe meets our overall specifications. We may modify the specifications for and components of the Computer System. You will be responsible for the costs of updating and implementing any changes we make to the Computer System.

You will be solely responsible for ongoing maintenance and upgrading of the Computer System (See Item 6). Other than the on-going weekly fee that you are required to pay for maintenance and technical support for the POS system (estimated to be \$100), the third parties whose Computer System-related products you purchase or lease have no contractual rights or obligations to provide ongoing maintenance, repairs, upgrades or updates unless you obtain a service contract or a warranty covers the product.

In addition to the costs above, if implemented, you must pay us a weekly Technology Fee to reimburse us for the costs associated with the use of our internal ordering platform. Though the fee is not currently charged, we reserve the right to charge a Technology Fee of up to \$75 per week upon 30 days' prior written notice to you. We may increase the amount of the Technology Fee by up to five percent (5%) annually, upon written notice to you.

The types of data to be generated or stored in the Computer System include sales, inventory, payroll, and customer information and other information that we may specify in the Operations

Manual. We have independent, unlimited access to the information generated by the Computer System, and there are no contractual limitations on our right to do so. We may connect remotely to your Computer System. You must also have a functioning email address so that we can send you notices and otherwise communicate with you by this method.

We may change the Computer System at any time. There are no contractual limitations on the frequency and cost of this obligation. We need not reimburse you for any of these costs. We may require you to use proprietary software, for which you may pay an annual license fee. We or our affiliates may condition any license of proprietary software to you, or your use of technology that we or our affiliates develop or maintain, on your signing a software license agreement or similar document that we or our affiliates prescribe to regulate your use of, and our and your respective rights and responsibilities concerning, the software or technology. We or our affiliates may charge you a monthly, annual, or other license fee for any proprietary software or technology that we or our affiliates license to you and for other maintenance and support services that we or our affiliates provide during the franchise term.

Opening

We estimate that it will be 180 to 270 days after you sign the Franchise Agreement before you open and begin operating the Shoppe. The specific timetable for opening and operating the Shoppe depends on various factors, including the location of the Premises; the delivery schedule for equipment and supplies; completing training; and complying with local laws and regulations. You must notify us in writing at least 30 days before the day on which you propose to begin operating the Shoppe. You may not open or begin operating the Shoppe until: (1) we notify you in writing that the Shoppe and Premises meet our standards and specifications; (2) you (or your managing owner) and your other employees complete initial training to our satisfaction; (3) you pay the initial franchise fee and other amounts then due to us; and (4) you give us certificates or other evidence we require for all required insurance policies. In any case, you must open the Shoppe within the lesser of (i) 150 days of signing a lease for the Premises; or (ii) 270 days after the Effective Date of the Franchise Agreement. (Franchise Agreement – Section 2.F)

Training

If this is your first A La Mode Shoppe, then before the Shoppe opens for business, we will train you (or your managing owner) and the General Manager you appoint on operating an A La Mode Shoppe at a training facility we designate (currently, New York, New York). We estimate that initial training will take 5 days, excluding the days of on-site opening support we describe later in this Item (although the specific number of days depends on our opinion of your experience and needs). We will use the Operations Manual and various instructional materials as we conduct the initial training program. If we determine that you (or your managing owner) and your General Manager cannot complete initial training to our satisfaction, then we may terminate the Franchise Agreement. (Franchise Agreement – Section 4.A) If you do not satisfactorily complete the required initial training during the normal time allotted, we may require you (or your managing owner) and/or your employees to attend additional training programs at our designated training facility in order to achieve the sufficient level of training we require. We may charge reasonable fees for such additional training, as well as for additional training programs we may require or offer during the franchise term. The current cost for any additional training programs is \$500 per person, per day. (See Item 6) You also must pay for all travel and living expenses that you and your employees incur and for your employees' wages

and workers' compensation insurance while they attend such additional training at our training facility or the location we designate. (Franchise Agreement – Section 4.A)

Additional people beyond 2 attendees may attend initial training, subject to our ability and capacity to accommodate these extra persons in any training session, if you pay our then current training charge for each additional person (currently, \$500 per person, per day). (See Item 6) You must pay for all travel and living expenses that you and your personnel incur, and for your personnel's wages and workers' compensation insurance while they train at our training facility or the location we designate. (Franchise Agreement – Section 4.A)

We or our designee conduct our initial training program as frequently as we deem necessary at a designated training facility and/or at an operating A La Mode Shoppe (except for the on-site support period around the Shoppe's opening that we will provide at the Premises). The initial training program is typically conducted 4 to 6 times per year and is held every 8 to 12 weeks. Initial training must be completed to our satisfaction at least 2 weeks before the Shoppe opens. You (or your managing owner) and your General Manager must complete initial training to our satisfaction before you may open and begin operating the Shoppe. As of the date of this Disclosure Document, our required initial training program includes the following programming:

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Welcome: Welcome, Brand Culture, History, Mission and Vision	2	N/A	New York. New York
Personnel: Establishing Brand Standards, Staffing Best Practices, Job Descriptions, Scheduling, Train-the-Trainer Program	1	2	New York. New York
Marketing: Advertising, Promotions, Creating Brand Awareness, Marketing Tactics, Promotional Offers, Strategies to Develop Guest Loyalty	1	2	New York. New York
Operational Procedures: Approved Offerings, Minimum Hours of Operation, Service Standards, Daily Operations, Safety and Security, Maintaining Equipment, Cleaning and Sanitation, Safe Food Handling, Receiving and Managing Inventory, Software Systems, and Third-Party Delivery	10	16	New York. New York
Financial Management: Administrative Duties, Fiscal Responsibility, KPIs and Reporting, Royalties and Franchise Obligations	1	2	New York. New York
Review: Training Assessment, Start Up Inventory, Working with Suppliers and Grand Opening Plan	1	2	New York. New York

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Totals	16	24	

Mr. Roth, our Founder and Member, supervises and coordinates our training programs. Mr. Roth has over 20 years of relevant experience and over 11 years' experience operating an A La Mode Shoppe.

The instructional materials for our required training programs currently include, or may include in the future, computer-based training courses and software, videos, handouts, the Operations Manual, and tests or other evaluations we may require you or your attendees to complete.

In addition to the initial training we outline above, we will, at our own cost, send at least 1 of our representatives to the Shoppe, for a period of 2 to 3 days, to provide on-site support in connection with pre-opening and opening activities when the Shoppe is preparing to open for business. We may provide more representatives, or more days of on-site support, at the Premises during this period as we deem necessary. We solely determine the timing, scheduling and staffing of on-site support we provide according to this paragraph, including the calendar dates, times of our support, and whether we provide these days consecutively or intermittently. You must successfully complete all activities of this on-site support period to our satisfaction. If you request, and we agree to provide, additional or special guidance, assistance, or training during this on-site support period, then you will pay our then applicable charges, including our personnel's per diem charges and travel and living expenses.

You (or your managing owner) and/or other previously trained and experienced employees must attend and complete to our satisfaction various training courses that we periodically provide either online or in-person at the times and locations we designate. We may charge reasonable registration or similar fees for these courses, and we will not require in-person attendance at these training courses by you or your personnel for more than 5 total days during a calendar year. We estimate that such registration fees will be less than \$500 per person, per course. Besides attending these courses, we may require you to attend an annual national meeting of all A La Mode Shoppe franchise owners at a location we designate. The current cost to attend these conferences is \$600 per person that attends. In addition to this fee, you are responsible for all related travel and living expenses and wages incurred in connection with attending these courses and meetings.

If any audit discloses a failure by you to operate the Shoppe in accordance with the System Standards, then we may require you to undertake additional training at the Shoppe, and we will determine the duration of the training and the number of trainers in our sole discretion. If we require you to undertake this additional training, you will pay our then applicable charges, including our personnel's per diem charges and travel and living expenses.

Other personnel we designate may assist in our initial and other training programs, including other A La Mode Shoppe representatives, or other A La Mode Shoppe franchise owners or qualified managers or operators of A La Mode Shoppes. The Franchise Agreement requires you to assist in future training programs for other franchise owners, upon our request and for which we will reimburse you for your associated expenses.

Item 12

TERRITORY

Franchise Agreement

You will operate the Shoppe within a specific Territory that we first must approve. We will describe the Territory in Exhibit B of the Franchise Agreement. We will determine the size and boundaries of the Territory in our sole judgment, based on factors that may include, among others, geographic area, population density, traffic patterns, and the demographics of the Shoppe's area. Although not a minimum, a typical Territory for a Shoppe is expected to be approximately a one-mile radius around the Shoppe. For Shoppes located within a high population density, the Territory is expected to be approximately a ¼ mile radius around the Shoppe.

Except as described below under "Development Agreement Rider", you have no options, rights of first refusal, or similar rights to acquire additional franchises within the Territory or in contiguous territories. You may operate the Shoppe only from the Premises we approve within the Territory and may not relocate the Premises without our approval. We will approve relocation only if the lease for the Premises expires or is terminated without your fault, or if the site for the Premises is destroyed, condemned, or otherwise rendered unusable, and the proposed substitute site meets our criteria. You must locate a substitute site, and begin operating the Shoppe from a substitute site, within 180 days after you lose the right to occupy the Premises.

We and our affiliates retain certain rights within and outside the Territory, as described below in this Item. Therefore, you will not receive an exclusive territory. You may face competition from other A La Mode Shoppe franchise owners, from outlets that we own, or from other channels of distribution or competitive brands that we control.

Except as limited below, as long as you are in full compliance with the Franchise Agreement, then we and our affiliates will not operate or grant a franchise for the operation of a A La Mode Shoppe at a location in the Territory during the term of your Franchise Agreement. Otherwise, we and our affiliates retain all rights with respect to A La Mode Shoppes, the Marks, the sale of identical, similar or dissimilar products and services, and any other activities we deem appropriate whenever and wherever we desire, including, but not limited to:

- (1) the right to operate, and to grant others the right to operate A La Mode Shoppes located anywhere outside the Territory under any terms and conditions we deem appropriate and regardless of proximity to the Shoppe;
- (2) the right to establish and operate, and to grant to others the right to establish and operate businesses (including stand-alone A La Mode Shoppes) offering similar or dissimilar products and services through similar or alternative channels of distribution, at locations inside or outside the Territory under trademarks or service marks other than the Marks and on any terms and conditions we deem appropriate;
- (3) the right to provide, offer and sell and to grant others the right to provide, offer and sell goods and services that are identical or similar to and/or competitive with those products and services provided at A La Mode Shoppes (including products offered at an A La Mode Shoppe), whether identified by the Marks or other trademarks or service marks, through

alternative distribution channels (including, without limitation, the Internet or similar electronic media, any other form of electronic commerce and department stores) both inside and outside the Territory and on any terms and conditions we deem appropriate;

(4) the right to establish and operate, and to grant to others the right to establish and operate, businesses offering dissimilar products and services, both inside and outside the Territory under the Marks and on any terms and conditions we deem appropriate;

(5) the right to market and sell products and services to national, regional and institutional accounts, whether located inside or outside the Territory. “National, regional and institutional accounts” are organizational or institutional customers whose presence is not confined to your Territory, including (by way of example only) business entities with offices or branches situated both inside and outside of your Territory;

(6) the right to operate and grant others the right to operate A La Mode Shoppes at “Non-Traditional Sites” within and outside the Territory on any terms and conditions we deem appropriate. “Non-Traditional Sites” are sites that generate customer traffic flow which is independent from the general customer traffic flow of the surrounding area, including shopping malls, stadiums, arenas, major industrial or office complexes, hotels, school campuses, casinos, educational facilities, amusement parks and sports or entertainment venues;

(7) the right to acquire the assets or ownership interests of one or more businesses providing products and services similar to those provided at A La Mode Shoppes, and franchising, licensing or creating similar arrangements with respect to these businesses once acquired, wherever these businesses (or the franchise owners or licensees of these businesses) are located or operating (including in the Territory); and

(8) the right to be acquired (whether through acquisition of assets, ownership interests or otherwise, regardless of the form of transaction), by a business providing products and services similar to those provided at A La Mode Shoppes, or by another business, even if such business operates, franchises and/or licenses Competitive Businesses in the Territory.

We may exercise any of the retained rights without compensating you. Although we have the right to do so (as described above), neither we nor an affiliate currently operates, franchises, or has present plans to operate or franchise a business under a different trademark that sells or will sell goods or services similar to those you will sell in the Shoppe.

You may not use other channels of distribution to make sales at the Shoppe, such as the Internet or any other form of electronic commerce, catalog sales, telemarketing, or other direct marketing to make sales inside or outside the Territory. You must advertise and solicit customers for the Shoppe only within the Territory. You may not operate the Shoppe away from the Premises.

Continuation of your franchise and your territorial exclusivity does not depend on your achieving a certain sales volume, market penetration, or other contingency.

Development Agreement Rider

You may (if you qualify) develop and operate a number of A La Mode Shoppes within the Area. We and you will identify the Area in the Development Agreement Rider before signing it. The

Area typically is a city, cities, or counties. We base the Area's size primarily on the number of A La Mode Shoppes you agree to develop, demographics, and site availability. We and you will negotiate the number of A La Mode Shoppes you must develop to keep your development rights and the dates by which you must develop them. We and you then will complete the schedule in the Development Agreement Rider before signing it. The Development Agreement Rider provides us the right to approve the location of future A La Mode Shoppes developed in the Area in accordance with our then-current site-selection standards for A La Mode Shoppes. While the Development Agreement Rider is in effect, we (and our affiliates) will not establish or operate, or grant to others the right to establish or operate, other A La Mode Shoppes, the physical premises of which are located within the Area. There are no other restrictions on us (or our affiliates). You must not develop or operate A La Mode Shoppes outside the Area. We may terminate the Development Agreement Rider if you do not satisfy your development obligations when required. In addition, if you fail to comply with the terms of the Development Agreement Rider during its term, we may, at our option, elect to terminate only the exclusivity of the Area instead of terminating the Development Agreement Rider entirely. This means that during the remainder of the term of the Development Agreement Rider, we and our affiliates will have the right to establish and operate, and grant to others the right to establish and operate, A La Mode Shoppes the physical premises of which are located within the Area and continue to engage, and grant to others the right to engage, in any activities that we (and they) desire within the Area without any restrictions. However, our termination of the exclusivity will be without prejudice to our right to later terminate the Development Agreement Rider for the same default or any other defaults under the Development Agreement Rider.

You will not receive an exclusive territory. You may face competition from other A La Mode Shoppe franchise owners, from outlets that we own, or from other channels of distribution or competitive brands that we control.

Despite the development schedule under the Development Agreement Rider, we may delay your development of additional A La Mode Shoppes within the Area for the time period we deem best if we believe, when you apply for the next A La Mode Shoppe, that you are not yet operationally, managerially, or otherwise prepared (due to the particular amount of time that has elapsed since you developed and opened your most recent A La Mode Shoppe) to develop, open and/or operate the additional A La Mode Shoppes according to our standards and specifications. We may delay additional development as long as the delay will not in our reasonable opinion cause you to breach your development obligations under the development schedule (unless we are willing to extend the schedule to account for the delay).

Except as described above, we may not alter your Area during the Development Agreement Rider's term.

Item 13

TRADEMARKS

The table below consists of the Marks that we license to you as part of the franchise. You may not sublicense the Marks without our permission. The below list may not be an exhaustive list of all Marks owned by us or our affiliates.

MARK	REGISTRATION NUMBER	REGISTRATION DATE
A LA MODE	6481497	September 14, 2021
Pink Sprinkle	5974820	February 4, 2020
Wired	5637672	December 25, 2018
Cooks	5637670	December 25, 2018
Speed Bump	5637667	December 25, 2018
Partly Cloudy	5637665	December 25, 2018
The 100% No-Nuts Ice Cream	5381160	January 16, 2018

Our affiliate, A La Mode Inc., has registered the Marks listed above on the Principal Register of the United States Patent and Trademark Office (“USPTO”). No affidavits or renewal filings are yet due in connection with these registrations. No agreement limits our right to use or license the Marks.

A La Mode Inc. has licensed us to use the System and Marks and to sublicense them to our franchise owners in a trademark, copyright, and know-how license agreement dated as of February 20, 2026. The trademark, copyright, and know-how license agreement allows us to use, and sublicense to our franchise owners the right to use, the Marks, System, and other intellectual property anywhere in the world. The trademark, copyright, and know-how license agreement provides for an indefinite term, unless earlier terminated by A La Mode Inc. or us upon 120 days’ prior written notice to the other party. A La Mode Shoppe franchise owners must cease using the System and Marks upon termination of the trademark, copyright, and know-how license agreement. No other agreement limits our right to use or license the Marks.

You must follow our rules when you use the Marks, including giving proper notices of trademark and service mark registration and obtaining fictitious or assumed name registrations required by law. You may not use any Mark in your corporate or legal business name; with modifying words, terms, designs, or symbols (except for those we license to you); in selling any unauthorized services

or products; or as part of any domain name, homepage, electronic address, or otherwise in connection with a Website.

There are no currently effective material determinations of the USPTO, the Trademark Trial and Appeal Board, the trademark administrator of any state, or any court, and no pending infringement, opposition, or cancellation proceedings or material litigation, involving the Marks. We do not actually know of either superior prior rights or infringing uses that could materially affect your use of the Marks in any state.

You must notify us immediately of any apparent infringement or challenge to your use of any Mark, or of any person's claim of any rights in any Mark, and you may not communicate with any person other than us, our attorneys, and your attorneys, regarding any infringement, challenge, or claim. We may take the action we deem appropriate (including no action) and control exclusively any litigation, USPTO proceeding, or other administrative proceeding arising from any infringement, challenge, or claim. You must assist us, as we direct, in protecting and maintaining our interests in any litigation or USPTO or other proceeding. At our option, we may defend and/or control the defense of any proceeding arising from your use of any Mark. We need not participate in your defense and/or indemnify you for damages or expenses in a proceeding involving the Marks; however, if you timely notify us and comply with our directions in response to a trademark infringement proceeding that disputes your authorized use of the Marks, then we will reimburse you for your damages and reasonable expenses you incur.

If it becomes advisable at any time for us and/or you to modify or discontinue using any Mark and/or to use one or more additional or substitute trade or service marks, you must comply with our directions within a reasonable time after receiving notice. We need not reimburse you for your direct expenses of changing the Shoppe's signs, for any loss of revenue due to any modified or discontinued Mark, any loss of goodwill associated with any modified or discontinued Mark, or for your expenses of promoting a modified or substitute trademark or service mark.

Item 14

PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

No patents or pending patent applications are material to the franchise. We claim copyrights in the Operations Manual (which contains our trade secrets), advertising and marketing materials, and similar items used in operating A La Mode Shoppes. We have not registered these copyrights with the United States Registrar of Copyrights, but we need not do so at this time to protect them. You may use these items only as we specify while operating the Shoppe (and must stop using them if we so direct you).

There currently are no effective adverse determinations of the USPTO, the United States Copyright Office, or any court regarding the copyrighted materials. No agreement limits our right to use or allow others to use the copyrighted materials. We do not actually know of any infringing uses of our copyrights that could materially affect your use of the copyrighted materials in any state.

We need not protect or defend copyrights, although we intend to do so if in the best interests of the System or all or some A La Mode Shoppes, as we solely determine. We may control any action we choose to bring, even if you voluntarily bring the matter to our attention. We need not participate in your defense and/or indemnify you for damages or expenses in a proceeding involving a copyright.

Our Operations Manual and other materials contain our confidential information (some of which constitutes trade secrets under applicable law). This information includes, or may in the future include: training and operations materials; methods, formats, specifications, standards, systems, procedures, sales and marketing techniques, knowledge, and experience used in developing and operating A La Mode Shoppes; marketing and advertising programs for A La Mode Shoppes; any computer software or similar technology that is proprietary to us or the System; knowledge of specifications for and suppliers of A La Mode Shoppes and other products and supplies; knowledge of the operating results and financial performance of A La Mode Shoppes other than the Shoppe; and graphic designs and related intellectual property.

All ideas, concepts, inventions, techniques, or materials concerning an A La Mode Shoppe, 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 to be our sole and exclusive property, part of the System, and works made-for-hire for us. To the extent any item does not qualify as a “work made-for-hire” for us, you assign ownership of that item, and all related rights to that item, to us and must take whatever action (including signing assignment or other documents) we request to show our ownership or to help us obtain intellectual property rights in the item.

You may not use our confidential information in an unauthorized manner. You must take reasonable steps to prevent its improper disclosure to others. You agree to have our then current form of “Nondisclosure and Non-Competition Agreement” executed by all of the following persons: (i) your General Manager and any supervisory or other employees of yours who have received or will receive training from us, prior to their employment; (ii) if you are an entity, all your officers, directors, shareholders, partners, members and owners, and those of any entity directly or indirectly controlling you, at the same time the Franchise Agreement is signed, or at such time as they assume such status and (iii) you, your owners and your and your owners’ spouses. You agree to provide us copies of all executed Nondisclosure and Non-Competition Agreements no later than 10 days following their execution. We will be a third party beneficiary of each Nondisclosure and Non-Competition Agreement with independent enforcement rights.

Item 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

If you are a legal entity, you must appoint a shareholder, member, or partner (as applicable) to be your “Managing Owner,” responsible for overseeing and supervising the Shoppe’s operation. You must maintain a competent, conscientious, trained staff, including a fully-trained, full-time manager, which may be you (or your Managing Owner), who must act as the General Manager of the Shoppe with responsibility for direct supervision of the Shoppe. The Shoppe must at all times be under the full-time direct, on-premises management of a General Manager we have approved. You (or your Managing Owner) and the General Manager are responsible for conducting day-to-day business activities at the Shoppe. You must at all times faithfully, honestly, and diligently perform your contractual obligations and use best efforts to promote and enhance the Shoppe. System Standards may regulate the Shoppe’s staffing levels, identifying the Shoppe’s personnel, and employee qualifications, training, dress, and appearance.

If you are a corporation, limited liability company, or partnership, your owners must personally guarantee your obligations under the Franchise Agreement and agree to be bound personally by every

contractual provision, whether containing monetary or non-monetary obligations, including the covenant not to compete. The required form of “Guaranty and Assumption of Obligations” is attached to the Franchise Agreement.

Item 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must offer and sell all goods and perform all services that we periodically require for A La Mode Shoppes. You may not offer or sell any products or perform any services that we have not authorized. (See Item 8) Our System Standards may regulate: (i) required and/or authorized equipment, materials, supplies, ingredients, recipes, Menu Items, Proprietary Products and other products and services; and (ii) unauthorized and prohibited services, products, equipment, materials, supplies, ingredients and recipes. We periodically may change required and/or authorized services, the Menu Items and Proprietary Products or other products. There are no limits on our right to do so. (See Item 8)

You may conduct business only with customers at the Shoppe. Subject to applicable law, the Shoppe must only accept payments from customers in the form of credit and debit cards, mobile payments and any other methods of payment we may specifically authorize in writing. We do not restrict the customers whom you may serve at the Shoppe. You must advertise and solicit clients for the Shoppe only within the Territory and you may not operate the Shoppe outside the Territory. You may not operate the Shoppe, or offer the Proprietary Products, Menu Items or other products for sale from any physical location other than at the Premises.

Item 17

RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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.

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
a. Length of the franchise term	Section 1.E of Franchise Agreement	7 years from the Effective Date of the Franchise Agreement.
	Development Agreement Rider	Term of Development Agreement Rider depends on development obligations.
b. Renewal or extension of the term	Section 1.E and Section 13 of Franchise Agreement	If you are in full compliance, you may acquire 3 successor franchise terms of 5 years each, or as long as you have the right to maintain possession of the Premises, whichever is less. The successor franchises will be on our then current form of Franchise Agreement (which may contain materially different terms and conditions than your original franchise agreement).
	Development Agreement Rider	No renewal or extension of Development Agreement Rider.

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
c. Requirements for franchisee to renew or extend	Section 13 of Franchise Agreement	To “renew,” you must be in full compliance with the Franchise Agreement; give us timely notice; pay us the renewal fee; maintain possession of the Premises or find acceptable substitute premises; remodel the Shoppe according to our then current standards (regardless of cost); and sign our then current Franchise Agreement, a release (if law allows), and other documents we use to grant franchises. The terms of our then current Franchise Agreement that you sign for renewal of the franchise may differ materially from any and all of those contained in the Franchise Agreement attached to this Disclosure Document, including reduced Territory and increased fees.
	Development Agreement Rider	Not applicable under Development Agreement Rider.
d. Termination by franchisee	Sections 14.A and 14.G of Franchise Agreement	If we breach the Franchise Agreement and an arbitrator determines that we did not cure default after notice from you.
	Development Agreement Rider	Not applicable under Development Agreement Rider.
e. Termination by franchisor without cause	Not applicable under Franchise Agreement.	Not applicable under Franchise Agreement.
	Development Agreement Rider	Not applicable under Development Agreement Rider.

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
f. Termination by franchisor with cause	Section 14.B of Franchise Agreement	We may terminate your franchise agreement only if you or your owners commit one of several violations. Termination of the Franchise Agreement may result in the termination of the Development Agreement Rider.
	Section 8 of Development Agreement Rider	We may terminate your development rights only if you or your owners commit one of several violations. Termination of the Development Agreement Rider does not provide cause to terminate the Franchise Agreement, however, termination of a Franchise Agreement may result in the termination of the Development Agreement Rider.
g. “Cause” defined-curable defaults	Section 14.B of Franchise Agreement	You have 72 hours to cure any health, safety or sanitation law, ordinance, or regulation regulating the operation of the Shoppe; 10 days to cure monetary defaults and failure to maintain required insurance; 30 days to cure operational defaults and other defaults not listed in (h) below; and 180 days to relocate the Premises to a new site we approve if you lose possession of the Premises. Termination of the Development Agreement Rider does not provide cause to terminate the Franchise Agreement, however, termination of a Franchise Agreement may result in the termination of the Development Agreement Rider.

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
	Development Agreement Rider	Not applicable under Development Agreement Rider.
h. “Cause” defined- non- curable defaults	Sections 14.B and 14.C of Franchise Agreement	Non-curable defaults include: misrepresentation in acquiring the franchise; failure to locate and submit to us a lease for a site within 120 days; failure to deliver a signed lease addendum within 7 days after its execution; failure to open and operate the Shoppe within the lesser of 150 days from receiving our approval on the lease or 270 days from signing the Franchise Agreement; failure to complete training; abandonment; unapproved transfers; conviction of a felony, crime involving moral turpitude, or other crime; dishonest or unethical conduct; making an unauthorized representation or warranty on our behalf; unauthorized use or disclosure of the Operations Manual or other confidential information; failure to pay vendors or suppliers; failure to pay taxes; understating Gross Sales; repeated defaults (even if cured); an assignment for the benefit of creditors; appointment of a trustee or receiver; violation of any anti-terrorism law; knowingly maintaining false books or records or submitting false reports; refusing to permit us to inspect the Shoppe or your books, records, or accounts; termination of any other agreement between you (or your owners or

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
		affiliates) and us (or our owners and affiliates) due to failure to comply with the agreement. Termination of the Development Agreement Rider does not provide cause to terminate the Franchise Agreement, however, termination of a Franchise Agreement may result in the termination of the Development Agreement Rider.
	Section 8 of Development Agreement Rider	We may terminate the Development Agreement Rider if you do not meet development schedule or other obligations; if the Franchise Agreement or any other franchise agreement between us and you (or your affiliated entity) is terminated by us for cause or by you for any or no reason; or we have delivered formal notice of default to you (or your affiliated entity) under the Franchise Agreement or another franchise agreement (whether or not default is cured). Termination of the Development Agreement Rider does not provide cause to terminate the Franchise Agreement.
i. Franchisee's obligations on termination/nonrenewal	Section 15 of Franchise Agreement	Obligations include paying outstanding amounts; paying Brand Damages (if applicable); complete de-identification; assigning telephone and other numbers; and returning confidential information (also see (o) and (r) below)
	Development Agreement Rider	Not applicable under Development Agreement Rider.

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
j. Assignment of contract by franchisor	Section 12.A of Franchise Agreement	No restriction on our right to assign; we may assign without your approval.
	Development Agreement Rider	Not applicable under Development Agreement Rider.
k. “Transfer” by franchisee – defined	Section 12.B of Franchise Agreement	Includes transfer of Franchise Agreement, the Shoppe (or its profits, losses or capital appreciation), sale of Operating Assets, and ownership change in you or your owners.
	Section 9 of Development Agreement Rider	Assignment of Franchise Agreement developed in connection with a Development Agreement Rider; change in developer’s ownership (whether or not the change involves a controlling ownership interest), transfer of the Development Rider separate and apart from the Franchise Agreement, or an attempt to assign development rights.
l. Franchisor approval of transfer by franchisee	Section 12.B of Franchise Agreement	No transfer without our prior written consent unless such transfer is a non-controlling share of ownership interests in you to a transferee who meets our then-current standards for A La Mode Shoppe owners, you provide us notification of such transfer and you pay us a transfer fee of \$1,500.
	Section 9 of Development Agreement Rider	Your development rights under the Development Agreement Rider are not assignable at all.

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
m. Conditions for franchisor approval of transfer	Section 12.C of Franchise Agreement	New franchise owner qualifies (based on business experience, aptitude and financial resources); you pay us, our affiliates, and third party vendors all amounts due and submit all required reports; no default during 60-day period before transfer request or during period between request and transfer's proposed effective date; new franchise owner (and its owners and affiliates) are not in a Competitive Business; training completed; your landlord allows the transfer or sublease of your lease; you or transferee signs our then current Franchise Agreement and other documents; transfer fee paid; you sign release (if law allows); we approve material terms; you subordinate amounts due to you; you de-identify; and you correct existing Shoppe deficiencies of which we notify you on a punch-list (also see (r) below).
	Development Agreement Rider	Not applicable under Development Agreement Rider.
n. Franchisor's right of first refusal to acquire franchisee's business	Section 12.G of Franchise Agreement	We may match any offer for the Shoppe or an ownership interest in you.
	Development Agreement Rider	Not applicable under Development Agreement Rider.
o. Franchisor's option to purchase franchisee's business	Section 15.E of Franchise Agreement	We have the option to purchase the Shoppe's operating assets upon termination or expiration of the franchise term or if we or a significant portion of our assets are purchased or acquired during the franchise term.

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
	Development Agreement Rider	Not applicable under Development Agreement Rider.
p. Death or disability of franchisee	Section 12.E of Franchise Agreement	Your or your managing owner's representative must assign the franchise or an ownership interest in you to an approved party within 6 months; substitute management must be appointed within 15 days; we may assume management of the Shophe and collect \$400 per day plus our costs and expenses if the Shophe is not being managed properly
	Development Agreement Rider	Not applicable under Development Agreement Rider.
q. Non-competition covenants during the term of the franchise	Section 7 of Franchise Agreement	No diverting business; no ownership interest in, performing services for, or lending money to, Competitive Businesses anywhere ("Competitive Business" means (i) any restaurant or other food-service business which derives more than fifteen percent (15%) of its revenue from selling ice-cream, frozen yogurt, frozen treats or other frozen dessert related products, (ii) any retail outlet that contains an ice-cream or frozen yogurt scoop counter; or (iii) any business granting franchises or licenses to others to operate the type of business specified in subparagraphs (i) and (ii) (other than an A La Mode Shoppe operated under a franchise agreement with us)); no engagement in activities

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
		that may injure goodwill of the Marks.
	Development Agreement Rider	Not applicable under Development Agreement Rider.
r. Non-competition covenants after the franchise is terminated or expires	Section 15.D of Franchise Agreement	No direct or indirect ownership interest in, or performing services for, competing business for 2 years at the Premises where the Shoppe is located; within the Territory; within a 10 mile radius of the Territory; or within 10 miles of any other A La Mode Shoppe in operation or under construction as of date Franchise Agreement expires or is terminated
	Development Agreement Rider	Not applicable under Development Agreement Rider.
s. Modification of the agreement	Section 17.J of Franchise Agreement	No modifications except by written agreement signed by both us and you, but we may change Operations Manual and System Standards.
	Development Agreement Rider	Not applicable under Development Agreement Rider.
t. Integration/merger clause	Section 17.L of Franchise Agreement	Only the terms of the Franchise Agreement are binding (subject to state law). However, nothing in the Franchise Agreement or any related agreement is intended to disclaim our representations made in this Disclosure Document.

PROVISION	SECTION IN FRANCHISE OR OTHER AGREEMENT	SUMMARY
	Development Agreement Rider	Not applicable under Development Agreement Rider.
u. Dispute resolution by arbitration or mediation	Sections 17.E and 17.F of Franchise Agreement	Subject to the requirement to mediate certain disputes, we and you must arbitrate all disputes in the city where our then current principal business address is located (currently, New York, New York)
	Development Agreement Rider	Not applicable under Development Agreement Rider.
v. Choice of forum	Section 17.H of Franchise Agreement	Subject to mediation and arbitration requirements, litigation generally must be in the state or federal court of competent jurisdiction located closest to our then current principal business address (currently, New York, New York) (subject to state law)
	Development Agreement Rider	Not applicable under Development Agreement Rider (subject to applicable state law)
w. Choice of law	Section 17.G of Franchise Agreement	Except for Federal Arbitration Act and other federal law, New York law governs (subject to state law)
	Development Agreement Rider	Not applicable under Development Agreement Rider (subject to applicable state law)

Item 18

PUBLIC FIGURES

We currently do not use any public figures to promote franchises for A La Mode Shoppes.

Item 19

FINANCIAL PERFORMANCE REPRESENTATIONS

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

As of the date of this Disclosure Document, there are two affiliate-owned A La Mode Shoppes located in New York (one in Manhattan and one in East Hampton). There are no franchised A La Mode Shoppes.

Tables I and II below provide historical financial information regarding the affiliate-owned A La Mode Shoppe in Manhattan (the "Reporting Shoppe") for the 2025 fiscal year (the "Measurement Period"). The Reporting Shoppe is substantially similar to the A La Mode Shoppes we expect franchisees to operate under Franchise Agreements with us.

Tables I and II below exclude the affiliate-owned A La Mode Shoppe located in East Hampton, because it is in a highly seasonal area where businesses experience significant fluctuations in customer traffic and revenue, with peak activity concentrated between April and August each year. While the East Hampton location remains open throughout the year, the pronounced seasonality in the local market means that the financial results of this location are not representative of the results that can be expected by franchisees in more traditional, year-round markets.

TABLE I

Table I below provides the following categories of historical information for the Reporting Shoppe during the Measurement Period: (1) Gross Sales by category and by item; (2) percentage of sales for each category; (3) number of items sold in each category; and (4) average sales per item sold.

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Table I
Gross Sales by Category and by Item
of Reporting Shopp
During the Measurement Period

Category	Sales	% of Sales	Items sold	Avg Sales per Item Sold
Ice Cream	\$ 178,844	46.9%	31646	\$5.65
Events/Catering & Parties	\$ 140,723	36.9%	1241	\$113.40
Facility Rentals	\$ 50,090	13.1%	588	\$85.19
Beverage	\$ 6,815	1.8%	2017	\$3.38
Candy	\$ 3,000	0.8%	363	\$8.26
Toppings	\$ 1,498	0.4%	1658	\$0.90
Total	\$ 380,970	100%	37513	\$10.16

[Remainder of page left blank intentionally]

TABLE II

Table II below provides the following categories of historical information for the Reporting Shoppe during the Measurement Period: (1) Gross Sales; (2) cost of services provided; and (3) gross profit.

Table II Results of Our Reporting Shoppe			
		2025 Measurement Period	
		Amount	Percentage of Gross Sales
Gross Sales		\$80,970	100.00%
<u>Less</u>	<u>Cost of Services Provided:</u>		
	Direct Labor	\$121,846	32.18%
	Cost of Goods Sold	\$53,812	14.21%
	Total Cost of Services Provided	\$175,658	46.39%
Gross Profit		\$205,312	53.89%
	<u>Disclosed Expenses:</u>		
	Royalty	\$22,858	6.00%
	Brand Fund	\$3,810	1.00%
	Local Advertising	\$3,810	1.00%
	Technology Fee	\$1,200	0.31%
	Gross Profit Less Disclosed Expenses and Franchisee Related Expenses	<u>\$173,634</u>	<u>45.58%</u>

The Reporting Shoppe has earned this amount. Your individual results may differ. There is no assurance that you will earn this much.

We have not audited the information presented above. Written substantiation of the data used in preparing these figures will be made available to you upon written request.

Notes to Tables

- As used in this Item 19, "Gross Sales" means all revenue that you derive from operating the Shoppe, including, but not limited to, all amounts that you receive at or away from the Premises, and whether from cash, check, credit and debit card, barter exchange, trade credit,

or other credit transactions and all other income of every kind and nature related to the Shoppe, but (1) excluding all federal, state, or municipal sales, use, or service taxes collected from customers and paid to the appropriate taxing authority and (2) reduced by the amount of any documented refunds, credits, allowances, and charge-backs the Shoppe in good faith gives to customers.

2. As used in this Item 19, “Cost of Goods Sold” includes the delivered cost of ice cream and beverages, toppings, and paper goods. Expenses in the operation of A La Mode Shoppes will vary from franchisee to franchisee and from location to location, and are dependent upon seasonal, local and other factors.
3. As used in this Item 19, “Cost of Labor” includes the cost of labor, including hourly wages for employees, payroll taxes and workers’ compensation insurance. Cost of Labor does not include any draw, salary or benefits for you. Cost of labor will vary and will be dependent upon numerous factors, including local minimum wage laws and local labor market conditions.
4. As used in this Item 19, “Royalty,” “Brand Fund,” “Local Advertising,” and “Technology Fee” correspond to the applicable fees described in Item 6 of this Disclosure Document: (i) Royalty equal to 6% of weekly Gross Sales; (ii) Fund Contribution equal to 1% of weekly Gross Sales; (iii) local advertising equal to a minimum of 1% of the Shoppe’s prior month’s Gross Sales; and (iv) Technology Fee of up to \$75 per week.

Other than the preceding financial performance representation, we do not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing A La Mode Shoppe, however, we may provide you with the actual records of that A La Mode Shoppe. If you receive any other financial performance information or projections for your future income, you should report it our management by contacting Marc Roth at 400 E 56th Street Apt 38 B, New York, New York 10022, (917) 676-1080, info@alamodeshoppe.com, the Federal Trade Commission and the appropriate state regulatory agencies.

Item 20

OUTLETS AND FRANCHISEE INFORMATION

Table 1
Systemwide Outlet Summary
For years 2023 to 2025

Column 1	Column 2	Column 3	Column 4	Column 5
Outlet Type	Year	Outlets at the Start of Year	Outlets at the End of Year	Net Change
Franchised	2023	0	0	0
	2024	0	0	0
	2025	0	0	0

Company Owned	2023	2	2	0
	2024	2	2	0
	2025	2	2	0
Total Outlets	2023	2	2	0
	2024	2	2	0
	2025	2	2	0

Table 2
Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)
For years 2023 to 2025

Column 1	Column 2	Column 3
State	Year	Number of Transfers
All States	2023	0
	2024	0
	2025	0
Totals	2023	0
	2024	0
	2025	0

Table 3
Status of Franchised Outlets
For years 2023 to 2025

Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7	Col. 8	Col. 9
State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired By Franchisor	Ceased Operations - Other Reasons	Outlets at End of the Year
All States	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0
Totals	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0

Table 4
Status of Company-Owned Outlets
For years 2023 to 2025

Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7	Col. 8
State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired From Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
New York	2023	2	0	0	0	0	2
	2024	2	0	0	0	0	2
	2025	2	0	0	0	0	2
Totals	2023	2	0	0	0	0	2
	2024	2	0	0	0	0	2
	2025	2	0	0	0	0	2

Table 5
Projected Openings as of December 31, 2025

Column 1	Column 2	Column 3	Column 4
State	Franchise Agreements Signed but Outlets Not Opened	Projected New Franchised Outlets In The New Fiscal Year	Projected New Company-Owned Outlets In The New Fiscal Year
Connecticut	0	1	0
Florida	0	1	0
Massachusetts	0	1	0
New York	0	1	0
Totals	0	4	0

As of the date of this Disclosure Document, and as currently reflected in Exhibit I attached, we do not have any franchise owners operating A La Mode Shoppes or former franchise owners that have departed our franchise network during our prior fiscal year. Therefore, no franchise owners had an outlet terminated, canceled, transferred, or not renewed, or otherwise voluntarily or involuntarily ceased to do business under our franchise agreement, during our last fiscal year or who have not communicated with us within 10 weeks of this Disclosure Document's issuance date. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

During the last 3 fiscal years, no current or former franchise owners have signed confidentiality clauses that restrict them from discussing with you their experiences as a franchise owner in our franchise system.

There are currently no trademark-specific franchise owner organizations associated with the franchise system.

Item 21

FINANCIAL STATEMENTS

Exhibit F contains our audited financial statements, which comprise our balance sheet and the related statements of operations, changes in members' equity, and cash flows as of March 5, 2026. Our fiscal year end is December 31. We have not been in business for three years or more (having been formed in February 2026) and cannot include all the financial statements required by the FTC Rule for the last three years.

Item 22

CONTRACTS

The following agreements are exhibits:

- (a) Exhibit C Franchise Agreement
- (b) Exhibit D Development Agreement Rider
- (c) Exhibit E State Addenda to Franchise Agreement
- (d) Exhibit H Sample Form of General Release
- (e) Exhibit J Franchise Owner Disclosure Questionnaire

Item 23

RECEIPTS

Our and your copies of the receipt to this Disclosure Document are located at the last 2 pages of this Disclosure Document.

EXHIBIT A - List of State Administrators

We intend to register this disclosure document as a “franchise” in some or all of the following states, if required by the applicable state laws. If and when we pursue franchise registration (or otherwise comply with the franchise investment laws) in these states, the following are the state administrators responsible for the review, registration, and oversight of franchises in these states:

CALIFORNIA Office of the Commissioner California Department of Financial Protection and Innovation 320 West 4th Street, Suite 750 Los Angeles, California 90013-2344 (866) 275-2677	MICHIGAN Consumer Protection Division Antitrust and Franchise Unit Michigan Department of Attorney General G. Mennen Williams Building, 1 st Floor 525 W. Ottawa Street Lansing, Michigan 48933 (517) 373-7117
HAWAII Commissioner of Securities of the State of Hawaii Department of Commerce and Consumer Affairs, Business Registration Division, Securities Compliance Branch 335 Merchant Street, Room 205 Honolulu, Hawaii 96813 (808) 586-2722	MINNESOTA Minnesota Department of Commerce 85 7th Place East, Suite 280 St. Paul, Minnesota 55101-2198 (651) 539-1500
ILLINOIS Chief – Franchise Bureau Office of Attorney General State of Illinois 500 South Second Street Springfield, Illinois 62706 (217) 782-4465	NEW YORK NYS Department of Law Investor Protection Bureau 28 Liberty Street, 21 st Floor New York, New York 10005 (212) 416-8222 Phone
INDIANA Franchise Section Indiana Securities Commission 302 West Washington Street Indianapolis, Indiana 46204 (317) 232-6681	NORTH DAKOTA North Dakota Securities Department 600 East Boulevard Avenue, 14 th Floor Bismarck, North Dakota 58505 (701) 328-2910
MARYLAND Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, Maryland 21202-2020 (410) 576-6360	OREGON Dept. of Consumer & Business Services Division of Finance and Corporate Securities 350 Winter St. NE, Rm. 410 Salem, OR 97301-3881 (503) 378-4140

RHODE ISLAND Division of Securities 1511 Pontiac Avenue John O. Pastore Complex – Building 69-1 Cranston, Rhode Island 02920 (401) 462-9500	VIRGINIA State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street, 9th Floor Richmond, Virginia 23219 (804) 371-9051
SOUTH DAKOTA Department of Labor and Regulation Division of Insurance – Securities Regulation 124 S. Euclid, Second Floor Pierre, South Dakota 57501 (605) 773-3563	WASHINGTON Department of Financial Institutions Securities Division 150 Israel Road Southwest Tumwater, WA 98501 (360) 902-8760
WISCONSIN Wisconsin Department of Financial Institutions 4822 Madison Yards Way, North Tower Madison, Wisconsin 53705 (608) 266-0448	

EXHIBIT B - List of State Agents for Service of Process

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:

CALIFORNIA Commissioner of the Department of Financial Protection and Innovation 320 West Fourth Street, Suite 750 Los Angeles, California 90013-2344 (213) 576-7500 Toll Free: (866) 275-2677	MICHIGAN Michigan Department of Labor and Economic Growth Corporations Division, Bureau of Commercial Service P.O. Box 30054 Lansing, Michigan 48909 (517) 373-7117
HAWAII Commissioner of Securities Business Registration Division Department of Commerce and Consumer Affairs 335 Merchant Street, Room 205 Honolulu, Hawaii 96813 (808) 586-2722	MINNESOTA Commissioner of Commerce 85 7 th Place East, Suite 280 St. Paul, Minnesota 55101 (651) 539-1500
ILLINOIS Illinois Attorney General 500 South Second Street Springfield, Illinois 62706 (217) 782-4465	NEW YORK New York Secretary of State New York Department of State One Commerce Plaza, 99 Washington Avenue, 6th Floor Albany, NY 12231-0001 (518) 473-2492
INDIANA Secretary of State Franchise Section 200 West Washington Street Indianapolis, Indiana 46204 (317) 232-6531	NORTH DAKOTA North Dakota Securities Commissioner 600 East Boulevard Avenue, State Capitol Fifth Floor Bismarck, North Dakota 58505-0510 (701) 328-4712
MARYLAND Maryland Securities Commissioner 200 St. Paul Place Baltimore, Maryland 21202-2020 (410) 576-6360	OREGON Oregon Division of Finance and Corporate Securities 350 Winter Street NE, Room 410 Salem, Oregon 97301-3881 (503) 378-4387

RHODE ISLAND Director of Department of Business Regulation Department of Business Regulation Securities Division Bldg. 68-2 John O. Pastore Center 1511 Pontiac Avenue Cranston, Rhode Island 02920 (401) 462-9500	VIRGINIA Clerk of the State Corporation Commission 1300 East Main Street, 1st Floor Richmond, Virginia 23219 (804) 371-9733
SOUTH DAKOTA Division of Insurance Director of the Securities Regulation 124 South Euclid Avenue, Suite 104 Pierre, South Dakota 57501 (605) 773-4823	WASHINGTON Director of Department of Financial Institutions Securities Division – 3 rd Floor 150 Israel Road, S.W. Tumwater, Washington 98501 (360) 902-8760
WISCONSIN Commissioner of Securities Wisconsin Department of Financial Institutions 4822 Madison Yards Way, North Tower Madison, WI 53705 (608) 266-9555	

EXHIBIT C – Franchise Agreement

ALM FRANCHISE LLC
FRANCHISE AGREEMENT

FRANCHISE OWNER

DATE OF AGREEMENT

SHOPPE ADDRESS

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ALM FRANCHISE LLC
FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (the “Agreement”) is made and entered into by and between **ALM FRANCHISE LLC**, a New York limited liability company located at 400 E 56th Street, Apt 38B, New York, New York 10022 (“we,” “us,” or “our”), and _____, whose principal business address is _____ (“you” or “your”) as of the date signed by us and set forth opposite our signature on this Agreement (the “Effective Date”).

1. PREAMBLES, ACKNOWLEDGMENTS, AND GRANT OF FRANCHISE.

A. PREAMBLES.

(1) We and our affiliates have, over a considerable time period and with considerable effort, developed (and continue to develop and modify) a system and franchise opportunity for the operation of ice cream shoppes that offer handcrafted, small-batch ice cream that is all nut-free, egg-free and sesame-free, and also include some dairy-free and gluten-free options and other food and beverage products and services (collectively, “Menu Items”). These retail businesses operate under the “A La Mode” name and other Marks (as defined below) (“A La Mode Shoppes”) and have distinctive business formats, methods, procedures, signage designs, layouts, standards, and specifications, and the Marks, all of which we may improve, further develop, or otherwise modify at any time and from time to time (collectively, the “System”).

(2) Menu Items are prepared in our or our affiliates nut-free facilities according to our specified recipes and procedures and use high quality ingredients, including all food and beverage items, ingredients, condiments and other products, services and equipment (collectively, the “Proprietary Products”) which now comprise, or in the future may comprise, part of the System (defined below) or our trade secrets which are developed by and are proprietary to us or our affiliates.

(3) We and our affiliates use, promote, and license certain trademarks, service marks, and other commercial symbols in operating A La Mode Shoppes, which have gained and will continue to gain public acceptance and goodwill, and may create, use, and license other trademarks, service marks, and commercial symbols for A La Mode Shoppes (collectively, the “Marks”).

(4) We grant to persons who meet our qualifications, and are willing to undertake the investment and effort, a franchise to own and operate an A La Mode Shoppe using the System and offering the Menu Items and related products and services we authorize.

(5) As a franchise owner of an A La Mode Shoppe, you will comply with this Agreement and all System Standards (defined in Subsection 4.D) in order to maintain the

high and consistent quality that is critical to attracting and maintaining customers for A La Mode Shoppes.

(6) There are two types of A La Mode Shoppes: (i) “Scoop Shoppes Plus”, and (ii) “Scoop Shoppes.” Scoop Shoppes Plus will have a footprint large enough to host events such as birthday parties and magic shows. Scoop Shoppes operate in a smaller footprint with limited to no seating and only offer Menu Items and Proprietary Products. Unless otherwise specified in this Agreement, references to "A La Mode Shoppes" include both Scoop Shoppes Plus and Scoop Shoppes. You have applied for a franchise to own and operate the type of A La Mode Shoppe identified on **Exhibit B**.

B. ACKNOWLEDGMENTS.

You acknowledge:

(1) That you have independently investigated the franchise opportunity for an A La Mode Shoppe and recognize that, like any other business, the nature of the business A La Mode Shoppes conduct may, and probably will, evolve and change over time.

(2) That an investment in an A La Mode Shoppe involves business risks that could result in the loss of a significant portion or all of your investment.

(3) That your business abilities and efforts are vital to your success.

(4) That attracting customers for the Shoppe (as defined in Subsection D below) will require you to make consistent marketing efforts in your community through various methods, including media advertising, social media campaigns, direct mail advertising, and display and use of in-store promotional materials.

(5) That retaining customers for the Shoppe will require you to have a high level of customer service and adhere strictly to the System and our System Standards and that you are committed to maintaining System Standards.

(6) That you have not received from us, and are not relying upon, any representations or guarantees, express or implied, as to the potential volume, sales, income, or profits of an A La Mode Shoppe.

(7) That in all of their dealings with you, our officers, directors, employees, and agents act only in a representative, and not in an individual, capacity and that business dealings between you and them as a result of this Agreement are deemed to be only between you and us.

(8) That you have represented to us, to induce our entry into this Agreement, that all statements you have made and all materials you have given us are accurate and complete and that you have made no misrepresentations or material omissions in obtaining the franchise.

(9) That you and your guarantors have received as one document at one time, either personally or by registered mail, a copy of the form of this Agreement, the exhibits hereto, and the applicable complete Franchise Disclosure Document not less than fourteen (14) days prior to the earlier of: (i) the date on which this Agreement or any other agreement relating thereto was executed, and (ii) the payment of any consideration by or on behalf of you relating to this Agreement, and the franchise associated therewith (except, where applicable, any deposit permitted under applicable law).

(10) That you have read this Agreement and our Franchise Disclosure Document and understand and accept that this Agreement's terms and covenants are reasonably necessary for us to maintain our high standards of quality and service, as well as the uniformity of those standards with respect to every A La Mode Shoppe, and to protect and preserve the goodwill of the Marks.

(11) That we will restrict your sources of Proprietary Products and have the right to restrict your sources of other goods and services as well, as provided in various sections of this Agreement, including Section 8 below.

(12) That we have not made any representation, warranty, or other claim regarding this franchise opportunity, other than those made in this Agreement and our Franchise Disclosure Document, and that you have independently evaluated this opportunity, including by using your business professionals and advisors, and have relied solely upon those evaluations in deciding to enter into this Agreement.

(13) That you have been afforded an opportunity to ask any questions you have and to review any materials of interest to you concerning this franchise opportunity.

(14) That you have been afforded an opportunity, and have been encouraged by us, to have this Agreement and all other agreements and materials we have given or made available to you reviewed by an attorney and have either done so or waived your right to do so.

C. **CORPORATION, LIMITED LIABILITY COMPANY, OR PARTNERSHIP.**

If you are at any time a corporation, limited liability company, general or limited partnership, or other form of business entity (each, an "Entity"), then you agree and represent that:

(1) You will have the authority to execute, deliver, and perform your obligations under this Agreement and all related agreements and are duly organized or formed and validly existing in good standing under the laws of the state of your incorporation or formation;

(2) Your organizational documents, operating agreement, or partnership agreement, as applicable, will recite that this Agreement restricts the issuance and transfer of any ownership interests in you, and all certificates and other documents representing ownership interests in you will bear a legend referring to this Agreement's restrictions;

(3) **Exhibit A** to this Agreement completely and accurately describes all of your owners and their interests in you as of the Effective Date;

(4) Each of your owners during the Term (as defined in Subsection E below) and any Renewal Term (as defined in Subsection E below) will execute a guaranty in the form attached to this Agreement as **Exhibit E** undertaking personally to be bound, jointly and severally, by all provisions of this Agreement and any ancillary agreements between you and us. Subject to our rights and your obligations under Section 12, you and your owners agree to promptly sign and deliver to us revisions to **Exhibit A** to reflect any permitted changes in the information that **Exhibit A** now contains;

(5) You will appoint a shareholder, member, or partner, as applicable, to be your “Managing Owner,” who will be responsible for overseeing and supervising the operation of the Shoppe. The Managing Owner as of the Effective Date is identified in **Exhibit A**. You may not change the Managing Owner without our prior written consent; and

(6) The Shoppe operated hereunder and other A La Mode Shoppes, if applicable, will be the only businesses you operate (although your owners may have other, non-competitive business interests).

D. GRANT OF FRANCHISE.

You have applied for a franchise to own and operate an A La Mode Shoppe at a location we approve, which will be identified on **Exhibit B** (the “Premises”). Subject to this Agreement’s terms, we grant you a franchise (the “Franchise”) to operate an A La Mode Shoppe (the “Shoppe”) at the Premises, and to use the System in its operation, for the Term. You may use the Premises only for the Shoppe. You agree at all times faithfully, honestly, and diligently to perform your obligations under this Agreement and to use your best efforts to promote the Shoppe. You will not have the right to provide delivery to offsite locations without our consent, which we may withhold for any reason or no reason in our sole judgment, including the ability to reasonably withhold our consent to allowing you to deliver or cater to clients located in another franchisee’s assigned territory.

E. TERM AND RENEWAL.

(1) **Term.** The term of this Agreement (the “Term”) will begin on the Effective Date and will expire on the seventh (7th) anniversary of the Effective Date, unless this Agreement is sooner terminated as provided herein.

(2) **Renewal Term.** You will have the right, but not the obligation, to enter into Successor Franchise Agreements (as defined in Subsection 13.A below) for up to three (3) additional consecutive franchise terms following the Term (each, a “Renewal Term”). The duration of each Renewal Term will be five (5) years or as long as you have the right to maintain possession of the Premises, whichever is less, provided that you have complied with the conditions and procedures for renewal in Section 13 of this Agreement in connection with the first Renewal Term, and that you comply in the future with the

conditions and procedures for renewal in the Successor Franchise Agreement (as applicable) with respect to the possible second and third Renewal Terms.

F. YOUR TERRITORIAL RIGHTS.

You shall establish and operate the Shoppe within the protected area identified in **Exhibit B** to this Agreement (the “Territory”). We will determine the size and boundaries of the Territory in our sole judgment, based on factors that may include, among others, geographic area, population density, traffic patterns, and the demographics of the Shoppe’s area. Provided that you are in full compliance with this Agreement, and except as provided in Subsection G below, we and our affiliates will not operate or grant a franchise for the operation of another A La Mode Shoppe at a location within the Territory during the Term.

G. RIGHTS WE RESERVE.

Except as expressly limited by Subsection 1.F above, we and our affiliates retain all rights with respect to A La Mode Shoppes, the Marks, the sale of identical, similar or dissimilar products and services, and any other activities we deem appropriate whenever and wherever we desire. Specifically, but without limitation, we reserve the following rights:

(1) the right to operate, and to grant others the right to operate A La Mode Shoppes located anywhere outside the Territory under any terms and conditions we deem appropriate and regardless of proximity to the Shoppe;

(2) the right to establish and operate, and to grant to others the right to establish and operate businesses (including stand-alone A La Mode Shoppes) offering similar or dissimilar products and services through similar or alternative channels of distribution, at any locations inside or outside the Territory under trademarks or service marks other than the Marks and on any terms and conditions we deem appropriate;

(3) the right to provide, offer and sell and to grant others the right to provide, offer and sell products and services that are identical or similar to and/or competitive with those products and services provided at A La Mode Shoppes, whether identified by the Marks or other trademarks or service marks, through alternative distribution channels including, without limitation, the internet or similar electronic media, any other form of electronic commerce, supermarkets and schools) both inside and outside the Territory and on any terms and conditions we deem appropriate;

(4) the right to establish and operate, and to grant to others the right to establish and operate, businesses offering dissimilar products and services, both inside and outside the Territory under the Marks and on any terms and conditions we deem appropriate;

(5) the right to market and sell products and services to national, regional and institutional accounts, whether located inside or outside the Territory. “National, regional and institutional accounts” are organizational or institutional customers whose presence is not confined to your Territory, including (by way of example only): business entities with offices or branches situated both inside and outside of your Territory; government agencies,

branches or facilities; healthcare networks; the military; and, any other customer whose presence is not confined to your Territory;

(6) the right to operate, and to grant others the right to operate A La Mode Shoppes “Non Traditional Sites” within and outside the Territory on any terms and conditions we deem appropriate. “Non Traditional Sites” are sites that generate customer traffic flow which is independent from the general customer traffic flow of the surrounding area, including, without limitation, military bases, shopping malls, airports, stadiums, arenas, major industrial or office complexes, hotels and resorts, school campuses, train stations, travel plazas, toll roads, casinos, hospitals, educational facilities, amusement parks, and sports or entertainment venues;

(7) the right to acquire the assets or ownership interests of one or more businesses providing products and services the same as or similar to those provided at A La Mode Shoppes, and franchising, licensing or creating similar arrangements with respect to these businesses once acquired, wherever these businesses (or the franchisees or licensees of these businesses) are located or operating (including in the Territory); and

(8) the right to be acquired (whether through acquisition of assets, ownership interests or otherwise, regardless of the form of transaction), by a business providing products and services the same as or similar to those provided at A La Mode Shoppes, or by another business, even if such business operates, franchises and/or licenses competitive businesses in the Territory.

H. MODIFICATION OF SYSTEM.

Because complete and detailed uniformity under many varying conditions might not be possible or practical, you acknowledge that we specifically reserve the right and privilege, as we deem best, to vary System Standards (defined below) for any franchise owner based upon the peculiarities of any condition that we consider important to that franchise owner’s successful operation. You have no right to require us to grant you a similar variation or accommodation.

I. NATIONAL, REGIONAL AND INSTITUTIONAL ACCOUNTS.

Only we will have the right to enter into contracts with national, regional and/or institutional accounts (which may include facilities or projects within your Territory). If we receive contracts for any Proprietary Products or services calling for performance or delivery in your Territory as a result of our engaging in commerce with national, regional and institutional accounts, then we will have the right, but not the obligation, either to require you to fulfill such contracts at the price we agree on with the client or to give you the opportunity to fulfill such contracts at the price we agree on with the client. If we give you the opportunity to fulfill such contracts and if, for any reason, you do not desire to or cannot serve the client, or if the client desires for any or no reason to deal exclusively with us, our affiliate or another franchisee and not with you, then we, our affiliate or any other A La Mode Shoppes may serve the client within your

Territory, and you will not be entitled to any compensation. The procedures governing our national, regional and institutional accounts program are set forth in our Operations Manual.

2. SITE SELECTION, LEASE OF PREMISES, AND DEVELOPMENT AND OPENING OF SHOPPE.

A. SITE SELECTION.

If we have approved a location for the Shoppe before the execution of this Agreement, the Premises will be set forth on **Exhibit B**. If we and you have not agreed upon an approved location for the Shoppe before signing this Agreement, then you are responsible for selecting the site for the Shoppe within the geographic area described in **Exhibit B** (the “Designated Area”). The Designated Area is delineated for the sole purpose of site selection and does not confer any territorial exclusivity or protection. You agree to obtain our written approval of the Shoppe’s proposed site within the Designated Area before signing any lease, sublease, or other document for the site. We will use reasonable efforts to help analyze your market area, to help determine site feasibility, and to assist in designating the location, although we will not conduct site selection activities for you. We will not unreasonably withhold our approval of a site that meets our criteria for demographic characteristics; traffic patterns; parking; character of neighborhood; competition from, proximity to, and nature of other businesses; other commercial characteristics; and the proposed site’s size, appearance, and other physical characteristics.

You agree to send us a description of the proposed site within the Designated Area, including a summary of the items listed above, along with a letter of intent or other evidence confirming your favorable prospects for obtaining the proposed site. We will use reasonable efforts to approve or disapprove the proposed site within the Designated Area within thirty (30) days after receiving your written proposal. Notwithstanding our time to review and approve or disapprove any site you propose, you must have submitted and received our approval of an acceptable site within the Designated Area no later than sixty (60) days after the Effective Date, or we may terminate this Agreement (at our option) pursuant to Section 14 below. Upon our approval of a site within the Designated Area, and after you secure the site, we will insert its address into **Exhibit B**, and it will be the Premises. You may operate the Shoppe only at the Premises.

You acknowledge and agree that, if we suggest, approve, or give you information regarding a site for the Premises, our action is not a representation or warranty of any kind, express or implied, of the site’s suitability for an A La Mode Shoppe or any other purpose. Our action indicates only that we believe that the site meets our then acceptable criteria. Applying criteria that has appeared effective with other sites and premises might not accurately reflect the potential for all sites and premises, and demographic and/or other factors included in or excluded from our criteria could change, altering the potential of a site and premises. The uncertainty and instability of these criteria are beyond our control, and we are not responsible if a site and premises we suggest or approve for the location of an A La Mode Shoppe fails to meet your expectations. Accordingly, you acknowledge and agree that your acceptance of the Franchise pursuant to this Agreement is based on your own independent investigation of the site’s suitability for the Premises.

B. LEASE OF PREMISES.

You must submit a proposed lease, sublease or other rental agreement for the Premises (each a “Lease”) for our review and approval within sixty (60) days after we approve the site for the Premises, and in any case no later than one hundred fifty (120) days after the Effective Date, or we may terminate this Agreement (at our option) pursuant to Section 14.B below. Any and all Leases that you propose or enter into must: (i) be in a form and contain substance we approve, and (ii) include our form of addendum to lease agreement attached hereto as **Exhibit C** (the “Lease Addendum”) containing certain required terms and provisions applicable to the Lease. You must deliver to us fully-signed copies of the Lease and Lease Addendum, as approved by us, within seven (7) days after their execution. You also agree to sign, and have the landlord sign, any other document(s) we deem necessary to record our interest in the Premises in public real estate indices and elsewhere to protect our interests.

You acknowledge that our approval of the Lease (including the Lease Addendum, for purposes of the remainder of this Subsection 2.B) does not constitute a guarantee, warranty, or representation of any kind, whether express or implied, as to the Lease’s fairness or suitability, your ability to comply with its terms, or the success or profitability of an A La Mode Shoppe operated at the Premises. Our approval of the Lease indicates only that we believe that the Premises and the Lease terms meet our then acceptable criteria. We do not, by virtue of approving the Lease, assume any liability or responsibility to you or to any third party. You may not modify the Lease if any proposed modification would impact our rights as a third-party beneficiary of provisions of the Lease.

If the Lease expires or is terminated without your fault, or if the site for the Premises is destroyed, condemned, or otherwise rendered unusable, we will allow you to relocate the Shoppe to a new site acceptable to us. You must locate a substitute site, and begin operating the Shoppe from that substitute site, within one hundred eighty (180) days after you lose the right to occupy the Premises. Any relocation will be at your sole expense, and we may charge you for the reasonable costs we incur, plus a reasonable fee in an amount equal to Ten Thousand Dollars (\$10,000), which will be payable in two (2) installments: (i) 50% is payable upon notifying us of your intent to relocate the Shoppe; and (ii) the remaining 50% will be payable upon our accepting a new site for the Shoppe.

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

C. **SHOPPE DEVELOPMENT.**

You are responsible for developing the Shoppe. We will give you mandatory and suggested specifications and layouts for a model A La Mode Shoppe, including requirements for dimensions, design, image, interior layout, decor, fixtures, equipment, signs, furnishings, and color scheme. These plans might not reflect the requirements of any federal, state, or local law, code, or regulation, including those arising under the Americans with Disabilities Act (the “ADA”) or similar rules governing public accommodations for persons with disabilities. It is your responsibility to prepare a site survey and all required construction plans and specifications to suit the Premises and to make sure that these plans and specifications comply with the ADA and similar rules governing public accommodations for persons with disabilities, other applicable ordinances, building codes, permit requirements, and Lease requirements and restrictions.

You agree to send us construction plans and specifications for review before you begin constructing the Shoppe and all revised or “as built” plans and specifications during construction. We may require you to use an approved or designated architect and/or general contractor (which may include or be limited to us and/or our affiliates) to design and construct the Shoppe, and we reserve the right to require you to submit to us all contractor bids you receive related to the Shoppe for the purpose of recording and benchmarking total construction costs for the future benefit of other franchisees and all A La Mode Shoppes. Any general contractor or other builders you use must maintain builder’s and/or contractor’s insurance (as applicable), lien insurance, and performance and completion bonds in forms and amounts acceptable to us, pursuant to Subsection 8.F below. Because our review is limited to ensuring your compliance with our design requirements, it might not assess compliance with federal, state, or local laws and regulations, including the ADA. Accordingly, you recognize and acknowledge that compliance with these laws is your responsibility. We may inspect the Premises while you are developing the Shoppe.

You agree to do the following, at your own expense, to develop the Shoppe at the Premises:

- (1) secure all financing required to develop and operate the Shoppe;
- (2) obtain all required building, utility, sign, health, sanitation, business, and other permits and licenses;
- (3) construct all required improvements to the Premises and decorate the Shoppe according to approved plans and specifications;
- (4) obtain all customary contractors’ sworn statements and partial and final waivers of lien for construction, remodeling, decorating, and installation services;
- (5) purchase or lease, and install, if applicable, according to our specifications, all required fixtures, furniture, vehicles (if we allow you to provide delivery and catering services), equipment (including a required or recommended computer, facsimile, point-of-sale, and other electronic information systems and all equipment components and software necessary for you to accept and process our gift and loyalty cards and participate in our gift card, customer loyalty, affinity, and similar programs), furnishings, and signs (collectively, “Operating Assets”) for the Shoppe; and

(6) purchase an opening inventory of authorized and approved Proprietary Products, other products, materials, and supplies to operate the Shoppe.

D. OPERATING ASSETS.

You agree to use in operating the Shoppe only those Operating Assets that we approve for A La Mode Shoppes as meeting our specifications and standards for quality, design, appearance, function, and performance. You may not install or otherwise operate at the Premises any unauthorized vending or lotto machines. You agree to place or display at the Premises (interior and exterior) and on delivery/catering vehicles (if applicable) only the signs, emblems, lettering, logos, and display materials that we approve at any time and from time to time. You agree to purchase or lease approved brands, types, or models of Operating Assets only from suppliers we designate or approve (which may include or be limited to us and/or our affiliates).

E. COMPUTER SYSTEM.

You agree to obtain and use the computer hardware and/or operating software (including point-of-sale equipment and software) we specify at any time and from time to time (the "Computer System"). We may modify specifications for and components of the Computer System. You also agree to maintain a functioning e-mail address. Our modification of specifications for the Computer System, and/or other technological developments or events, might require you to purchase, lease, and/or license new or modified computer hardware and/or software and to obtain service and support for the Computer System. Although we cannot estimate the future costs of the Computer System or required service or support, and although these costs might not be fully amortizable over this Agreement's remaining Term, you agree to incur the costs of obtaining the computer hardware and software comprising the Computer System (or additions and modifications) and required service or support. We have no obligation to reimburse you for any Computer System costs. Within thirty (30) days after you receive notice from us, you agree to obtain the Computer System components that we designate and to ensure that your Computer System, as modified, is functioning properly.

You agree that we or our affiliates may condition any license of proprietary software to you, or your use of technology that we or our affiliates develop or maintain, on your signing a software license agreement or similar document that we or our affiliates prescribe to regulate your use of, and our and your respective rights and responsibilities with respect to, the software or technology. We, our affiliates, or designated suppliers may charge you a monthly or other fee for any proprietary software or technology that we or they license to you and for other maintenance and support services that we or they may require you to receive during the Term.

Despite the fact that you agree to buy, use, and maintain the Computer System according to our standards and specifications, you will have sole and complete responsibility for: (1) the acquisition, operation, maintenance, and upgrading of the Computer System; (2) the manner in which your Computer System interfaces with our and any third party's computer system; and (3) any and all consequences if the Computer System is not properly operated, maintained, and upgraded.

The Computer System shall interface with our information technology systems and be electronically linked to us or our designee to enable us (or our designee) to poll such Computer System on a daily or other basis at such times and in such manner as established by us or our designee, with or without notice, and to retrieve such transaction information, including without limitation sales, sales mix, food usage, paper usage, inventory, and other operations data as we and/or our designee deem appropriate. If for any reason polling is not practicable or prohibited by applicable law, we may require you to download such information into machine readable information compatible with the system operated by us, our affiliates, or our agents and to deliver such information to us by such method and at such temporal frequency as we may reasonably require.

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

F. SHOPPE OPENING.

You must notify us in writing at least thirty (30) days prior to the opening of the Shoppe. We reserve the right to inspect (or designate a third party to inspect) the Shoppe at any time prior to opening. You agree not to open the Shoppe until:

(1) we notify you in writing that the Shoppe meets our standards and specifications (although our acceptance is not a representation or warranty, express or implied, that the Shoppe complies with any engineering, licensing, environmental, labor, health, building, fire, sanitation, occupational, landlord's, insurance, safety, tax, governmental, or other statutes, rules, regulations, requirements, or recommendations nor a waiver of our right to require continuing compliance with our requirements, standards, or policies);

(2) you (or your Managing Owner) and your other employees satisfactorily complete training;

(3) you pay any amounts then due to us; and

(4) you give us certificates for all required insurance policies, or such other evidence of insurance coverage and payment of premiums as we may request.

Subject to your compliance with these conditions, you agree to open the Shoppe for business within the lesser of (i) one hundred fifty (150) days from our approving the Lease; or (ii) two hundred seventy (270) days after the Effective Date of this Agreement, and you acknowledge that your failure to open timely shall be grounds for termination as set forth in Section 14 below.

3. FEES.

A. INITIAL FRANCHISE FEE.

(1) In consideration of our granting you the Franchise, you agree to pay us a nonrecurring and, except as specifically provided in this Agreement, nonrefundable initial franchise fee (the “Initial Franchise Fee”). If this the Shoppe is your first A La Mode Shoppe then the Initial Franchise Fee will be Thirty-Five Thousand Dollars (\$35,000), inclusive of any credits of prior paid application fee(s). If you currently own and operate an A La Mode Shoppe, the Initial Franchise Fee will be Twenty-Four Thousand Five Hundred Dollars (\$24,500). This fee is due, and fully earned by us, when you sign this Agreement.

(2) You may be eligible to receive a refund of up to fifty percent (50%) of amounts you have paid to us for the Initial Franchise Fee in any one of the following circumstances:

(i) if your required attendees to our initial training program cannot complete initial training to our satisfaction, then we may terminate this Agreement (at our option), and receive from you a signed release of claims in a form we prescribe; or

(ii) if we and you cannot agree upon a location for the Premises within sixty (60) days after the Effective Date, then we may terminate this Agreement (at our option), and receive from you a signed release of claims in a form we prescribe; or

(iii) you are unable to obtain all governmental approvals, licenses, permits or other required authorizations necessary to open and operate the Shoppe lawfully by the scheduled opening date, then we may terminate this Agreement (at our option), and receive from you a signed release of claims in a form we prescribe.]

B. CONTINUING SERVICE AND ROYALTY FEE.

You agree to pay us, in the manner provided below (or as the Operations Manual otherwise prescribes), a weekly Continuing Service and Royalty Fee (the “Royalty”) equal to six percent (6%) of the Shoppe's Gross Sales (defined in Subsection 3.E below). Royalties are payable weekly, but no later than the Tuesday following the reporting week which ends the immediately preceding Sunday or other day determined by us. You agree to send us on a form we approve (or as we otherwise direct) a signed statement of the Shoppe's Gross Sales for the preceding week. Each weekly statement of Gross Sales must be accompanied by the Royalty due for the preceding week, if not already otherwise paid for that week pursuant to this Agreement.

C. **ADVERTISING AND DEVELOPMENT FUND CONTRIBUTION.**

You agree to contribute to the Fund (as defined in Subsection 9.B below) in the amounts that we prescribe at any time and from time to time, not to exceed two percent (2%) of the of the Shoppe's Gross Sales per week, payable in the same manner as the Royalty. Notwithstanding the foregoing, the total sum of the Fund contribution level, the minimum local advertising requirement provided for under Subsection 9.C below, and the cooperative advertising requirement provided for under Subsection 9.D below (if applicable), shall not exceed a total of three percent (3%) of Gross Sales per week at any time during the Term. The Fund contributions will be administered and used as set forth in Subsection 9.B below.

D. **TECHNOLOGY FEE.**

If implemented, you agree to pay us a weekly technology fee (the "Technology Fee") equal to Seventy-Five Dollars (\$75) per week, payable in the same manner as the Royalty. The Technology Fee shall be used for our costs associated with our internal ordering platform. We reserve the right to charge a Technology Fee upon providing you at least thirty (30) days' notice. We may increase the amount of the Technology Fee by up to five percent (5%) annually, upon written notice to you.

E. **DEFINITION OF "GROSS SALES".**

As used in this Agreement, the term "Gross Sales" means all revenue that you derive from operating the Shoppe, including, but not limited to, all amounts that you receive at or away from the Premises, and whether from cash, check, credit and debit card, barter exchange, trade credit, or other credit transactions and all other income of every kind and nature related to the Shoppe, but (1) excluding all federal, state, or municipal sales, use, or service taxes collected from customers and paid to the appropriate taxing authority and (2) reduced by the amount of any documented refunds, credits, allowances, and charge-backs the Shoppe in good faith gives to customers.

F. **LATE FEES AND INTEREST.**

All amounts which you owe us or our affiliate for any reason, will bear interest accruing as of their original due date at the maximum interest rate permitted by law. If there is no applicable legal maximum rate, interest will be calculated at the rate of four percent (4%) above the prime rate of interest on the first day of each month for the past due amount, as published in The Wall Street Journal. We may debit your bank account automatically for late fees and interest. You acknowledge that this Subsection 3.F is not our agreement to accept any payments after they are due or our commitment to extend credit to, or otherwise finance your operation of, the Shoppe.

G. **APPLICATION OF PAYMENTS.**

Despite any designation you make, we may apply any of your payments to any of your past due indebtedness to us. We may set off any amounts you or your owners owe us or our affiliates against any amounts we or our affiliates owe you or your owners. You may not withhold payment

of any amounts you owe us due to our alleged nonperformance of any of our obligations under this Agreement.

H. METHOD OF PAYMENT.

Before the Shoppe opens, you agree to sign and deliver to us the documents we require (the current form of which is set forth in **Exhibit E**) to authorize us to debit your business checking account automatically for the Royalty, Fund contributions, Technology Fee, and other amounts due under this Agreement and for your purchases from us and/or our affiliates (the “Electronic Depository Transfer Account” or “EDTA”). We will debit the EDTA for these amounts on their due dates. You agree to ensure that funds are available in the EDTA to cover our withdrawals. If there are insufficient funds in the EDTA to cover any such amount owed (or, if you are paying by check and a check is returned for insufficient funds), you must pay us, on demand, a processing fee of Two Hundred Fifty Dollars (\$250), plus reimbursement of our additional administrative expenses and charges. If there are insufficient funds in the EDTA, or if your check is returned for insufficient funds, then we may require you to make all subsequent payments to us by certified check.

If you fail to report the Shoppe’s Gross Sales, we may debit your EDTA for one hundred twenty percent (120%) of the last Royalty and Fund contribution that we debited (together with the late fee noted in Subsection 3.F above). If we discover, once we have determined the Shoppe’s true and correct Gross Sales, that the amounts we debited from your EDTA are less than the amounts you actually owe us, then we will debit your EDTA for the remaining balance on the day we specify. Conversely, if we discover that the amounts we debited from your EDTA are greater than the amounts you actually owe us, then we will credit an amount equal to: (i) the excess against the amounts we otherwise would debit from your EDTA during the following week, (ii) less a two percent (2%) administrative fee on that excess amount that we will retain for having to conduct this process due to your failure to report.

We may require you to pay any amounts due under this Agreement or otherwise by means other than automatic debit (*e.g.*, by check) whenever we deem appropriate, and you agree to comply with our payment instructions.

4. TRAINING AND ASSISTANCE.

A. INITIAL TRAINING.

(1) If this is your first A La Mode Shoppe, then before the Shoppe is scheduled to open for business, we will train you (or, if you are an Entity, your Managing Owner) and the manager-level employee you appoint (your “General Manager”) on the material aspects of operating an A La Mode Shoppe. These persons must complete the initial training to our satisfaction at least two (2) weeks before the Shoppe opens.

(2) We will provide the initial training program at our then current corporate headquarters (currently New York, New York), at a designated training facility of our choice and/or at an operating A La Mode Shoppe, except for the on-site support phase

around opening that we will provide at the Premises (as discussed below in this Subsection 4.A).

(3) We will provide initial training for no additional fee for your two (2) attendees specified above in this Subsection 4.A. Additional people beyond two (2) attendees may attend initial training (subject to our capacity and ability to accommodate additional persons in the training session) if you pay our then current training charge for each additional person. We reserve the right to refuse to provide training to you or any of your proposed attendees for whom we have not received the relevant training fee. In addition to the initial training program fees, you also agree to pay for all travel and living expenses that you (or your Managing Owner) and any of your personnel incur, all accrued wages, and related workers' compensation insurance while these persons train at a designated training facility of our choice and/or at an operating A La Mode Shoppe.

(4) You (or your Managing Owner) and your General Manager must satisfactorily complete initial training. If we determine that you (or your Managing Owner) and your General Manager cannot complete initial training to our satisfaction, we may terminate this Agreement. In that case, you will be eligible to receive up to a fifty percent (50%) refund of any initial franchise fee specified under Subsection 3.A above that you have already paid if you sign our required form of release of claims.

(5) Prior to attending the initial training, you (or your Managing Owner) and your General Manager must attend, receive, and hold a current ServSafe® Food Protection Manager Certification accredited by the American National Accreditation Board (ANAB) from either the National Restaurant Association, or any third-party recommended on the ServSafe® website, in addition to any safe food handling courses that may be required by the local municipality in which the Shoppe is located.

(6) You (or your Managing Owner) may request additional training at the end of the initial training, to be provided at our then current per diem charges, if you (or your Managing Owner) feel that you or any of your attendees are not sufficiently trained to operate an A La Mode Shoppe. We and you (or your Managing Owner) will jointly determine the time and duration of this additional training. However, if you (or your Managing Owner) and the other attendees satisfactorily complete our initial training program and you do not expressly inform us at the end of the program that you (or your Managing Owner) or other attendees do not feel sufficiently trained in the operation of an A La Mode Shoppe, then you (or your Managing Owner) and all other attendees to the initial training program will be deemed to have been trained sufficiently to operate an A La Mode Shoppe.

(7) When the Shoppe is preparing to open for business, we will, at our own cost, send at least one (1) of our representatives to Shoppe for a period of two (2) to three (3) days, during the hours we determine in our sole judgment, to provide on-site support in connection with pre-opening and opening activities. We reserve the right to provide more representatives, or more days of on-site support, at the Premises during this period as we deem necessary. For avoidance of doubt, we solely determine the timing, scheduling and

staffing of on-site support we provide according to this subparagraph, including the calendar dates, times of our support, and whether we provide these days consecutively or intermittently. You must successfully complete all activities of this on-site support period to our satisfaction. If you request, and we agree to provide, additional or special guidance, assistance, or training during this on-site support period, then you agree to pay our then applicable charges, including our personnel's per diem charges and travel and living expenses.

B. ONGOING TRAINING.

As described in Subsection 4.A above, we will provide on-site training and assistance, as we determine in our sole judgment, for at least one (1) week before, during and/or after the Shoppe opens for business for no additional charge. We need not provide such on-site training on consecutive days.

We may require you (or your Managing Owner) and/or other previously trained and experienced employees to attend and complete satisfactorily various training courses that we periodically choose to provide either online or in-person at the times and locations that we designate. We may charge reasonable registration or similar fees for these courses. We will not require in-person attendance for more than a total of five (5) days during a calendar year. Besides attending these courses, you agree to attend an annual meeting of all A La Mode Shoppe franchise owners at a location we designate, if we organize and plan (at our option) such a meeting. Attendance will not be required for more than three (3) days during any calendar year. You agree to pay all costs to attend these online or in-person training courses and meetings.

We may require that any General Managers you hire or appoint after Shoppe opens for business satisfactorily complete our initial and ongoing training programs. We may charge reasonable fees for training General Managers. You agree to pay all travel and living expenses which you and your employees incur during all training courses and programs

You understand and agree that any specific ongoing training or advice we provide does not create an obligation (whether by course of dealing or otherwise) to continue to provide such specific training or advice, all of which we may discontinue and modify at any time and from time to time.

C. GENERAL GUIDANCE AND CONSULTATION SERVICES.

We will advise you at any time and from time to time regarding the Shoppe's operation based on your reports or our inspections and will guide you with respect to: (1) standards, specifications, and operating procedures and methods that A La Mode Shoppes use; (2) purchasing required and authorized Operating Assets, Proprietary Products, Menu Items, and other items and arranging for their distribution to you; (3) advertising and marketing materials and programs; (4) employee training; and (5) administrative, bookkeeping, accounting, and inventory control procedures.

We will guide you in our operations manual (the "Operations Manual"); in bulletins or other written materials; by electronic media; by telephone consultation; and/or at our office or the

Shoppe. If you request, and we agree to provide (subject to our availability), additional or special guidance, assistance, or training, you agree to pay our then applicable charges, including our personnel's per diem charges and travel and living expenses.

If you request, and we agree to provide (subject to our availability) either (i) additional guidance, assistance, or training, or (ii) specialized Consultation Services, then you agree to pay our then applicable charges, including our personnel's per diem charges and travel and living expenses. For purposes of this Agreement, "Consultation Services" may include any advice related to the operation of the Shoppe, on-site reviews of your operations and additional training as needed, on-site training for you (or your Managing Owner), General Managers, or any of your other personnel, and other specialized assistance.

D. OPERATIONS MANUAL.

We will provide you access during the Term to one (1) copy of our Operations Manual, which could include audiotapes, videotapes, compact disks, computer software, other electronic media, and/or written materials. The Operations Manual contains mandatory and suggested specifications, standards, operating procedures, and rules ("System Standards") that we periodically prescribe for operating an A La Mode Shoppe and information on your other obligations under this Agreement. We may modify the Operations Manual periodically, in our sole judgment, to reflect changes in System Standards. For purposes of this Agreement, all written instructions or communications we or our affiliates provide to all, or a substantial number of, A La Mode Shoppe franchise owners concerning aspects or modifications to the System shall be deemed part of the Operations Manual.

You agree to keep your copy of the Operations Manual current and in a secure location at the Shoppe. If there is a dispute over its contents, our master copy of the Operations Manual controls. You agree that the Operations Manual's contents are confidential and that you will not disclose the Operations Manual to any person other than Shoppe employees who need to know its contents. You may not at any time copy, duplicate, record, or otherwise reproduce any part of the Operations Manual. If your copy of the Operations Manual is lost, destroyed, or significantly damaged, you agree to obtain a replacement copy at our actual cost to replace the Operations Manual.

At our option, we may post some or all of the Operations Manual on a restricted Website or extranet to which you will have access. (For purposes of this Agreement, "Website" means an interactive electronic document contained in a network of computers linked by communications software, including, without limitation, the internet and World Wide Web home pages). If we do so, you agree to monitor and access the Website or extranet for any updates to the Operations Manual or System Standards. Any passwords or other digital identifications necessary to access the Operations Manual on a Website or extranet will be deemed to be part of Confidential Information (defined in Section 6 below).

E. DELEGATION OF PERFORMANCE.

You agree that we have the right to delegate the performance of any portion or all of our obligations under this Agreement to third-party designees, whether these designees are our agents

or independent contractors with whom we have contracted to perform these obligations. If we do so, such third-party designees will be obligated to perform the delegated functions for you in compliance with this Agreement.

5. MARKS.

A. OWNERSHIP AND GOODWILL OF MARKS.

Our affiliate, A La Mode Shoppes, Inc. owns and has licensed the Marks to us to use, and to sublicense others to use, in connection with the franchising, development, and operation of A La Mode Shoppes. Therefore,] you agree and acknowledge that the Marks are ours (or our affiliate's) exclusive property, and that we are granting you a license (or sublicense, as applicable) to use the Marks in connection with the Shoppe's development and operation. Your right to use the Marks is derived only from this Agreement and is limited to your operating the Shoppe according to this Agreement and all System Standards we prescribe during the Term. Your unauthorized use of the Marks is a breach of this Agreement and infringes our and/or our affiliate's rights in the Marks. You acknowledge and agree that your use of the Marks and any goodwill established by that use are exclusively for our and/or our affiliate's benefit and that this Agreement does not confer any goodwill or other interests in the Marks upon you (other than the right to operate the Shoppe under this Agreement). All provisions of this Agreement relating to the Marks apply to any additional proprietary trade and service marks we authorize you to use. You may not at any time during or after the Term and any Renewal Term contest, or assist any other person in contesting, the validity, or our and/or our affiliate's ownership, of the Marks.

B. LIMITATIONS ON YOUR USE OF MARKS.

You agree to use the Marks as the Shoppe's sole identification, except that you agree to identify yourself as its independent owner in the manner we prescribe. You may not use any Mark (1) as part of any corporate or legal business name, (2) with any prefix, suffix, or other modifying words, terms, designs, or symbols (other than logos we have licensed to you), (3) in selling any unauthorized services or products, (4) as part of any domain name, homepage, electronic address, or otherwise in connection with a Website (other than our Website), or (5) in any other manner that we have not expressly authorized in writing.

You may not use any Mark in advertising the transfer, sale, or other disposition of the Shoppe or an ownership interest in you without our prior written consent, which we will not unreasonably withhold. You agree to display the Marks prominently as we prescribe at the Shoppe and on forms, advertising, supplies, and other materials we designate. You agree to use the notices of trade and service mark registrations that we specify and to obtain any fictitious or assumed name registrations required under applicable law.

C. NOTIFICATION OF INFRINGEMENTS AND CLAIMS.

You agree to notify us immediately of any apparent infringement or challenge to your use of any Mark, or of any person's claim of any rights in any Mark, and not to communicate with any person other than us, our attorneys, and your attorneys, regarding any infringement, challenge, or claim. We may take the action we deem appropriate (including no action) and control exclusively

any litigation, U.S. Patent and Trademark Office (“USPTO”) proceeding, or other administrative proceeding arising from any infringement, challenge, or claim or otherwise concerning any Mark. You agree to sign any documents and take any other reasonable action that, in the opinion of our attorneys, are necessary or advisable to protect and maintain our interests in any litigation or USPTO or other proceeding or otherwise to protect and maintain our interests in the Marks.

D. DISCONTINUANCE OF USE OF MARKS.

If, in our sole judgment, it becomes advisable at any time for us and/or you to modify or discontinue using any Mark and/or to use one or more additional or substitute trade or service marks, you agree to comply with our directions within a reasonable time after receiving notice. We need not reimburse you for your direct expenses of changing the Shoppe’s signage, for any loss of revenue due to any modified or discontinued Mark, or for your expenses of promoting a modified or substitute trademark or service mark.

Our rights in this Subsection 5.D apply to any and all of the Marks (and any portion of any Mark) that we authorize you to use in this Agreement. We may exercise these rights at any time and for any reason, business or otherwise, that we think best. You acknowledge both our right to take this action and your obligation to comply with our directions.

E. INDEMNIFICATION FOR USE OF MARKS.

We agree to reimburse you for all damages and reasonable expenses that you incur in any trademark infringement proceeding disputing your authorized use of any Mark under this Agreement if you have timely notified us of, and comply with our directions in responding to, the proceeding. At our option, we may defend and control the defense of any proceeding arising from your use of any Mark under this Agreement.

6. CONFIDENTIAL INFORMATION.

We possess (and will continue to develop and acquire) certain confidential information, some of which constitutes trade secrets under applicable law (the “Confidential Information”), relating to developing and operating A La Mode Shoppes, including (without limitation):

- (1) site selection criteria and layouts, designs and other plans and specifications for A La Mode Shoppes;
- (2) ingredients, recipes and related information concerning any food items as part of the Menu Items;
- (3) training and operations materials and manuals;
- (4) methods, formats, specifications, standards, systems, procedures, food preparation techniques, sales and marketing techniques, knowledge, and experience used in developing and operating A La Mode Shoppes;

(5) marketing, promotional and advertising research and programs for A La Mode Shoppes;

(6) knowledge of specifications for and suppliers of Operating Assets, Proprietary Products, and other products and supplies, including supplier pricing and related terms;

(7) any computer software or similar technology which is proprietary to us or the System, including, without limitation, digital passwords and identifications and any source code of, and data, reports, and other printed materials generated by, the software or similar technology;

(8) knowledge of the operating results and financial performance of A La Mode Shoppes other than the Shoppe;

(9) graphic designs and related intellectual property;

(10) customer solicitation, communication and retention programs, along with data and information used or generated in connection with those programs;

(11) all data and other information generated by, or used in, the operation of the Shoppe, including customer names, addresses, phone numbers, pricing and other information supplied by any customer (such as credit card information or personal information), and any other information contained at any time and from time to time in the Computer System or that visitors to the Shoppe (including you and your personnel) provide to the Website for the network of A La Mode Shoppes;

(12) future business plans relating to A La Mode Shoppes and the A La Mode Shoppe franchise opportunity, including expansion and development plans; and

(13) any other information that we reasonably designate as confidential or proprietary.

You acknowledge and agree that you will not acquire any interest in Confidential Information, other than the right to use it as we specify in operating the Shoppe during the Term and any Renewal Term, and that Confidential Information is proprietary, includes our trade secrets, and is disclosed to you only on the condition that you agree, and you in fact do agree, that you:

(a) will not use Confidential Information in any other business or capacity;

(b) will keep each item deemed to be part of Confidential Information absolutely confidential, both during the Term and any Renewal Term and then thereafter for as long as the item is not generally known in the food-service industry;

(c) will not sell, trade or otherwise profit in any way from the Confidential Information (including by selling or assigning any customer names, addresses, phone

numbers, e-mail contact information, or related data), except using methods that we may have authorized or approved in our sole judgment;

(d) will not make unauthorized copies of any Confidential Information disclosed via electronic medium or in written or other tangible form; and

(e) will adopt and implement reasonable procedures to prevent unauthorized use or disclosure of Confidential Information, including, without limitation, restricting its disclosure to Shoppe personnel and others and using non-disclosure and non-competition agreements with those having access to Confidential Information. We have the right to regulate the form of agreements that you use and to be a third party beneficiary of those agreements with independent enforcement rights. The current form of Nondisclosure and Non-Competition Agreement is attached as **Exhibit D**.

Confidential Information does not include information, knowledge, or know-how which you can demonstrate lawfully came to your attention before we provided it to you directly or indirectly; which, at the time we disclosed it to you, already had lawfully become generally known in the food-service industry through publication or communication by others (without violating an obligation to us); or which, after we disclose it to you, lawfully becomes generally known in the food-service industry through publication or communication by others (without violating an obligation to us). However, if we include any matter in Confidential Information, anyone who claims that it is not Confidential Information must prove that one of the exclusions provided in this paragraph is fulfilled.

All ideas, concepts, techniques, or materials relating to an A La Mode Shoppes, 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 to be our sole and exclusive property, part of the System, and works made-for-hire for us. To the extent that any item does not qualify as a “work made-for-hire” for us, by this paragraph you hereby assign ownership of that item, and all related rights to that item, to us, hereby waive all moral rights in that item, and hereby agree to take whatever action (including signing assignment or other documents) we request to evidence our ownership or to help us obtain intellectual property rights in the item (including signing assignment or other documents, and causing your owners, employees and contractors to do the same). You may not use any such idea, concept, technique or material in connection with the Shoppe without our prior approval.

7. EXCLUSIVE RELATIONSHIP.

You acknowledge that we have granted you the Franchise in consideration of and reliance upon your agreement to deal exclusively with us. You therefore agree that, during the Term and any Renewal Term, neither you, any of your owners, nor any of your or your owners’ spouses will:

(a) have any direct or indirect controlling or non-controlling interest as an owner – whether of record, beneficially, or otherwise – in a Competitive Business, wherever located or operating (except that equity ownership of less than two percent (2%) of a Competitive Business whose stock or other forms of ownership interest are publicly

traded on a recognized United States stock exchange will not be deemed to violate this subparagraph);

(b) perform services as a director, officer, manager, employee, consultant, representative, or agent for a Competitive Business, wherever located or operating;

(c) divert or attempt to divert any actual or potential business or customer of the Shoppe to a Competitive Business;

(d) directly or indirectly loan any money or other thing of value to, or guarantee any other person's loan to, any Competitive Business or any owner, director, officer, manager, employee or agent of any Competitive Business, wherever located or operating; or

(e) engage in any other activity which, in our sole opinion, might injure the goodwill of the Marks and System.

The term "Competitive Business" means (i) any restaurant or other food-service business which derives more than fifteen percent (15%) of its revenue from selling ice-cream, frozen yogurt, frozen treats or other frozen dessert related products, (ii) any retail outlet that contains an ice-cream or frozen yogurt scoop counter; or (iii) any business granting franchises or licenses to others to operate the type of business specified in subparagraphs (i) and (ii) (other than an A La Mode Shoppe operated under a franchise agreement with us).

You agree to have all of the following persons sign, and you will submit to us executed copies of, our then current form of Nondisclosure and Non-Competition Agreement from all of the following persons: (i) the General Manager and any supervisory or other employees who have received or will receive training from us, prior to their employment; (ii) if you are an Entity, all your officers, directors, shareholders, partners, members and owners, and those of any Entity directly or indirectly controlling you, concurrent with the execution of this Agreement, or at such time as they assume such status; and (iii) all of the persons enumerated in this Section 7 and Subsection 15.D below. You agree to provide us copies of all executed Nondisclosure and Non-Competition Agreements no later than ten (10) days following their execution.

8. SYSTEM STANDARDS.

A. CONDITION AND APPEARANCE OF THE SHOPPE.

You agree that:

(1) you will maintain the condition and appearance of the Shoppe, its Operating Assets and the Premises in accordance with System Standards and consistent with the image of A La Mode Shoppes and in observing the highest standards of cleanliness, sanitation, efficient, courteous service and pleasant ambiance, and in that connection will take, without limitation, the following actions during the Term: (1) thorough cleaning, repainting and redecorating of the interior and exterior of the Premises at intervals we

prescribe; (2) interior and exterior repair of the Premises; and (3) repair or replacement of damaged, worn out or obsolete Operating Assets;

(2) you will place or display at the Premises (interior and exterior) only those signs (including neon), emblems, designs, artwork, lettering, logos, and display and advertising materials that we at any time and from time to time approve;

(3) if at any time we determine, in our reasonable judgment, the general state of repair, appearance or cleanliness of the Premises of the Shoppe or its fixtures, furnishings, equipment or signs does not meet our System Standards, we have the right to notify you, specifying the action you must take to correct the deficiency. If (i) within twenty-four (24) hours after you received our notice in the case of a deficiency of a health, safety, or sanitary law, ordinance or regulation or (ii) within ten (10) days after you received our notice in the case of any other deficiencies, you do not initiate action to correct the deficiency and then continue in good faith and with due diligence, a bona fide program to complete the correction of the deficiency, we have the right, in addition to all other remedies, to enter the Premises or the Shoppe and do any required maintenance or refurbishing on your behalf. You must reimburse us on demand for all costs and expenses we incur in connection with such maintenance and refurbishment; and

(4) on notice from us, but not more than once every five (5) years, you agree to remodel, expand, redecorate, reequip and/or refurnish the Premises and the Shoppe at your expense to reflect changes in the operations of A La Mode Shoppes which we prescribe and require of new franchisees. You agree to diligently complete such renovation within a reasonable time after commencing the work.

B. SHOPPE MENU, SPECIFICATIONS, STANDARDS AND PROCEDURES.

You agree that: (1) the Shoppe will offer for sale all Menu Items and other products and services that we specify at any time and from time to time, and, with respect to any food items, will only use ingredients, recipes and methods of food preparation we have specified or approved; (2) the Shoppe will offer and sell approved products and services only in the manner we have prescribed; (3) you will not offer for sale or sell at the Shoppe, the Premises or any other location any products or services we have not approved in advance; (4) all products will be offered and sold only at retail and from the Premises (subject to off-site marketing or sales activities we must specifically approve) and you will not offer or sell any products at wholesale or on the internet; (5) you will discontinue selling and offering for sale any products or services that we at any time decide (in our sole judgment) to disapprove in writing; and (6) you will advertise to, and solicit customers for, the Shoppe only within the Territory and will not operate the Shoppe outside the Territory (except that, provided we have pre-approved the Shoppe to provide delivery or catering services, you may cater or deliver Menu Items to customers outside the Territory if the customers contact you or the Shoppe and the customers are not located in the assigned territory of another franchisee).

C. **APPROVED PRODUCTS, SERVICES, DISTRIBUTORS AND SUPPLIERS.**

We have developed or may develop standards and specifications with respect to certain products and services and with respect to certain types, models and brands of required Operating Assets, Menu Items, Proprietary Products, and related products, ingredients, materials and supplies. We reserve the right at any time and from time to time to approve specifications or suppliers and distributors of the above or other products and services that meet our reasonable standards and requirements. If we do so, you agree to purchase only such products and services meeting those specifications, and if we require it, only from distributors and other suppliers we have approved, including or limited to ourselves or our affiliates.

We may limit the number of approved distributors or suppliers (collectively “suppliers”) with whom you may deal, designate sources that you must use, and/or refuse any of your requests for any reason, including that we have already designated an exclusive source (which might be us or our affiliate) for a particular item or service.

We and our affiliates may mark up and profit on the sale of goods or services to you and/or receive payments, rebates, or other material consideration from suppliers on account of such suppliers’ dealings with us, you and other franchise owners, and may keep or use any amounts so received without restriction and for any purpose we and our affiliates deem appropriate. We may concentrate purchases with one or more suppliers or distributors to obtain lower prices or the best advertising support or services. Approval of a supplier or distributor may be conditioned on requirements relating to product quality, prices, consistency, reliability, financial capability, labor relations, customer relations, frequency of delivery, concentration of purchases, standards of service, including prompt attention to complaints, or other criteria and may be temporary, pending our continued evaluation of the supplier or distributor at any time and from time to time.

If you would like to purchase any items from any unapproved supplier or distributor, you must submit to us a written request for approval of the proposed supplier or distributor. We have the right to inspect the proposed supplier’s or distributor’s facilities, and to require product samples from the proposed supplier or distributor to be delivered at our option either directly to us or to any independent, certified laboratory which we designate for testing. Either you or the proposed supplier or distributor must pay us a fee (not to exceed the reasonable cost of the inspection and the actual cost of the test) to make the evaluation. We have no obligation to approve any new supplier, product, or service you propose. We reserve the right to periodically re-inspect the facilities and products of any approved supplier or distributor and to revoke our approval if the supplier or distributor does not continue to meet any of our criteria.

We and our affiliates have developed specially formulated and prepared Proprietary Products for use in the operation of A La Mode Shoppes. You must use only the recipes, techniques and Proprietary Products which meet our current requirements and specifications in the preparation of any food items that we require as part of the Menu Items served and sold by the Shoppe. You may only use those containers, cartons, bags, boxes, napkins, and other paper goods and packaging with our Marks or other design specifications which meet our current requirements

and quality standards for A La Mode Shoppes. You must purchase Proprietary Products from us or a designated third party supplier.

D. COMPLIANCE WITH LAWS AND GOOD BUSINESS PRACTICES.

You must secure and maintain in force all required licenses, permits and certificates relating to the operation of the Shoppe and must operate the Shoppe in full compliance with all applicable laws, ordinances and regulations, including, without limitation, government regulations relating to occupational hazards, health, food safety, menu labeling, worker's compensation and unemployment insurance and withholding and payment of federal and state income taxes, social security taxes and sales and service taxes. All advertising and promotion by you must be completely factual and must conform to the highest standards of ethical advertising. The Shoppe must in all dealings with its customers, suppliers, us and the public adhere to the highest standards of honesty, integrity, fair dealing and ethical conduct. You agree to refrain from any business or advertising practice which may be injurious to our business and the goodwill associated with the Marks and other A La Mode Shoppes. You must notify us in writing within five (5) days of the commencement of any action, suit or proceeding, and of the issuance of any order, writ, injunction, award or decree of any court, agency or other governmental instrumentality, which may adversely affect your operation or financial condition or that of the Shoppe and of any notice of violation of any law, ordinance, or regulation relating to the Shoppe.

E. MANAGEMENT OF THE SHOPPE/CONFLICTING INTERESTS.

The Shoppe must at all times be under the full-time direct, on-premises supervision of you (or your Managing Owner), or your General Manager, either of whom must have successfully completed the initial training program that we describe above in this Agreement. You shall take such steps as are necessary to ensure that any and all of the Shoppe's employees preserve good customer relations; render competent, prompt, courteous, and knowledgeable service; and meet such minimum standards as we may establish from time to time in the Operations Manual or otherwise in writing. You and your employees shall handle all customer complaints, refunds, returns, and other adjustments in a manner that will not detract from the name and goodwill of the Marks, the System or us.

We reserve the right to approve or disapprove of any General Manager you appoint. If we disapprove of any General Manager you propose, you must promptly appoint a replacement General Manager satisfactory to us. If your relationship with a General Manager terminates for any reason, then you must promptly appoint a replacement General Manager that meets our approval. Even if you appoint a General Manager for day-to-day operations, you (or your Managing Owner) must remain active in overseeing the Shoppe's ongoing business activities. If you (or your Managing Owner) own more than one A La Mode Shoppe, then each such A La Mode Shoppe must be under the full-time, direct on-premises supervision of a General Manager we have approved.

Besides you (or your Managing Owner) or the General Manager, the Shoppe must at all times have a sufficient number of personnel on staff to operate the Shoppe in accordance with our then current System Standards.

You (or your Managing Owner) must keep us informed at all times of the identity of the General Manager and ensure that such personnel are competent and proficient in their duties. You (or your Managing Owner) are solely responsible for all employment decisions for the Shoppe, including hiring, firing, remuneration, personnel policies, training, benefits, and maintaining supervision and discipline, regardless of whether you received advice from us on any of these subjects.

F. **INSURANCE.**

During the Term you must maintain the following categories of insurance coverage in force at your sole expense, all containing the minimum liability coverage we prescribe at any time and from time to time in the Operations Manual (unless otherwise indicated below):

(1) Broad form comprehensive public liability, general liability, product liability, and contractual liability insurance against claims for bodily and personal injury, death and property damage caused by or occurring in connection with the Shoppe's operation;

(2) All risk or special form coverage on your Premises, including boiler and machinery coverage extending to all improvements and alterations, trade fixture, and business personal property having adequate limits to replace all that is damaged as caused by, or occurring in connection with, the Shoppe's operation;

(3) Business interruption insurance to cover the rent of the Premises, previous profit margins, maintenance of competent personnel and other fixed expenses for the duration of the interruption to the Shoppe's operation;

(4) If any vehicle is used in connection with the operation of the Shoppe, motor vehicle liability insurance against claims for bodily and personal injury, death and property damage caused by or occurring in connection with the Shoppe's operation;

(5) Worker's compensation and employer's liability insurance (in amounts authorized by statute), unemployment insurance and state disability insurance (as required by governing law) for your employees;

(6) Umbrella liability insurance in excess of that provided by employer's liability, automobile liability and general liability;

(7) In connection with any construction, refurbishment, and/or remodeling of the Shoppe, builder's and/or contractors insurance (as applicable), lien insurance, and performance and completion bonds in forms and amounts acceptable to us;

(8) Insurance coverage of such type, nature and scope sufficient to satisfy your indemnification obligations under Subsection 16.D below; and

(9) Any additional insurance required by your lessor or master lessor.

We may periodically increase the amounts of coverage required under these insurance policies and/or require different or additional insurance coverage (including reasonable excess liability insurance, employment practices liability insurance and cybersecurity insurance) at any time to reflect inflation, identification of new risks, changes in law or standards of liability, higher damage awards or other relevant changes in circumstances. Required coverage shall include insurers' waiver of subrogation against us and you shall waive rights of recovery against us. All insurance policies you carry must be underwritten by companies having an A.M. Best rating of A or higher.

These insurance policies must name us, any affiliates we designate, and the Indemnified Parties (as defined in Subsection 16.D below) as additional named insureds for claims arising from the Shoppe's operation and provide for thirty (30) days' prior written notice to us of a policy's material modification, cancellation or expiration. These insurance policies must be primary to and without right of contribution from any other insurance policy purchased by us or any other Indemnified Party; must not limit or reduce coverage for you if there is a claim by us or any one or more of the other Indemnified Parties; and must extend to and provide indemnity for all of your indemnification obligations to us and the other Indemnified Parties under this Agreement. You agree not to reduce the policy limits, restrict coverage, cancel or otherwise alter or amend your insurance policies without our prior written consent. If there is a claim by us or any one or more of the other Indemnified Parties against you, you must, upon our request, assign to us all rights which you then have or thereafter may have with respect to the claim against the insurer(s) providing the coverages described above.

You must provide us with copies of your Certificates of Insurance or other evidence we require evidencing the required coverages no later than ten (10) days before you commence operations at the Shoppe. You must furnish us, on an annual basis, copies of your Certificates of Insurance or other evidence we require of your maintaining this insurance coverage and paying premiums. You must furnish us the original policies evidencing all such insurance coverages within five (5) days of our written request. You agree to renew all policies and documents, and to furnish us copies of renewal Certificates of Insurance or other evidence we require of your maintaining this insurance coverage and paying premiums prior to the expiration date of the policy.

If you fail or refuse to obtain and maintain the insurance we specify, in addition to our other remedies, we may (but need not) obtain such insurance for you and the Shoppe on your behalf, in which event you shall cooperate with us and reimburse us for all premiums, costs and expenses we incur in obtaining and maintaining the insurance, plus a reasonable fee for our time incurred in obtaining such insurance. If we obtain such insurance for you and the Shoppe on your behalf, you must furnish all information necessary to obtain and maintain such insurance within fifteen (15) days of our request.

G. PRICING.

We reserve the right, to the fullest extent allowed by applicable law, to establish maximum, minimum, or other pricing requirements with respect to the prices you may charge for products and services. These rights may include (without limitation) prescribing the maximum and/or minimum retail prices which you may charge customers for the products and/or services offered

by the Shoppe; recommending retail prices; advertising specific retail prices for some or all products or services sold at the Shoppe; requiring you to participate in marketing, promotional and related campaigns which may directly or indirectly impact your retail prices; and, otherwise mandating, directly or indirectly, the maximum and/or minimum retail prices which the Shoppe may charge the public for the products and services it offers. We may engage in any such activity either periodically or throughout the Term. Further, we may engage in such activity only in certain geographic areas (cities, states, regions) and not others, or with regard to certain subsets of franchisees and not others. You acknowledge that the prices we prescribe or suggest may or may not optimize the revenues or profitability of the Shoppe and you irrevocably waive any and all claims arising from the establishment or suggestion of the Shoppe's retail prices.

H. DISCOUNTS, GIVEAWAYS AND OTHER PROMOTIONS.

You acknowledge and agree that periodic discounts, giveaways and other promotions are an integral part of the System. Therefore, you agree to offer and participate in any required discounts, giveaways and other promotions at your sole cost and expense, in accordance with our specifications. You further agree to honor the discounts, giveaways and other promotions offered by other A La Mode Shoppe franchise owners under any such program we establish, as long as such compliance does not contravene any applicable law, rule or regulation.

I. COMPLIANCE WITH SYSTEM STANDARDS.

You acknowledge and agree that operating and maintaining the Shoppe according to System Standards are essential to preserve the goodwill of the Marks and all A La Mode Shoppes. Therefore, you agree at all times to operate and maintain the Shoppe according to all of our System Standards, as we periodically modify and supplement them, even if you believe that a System Standard, as originally issued or subsequently modified, is not in the System's or the Shoppe's best interests. Although we retain the right to establish and periodically modify System Standards that you have agreed to maintain, you retain the right to and responsibility for the day-to-day management and operation of the Shoppe and implementing and maintaining System Standards at the Shoppe.

As examples, and without limitation, System Standards may regulate any one or more of the following, in addition to the items described in Subsections 8.A through 8.H above:

(1) purchase, storage, preparation, handling, and packaging procedures and techniques for Menu Items and Proprietary Products; and inventory requirements for Proprietary Products and other products, services and supplies so that the Shoppe may operate at full capacity;

(2) terms and conditions of the sale and delivery of, and terms and methods of payment for, Proprietary Products, other products, and services that you obtain from us and affiliated and unaffiliated suppliers; and our and our affiliates' right not to sell you any Proprietary Products, or other products or to provide you with services, or to do so only on a "cash-on-delivery" or other basis, if you are in default under any agreement with us;

- (3) sales, marketing, advertising, promotional and loyalty programs and materials and media, including social media Websites, used in these programs (“social media” includes personal blogs, common social networks like Facebook, professional networks like LinkedIn, live-blogging tools like Twitter, virtual worlds, file, audio and video-sharing sites, and other similar social networking or media sites or tools);
- (4) use and display of the Marks at the Shoppe and on vehicles, napkins, boxes, bags, wrapping paper, labels, forms, paper and plastic products, and other supplies;
- (5) issuing and honoring gift certificates;
- (6) staffing levels for the Shoppe; identifying the Shoppe’s personnel; and employee qualifications, training, dress, and appearance (although you have sole responsibility and authority concerning employee selection and promotion, hours worked, rates of pay and other benefits, work assigned, and working conditions);
- (7) days and hours of operation;
- (8) participation in market research and testing and product and service development programs and preparation of reports and other relevant information we may request regarding the market research, as well as participation in, and dues assessed for, advisory councils;
- (9) accepting credit and debit cards, other payment systems, and check verification services;
- (10) product sampling, including requirements regarding quantity and frequency;
- (11) catering and delivery services and on-line customer ordering (to the extent we allow you to engage in these activities), including using only delivery sources dedicated to the Shoppe;
- (12) bookkeeping, accounting, data processing, and recordkeeping systems and forms; formats, content, and frequency of reports to us of sales, revenue, financial performance, and condition; and giving us copies of tax returns and other operating and financial information concerning the Shoppe;
- (13) use of social media in connection with the Shoppe’s operation or otherwise referencing the System; and
- (14) any other aspects of operating and maintaining the Shoppe that we determine to be useful to preserve or enhance the efficient operation, image, or goodwill of the Marks and A La Mode Shoppes.

You agree that you are obligated to comply with all System Standards we prescribe in the Operations Manual, or otherwise communicate to you in writing or another tangible form during the Term (for example, via System extranet or Website), as we periodically modify them.

J. MODIFICATION OF SYSTEM STANDARDS.

We periodically may modify System Standards, which may accommodate regional or local variations, and these modifications may obligate you to invest additional capital in the Shoppe and/or incur higher operating costs. You agree to implement any changes in System Standards within the time period we request, whether they involve refurbishing or remodeling the Premises or any other aspect of the Shoppe, buying new Operating Assets, adding new Menu Items and services, or otherwise modifying the nature of your operations, as if they were part of this Agreement as of the Effective Date.

9. MARKETING.

A. GRAND OPENING ADVERTISING.

You agree to spend a minimum of Five Thousand Dollars (\$5,000) (or such other sum as may be required by your lessor or the master lessor) to advertise and promote the Shoppe during a grand opening period beginning on the opening of the Shoppe and ending sixty (60) days after the Shoppe opens for business. You agree to comply with our guidelines for this grand opening advertising program.

B. ADVERTISING AND DEVELOPMENT FUND.

Recognizing the value of advertising and marketing to the goodwill and public image of A La Mode Shoppes, we have established an Advertising and Development Fund (the "Fund") for the advertising, marketing, and public relations programs and materials we deem appropriate. You agree to contribute to the Fund the amounts we require as set forth in Subsection 3.C above.

We have the right to collect for deposit into the Fund any advertising, marketing, or similar allowances paid to us by suppliers who deal with A La Mode Shoppes and with whom we have agreed that we will so deposit these allowances. (These payments are different from those which are not designated by suppliers to be used exclusively for advertising or similar purposes, and which we and our affiliates therefore may use for any purposes we and they deem appropriate, as provided in Subsection 8.C above.)

We will direct all programs that the Fund finances, with sole control over the creative concepts, materials, and endorsements used and their geographic, market, and media placement and allocation. The Fund may pay for preparing and producing video, audio, and written materials and electronic media; developing, implementing, and maintaining an electronic commerce Website and/or related strategies; administering regional and multi-regional marketing and advertising programs, including, without limitation, purchasing trade journal, direct mail, and other media advertising and using advertising, promotion, and marketing agencies and other advisors to provide assistance; and supporting public relations, market research, and other advertising, promotion, and marketing activities.

The Fund may periodically give you samples of advertising, marketing, and promotional formats and materials at no cost. We will sell you multiple copies of these materials at our direct cost of producing them, plus any related shipping, handling, and storage charges.

We will account for the Fund separately from our other funds and not use the Fund for any of our general operating expenses. However, we may use the Fund to pay the reasonable salaries and benefits of personnel who manage and administer the Fund, the Fund's other administrative costs, travel expenses of personnel while they are on Fund business, meeting costs, overhead relating to Fund business, and other expenses that we incur in activities reasonably related to administering or directing the Fund and its programs, including, without limitation, conducting market research, public relations, preparing advertising, promotion, and marketing materials, and collecting and accounting for Fund contributions.

The Fund will not be our asset. Although the Fund is not a trust, we will hold all Fund contributions for the benefit of the contributors and use contributions only for the purposes described in this Subsection 9.B. We do not owe any fiduciary obligation to you for administering the Fund or any other reason. The Fund may spend in any fiscal year more or less than the total Fund contributions in that year, borrow from us or others (paying reasonable interest) to cover deficits, pay back outstanding principal amounts borrowed in prior years from us or third parties, or invest any surplus for future use. We will use all interest earned on Fund contributions to pay costs before using the Fund's other assets.

We will prepare an annual, unaudited statement of Fund collections and expenses and give you the statement upon written request. We reserve the right, in our sole determination, to have the Fund audited annually at the Fund's expense by an independent certified public accountant. We may incorporate the Fund or operate it through a separate entity whenever we deem appropriate. The successor entity will have all of the rights and duties specified in this Subsection 9.B.

We intend the Fund to maximize recognition of the Marks and patronage of A La Mode Shoppes. Although we will try to use the Fund to develop advertising and marketing materials and programs, and to place advertising and marketing, that will benefit all A La Mode Shoppes, we need not ensure that Fund expenditures in or affecting any geographic area are proportionate or equivalent to Fund contributions by A La Mode Shoppes operating in that geographic area or that any A La Mode Shoppe benefits directly or in proportion to its Fund contribution from the development of advertising and marketing materials or the placement of advertising and marketing.

We have the right, but no obligation, to use collection agents and institute legal proceedings to collect Fund contributions at the Fund's expense. We also may forgive, waive, settle, and compromise all claims by or against the Fund. Except as expressly provided in this Subsection 9.B, we assume no direct or indirect liability or obligation to you for collecting amounts due to, maintaining, directing, or administering the Fund.

We may at any time defer or reduce contributions of a A La Mode Shoppe franchise owner and, upon thirty (30) days' prior written notice to you, reduce or suspend Fund contributions and

operations for one or more periods of any length and terminate (and, if terminated, reinstate) the Fund. If we terminate the Fund, we will distribute all unspent monies to our franchise owners, and to us and our affiliates, in proportion to their, and our, respective Fund contributions during the preceding twelve (12) month period.

C. **BY YOU.**

You agree to list and advertise the Shoppe in at least one (1) online directory listing (e.g., Google or Yelp) as we designate or approve from time to time and at least one (1) recommended classified telephone directory distributed within the Shoppe's market area (in the business classifications we prescribe at any time and from time to time) and to use an approved form of classified telephone directory advertisement. If other A La Mode Shoppes are located within the directory's distribution area, we may require you to participate in a collective telephone directory advertisement with those other A La Mode Shoppes and to pay your share of that collective advertisement.

In addition to your grand opening obligation in Subsection 9.A above and your Fund contribution obligations in Subsection 9.B above, you agree to spend, during the second month of the Term and in all subsequent months, one percent (1%) of the Shoppe's Gross Sales. For avoidance of doubt, the total sum of the Fund contribution level, the minimum local advertising requirement provided for under this Subsection 9.C, and the cooperative advertising requirement provided for under Subsection 9.D below (if applicable), shall not exceed a total of four percent (4%) of Gross Sales at any time during the Term. Within thirty (30) days after the end of each month, you agree to send us, in the manner we prescribe, an accounting of your expenditures for local advertising and promotion during the preceding month.

Your local advertising and promotion must follow our guidelines. All advertising and promotional materials that you develop for the Shoppe must contain notices of our Website's domain name in the manner we designate. You may not develop, maintain, or authorize any Website that mentions or describes you or the Shoppe or displays any of the Marks without our prior written approval. You agree that your advertising, promotion, and marketing will be completely clear, factual, and not misleading and conform to both the highest standards of ethical advertising and marketing and the advertising and marketing policies that we prescribe at any time and from time to time.

Before you use them, you agree to send us or our designated agency for approval samples of all advertising, promotional, and marketing materials which we have not prepared or previously disapproved including, but not limited to, press releases and interviews for publication in any media. If you do not receive written approval within ten (10) days after we or our designated agency receives the materials, they are deemed to be disapproved. You may not use any advertising, promotional, or marketing materials that we have not approved or that we have (or were deemed) disapproved.

D. **COOPERATIVE ADVERTISING PROGRAMS.**

We may designate an advertising coverage area ("ACA") — local or regional — in which two (2) or more A La Mode Shoppes are located in order to establish a cooperative advertising

program (“Cooperative Program”) for that ACA. An ACA is the area covered by the particular advertising medium recognized in the industry. All franchise owners in the ACA will be required to participate. Each A La Mode Shoppe operating in the ACA will have one vote, including A La Mode Shoppes operated by us or our affiliates.

If a Cooperative Program is established for your ACA, you will be required to contribute up to one-half percent (.5%) of the Shoppe’s Gross Sales to the Cooperative Program weekly, monthly, or as otherwise specified by fifty percent (50%) or more of the A La Mode Shoppes operating in the ACA. You will not be required to contribute more than one half percent (.5%) of the Shoppe’s Gross Sales to the Cooperative Program unless sixty-seven percent (67%) or more of the A La Mode Shoppes operating in the ACA, including any A La Mode Shoppe operated by us or our affiliates, vote to increase the contributions of all A La Mode Shoppes operating in the ACA in excess of that amount. Any amounts you contribute to a Cooperative Program will count toward the percentage of Gross Sales you are required to spend under Subsection 9.C to promote the Shoppe.

10. RECORDS, REPORTS, AND FINANCIAL STATEMENTS.

You agree to establish and maintain at your own expense a bookkeeping, accounting, and recordkeeping system conforming to the requirements and formats we prescribe at any time and from time to time in the Operations Manual or other written communications to you. We may require you to use a Computer System to maintain certain sales data and other information and to report such information to us via a website or other means. In addition, you agree to give us in the manner and format that we prescribe at any time and from time to time:

- (a) weekly reports on the Shoppe’s Gross Sales from the preceding week;
- (b) the operating statements, financial statements, statistical reports, purchase records, and other information we request regarding you and the Shoppe covering the time period we request, and you must certify these statements are true and correct;
- (c) within ninety (90) days following the end of each fiscal year during the Term, annual profit and loss and source and use of funds statements and a balance sheet for the Shoppe as of the end of the prior calendar year;
- (d) within thirty (30) days following your filing of tax returns for the Shoppe, exact copies of federal and state income tax returns, sales tax returns, and any other forms, records, books, and other information we periodically require relating to the Shoppe and the Franchise;
- (e) any other reports and records we may request in writing.

You agree to verify and sign each report and financial statement in the manner we prescribe. We may disclose data derived from these reports, although we will not without your consent (unless required by law) disclose your identity in any materials that we circulate publicly. Moreover, we may, as often as we deem appropriate (including on a daily basis), access the Computer System and retrieve all information relating to the Shoppe’s operation.

You agree to preserve and maintain all records in a secure location at the Shoppe for at least three (3) years (including, but not limited to, sales checks, purchase orders, invoices, payroll records, customer lists, check stubs, sales tax records and returns, cash receipts and disbursement journals, and general ledgers). We may require you to have audited financial statements prepared annually during the Term.

11. INSPECTIONS AND AUDITS.

A. OUR RIGHT TO INSPECT THE SHOPPE.

To determine whether you and the Shoppe are complying with this Agreement and all System Standards, we and our designated agents or representatives may at all times and without prior notice to you: (1) inspect the Shoppe; (2) photograph the Shoppe and observe and videotape the Shoppe's operation for consecutive or intermittent periods we deem necessary; (3) remove samples of any products and supplies; (4) interview the Shoppe's personnel and customers; (5) inspect and copy any books, records, and documents relating to the Shoppe's operation; and (6) use "mystery shoppers" to assess the Shoppe. You must pay us or our designated representative for any such "mystery shopper" programs we institute at the Shoppe. You agree to cooperate with us and/or our designated representatives fully. If we exercise any of these rights, we will not interfere unreasonably with the Shoppe's operation. You acknowledge that any evaluation or inspection that we or our designated agents or representatives conduct is conducted in order to protect our interests in the System and Marks and is not intended to exercise, and does not constitute, in whole or in part, control over the day-to-day operation of the Shoppe and you agree to never contend otherwise.

B. OUR RIGHT TO AUDIT.

We may at any time during your business hours, and without prior notice to you, examine your (if you are an Entity) and the Shoppe's business, bookkeeping, and accounting records, sales and income tax records and returns, and other records. You agree to cooperate fully with our representatives and independent accountants in any audit. If any audit discloses a failure by you to operate the Shoppe in accordance with the System Standards, then we may require you to undertake additional training at the Shoppe. We shall determine the duration of the training and the number of trainers in our sole discretion. You agree to pay us an amount equal to Five Hundred Dollars (\$500) per trainer per day plus all travel and living expenses which our trainers incur during such additional training. If any audit discloses an understatement of the Shoppe's Gross Sales, you agree to immediately pay us the amount of the understatement, plus our service charges and interest (to be calculated as set forth in Subsection 3.F above) on the understated amounts from the date originally due until the date of payment. Furthermore, if an examination is necessary due to your failure to furnish reports, supporting records, or other information as required, or to furnish these items on a timely basis, or if our audit reveals a Royalty or Fund contribution understatement exceeding two percent (2%) of the amount that you actually reported to us for the period examined, you agree to reimburse us for the costs of the examination, including, without limitation, the charges of attorneys and independent accountants and the travel expenses, room and board, and compensation of our employees. These remedies are in addition to our other remedies and rights under this Agreement and applicable law.

If we conduct an examination which reveals a Royalty or Fund contribution understatement exceeding two percent (2%) of the amount that you actually reported to us for any week within the period examined, or for the entire period of examination, you agree to immediately pay us the additional amount due as shown by the examination plus interest (to be calculated as set forth in Subsection 3.F above). You also agree to immediately reimburse us for the costs of an examination for the entire period of the examination, including, without limitation, the charges of attorneys and independent accountants and the travel expenses, room and board, and compensation of our employees. Such understatement shall be a material breach of this Agreement and, in addition to our other remedies and rights under this Agreement and applicable laws, we shall have the right to terminate this Agreement immediately upon notice to you, without opportunity to cure.

12. TRANSFER.

A. BY US.

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

B. BY YOU.

You understand and acknowledge that the rights and duties this Agreement creates are personal to you (or, if you are an Entity, to your owners) and that we have granted you the Franchise in reliance upon our perceptions of your (or your owners') individual or collective character, skill, aptitude, attitude, business ability, and financial capacity. Accordingly, none of the following may be transferred without our prior written approval: (i) this Agreement (or any interest in this Agreement); (ii) the Shoppe (or any right to receive all or a portion of the Shoppe's profits or losses or capital appreciation related to the Shoppe); (iii) all or substantially all of the assets of the Shoppe; (iv) any ownership interest in you (regardless of its size); or (v) any ownership interest in any of your owners (if such owners are legal entities). A transfer of the Shoppe's ownership, possession, or control, or substantially all of its assets, may be made only with a transfer of this Agreement. Any transfer without our approval is a breach of this Agreement and has no effect.

In this Agreement, the term "transfer" includes a voluntary, involuntary, direct, or indirect assignment, sale, gift, or other disposition. An assignment, sale, gift, or other disposition includes the following events:

- (a) transfer of ownership of capital stock, a partnership or membership interest, or another form of ownership interest;

(b) merger or consolidation or issuance of additional securities or other forms of ownership interest;

(c) any sale of a security convertible to an ownership interest;

(d) transfer of an interest in you, this Agreement, the Shoppe or all or substantially all of its assets, or your owners in a divorce, insolvency, or entity dissolution proceeding or otherwise by operation of law;

(e) if you, one of your owners, or an owner of one of your owners dies, a transfer of an interest in you, this Agreement, the Shoppe or all or substantially all of its assets, or your owner by will, declaration of or transfer in trust, or under the laws of intestate succession; or

(f) pledge of this Agreement (to someone other than us) or of an ownership interest in you or your owners as security, foreclosure upon the Shoppe, or your transfer, surrender, or loss of the Shoppe's possession, control, or management. You may grant a security interest (including a purchase money security interest) in the Shoppe's assets (not including this Agreement) to a lender that finances your acquisition, development, and/or operation of the Shoppe without having to obtain our prior written approval as long as you give us ten (10) days' prior written notice.

C. CONDITIONS FOR APPROVAL OF TRANSFER.

If you (and your owners) are fully complying with this Agreement, then, subject to the other provisions of this Section 12, we will approve a transfer that meets all of the requirements in this Subsection 12.C.

If you are an entity, your owners may transfer a non-controlling ownership interest in you or your owners (determined as of the date on which the proposed transfer will occur) if: (i) the proposed transferee and its direct and indirect owners (if the transferee is an Entity) are of good character and otherwise meet our then applicable standards for A La Mode Shoppe franchise owners (including no ownership interest in or performance of services for a Competitive Business); (ii) you give us prior written notice of the transfer at least thirty (30) days before the proposed transfer, and later provide us final documentation of the consummated transfer; and (iii) you pay us a \$1,500 transfer fee and reimburse us, upon our demand at any time, for any costs we incur in connection with the proposed transfer (regardless of whether the proposed transfer actually transpires).

For any other proposed transfer (including a transfer of this Agreement, a transfer of a controlling ownership interest in you or one of your owners, or a transfer that is one of a series of transfers (regardless of the time period over which these transfers take place) which in the aggregate transfer this Agreement or a controlling ownership interest in you or one of your owners), all of the following conditions must be met before or concurrently with the effective date of the transfer:

(1) the transferee has sufficient business experience, aptitude, and financial resources to operate the Shoppe;

(2) you have paid all Royalties, Fund and Cooperative Program contributions, and other amounts owed to us, our affiliates, and third party vendors; have submitted all required reports and statements; and have not violated any provision of this Agreement, the Lease, or any other agreement with us during both the sixty (60) day period before you requested our consent to the transfer and the period between your request and the effective date of the transfer;

(3) neither the transferee nor its owners (if the transferee is an Entity) or affiliates have an ownership interest (direct or indirect) in or perform services for a Competitive Business;

(4) the transferee (or its managing owner) satisfactorily completes our training program;

(5) your lessor consents in writing to the transfer of the Lease or sublease of the Premises to the transferee (or, if we are subleasing the Premises to you under a sublease, the master lessor consents in writing to the transfer of the sublease to the transferee and the transferee agrees in writing to assume your obligations under the sublease);

(6) any applicable agency or host or authority with jurisdiction over the Premises (such as an airport or an educational institution, if any) approves the transfer of this Agreement to the transferee;

(7) the transferee shall (if the transfer is of this Agreement), or you shall (if the transfer is of a controlling ownership interest in you or one of your owners), sign our then current form of franchise agreement and related documents (including, without limitation, our then current form of Nondisclosure and Non-Competition Agreement and our then current form of Guaranty and Assumption of Obligations, if applicable), any and all of the provisions of which may differ materially from any and all of those contained in this Agreement, including the Royalty and the Fund and Cooperative Program contributions, provided, however, that the execution of the new franchise agreement will terminate this Agreement (except for your guarantees, the post-termination obligations under this Agreement, and all other rights and obligations that survive termination or expiration of this Agreement), and the term of the new franchise agreement signed will expire on the expiration of this Agreement, unless we and the transferee otherwise agree in writing;

(8) you or the transferee pays us a transfer fee equal to Fifteen Thousand Dollars (\$15,000) if the transfer is to an existing A La Mode franchisee or a franchisee not currently in the System. You must pay us a non-refundable deposit of Five Thousand Dollars (\$5,000) upon notifying us that you intend to undergo a proposed transfer, which amount will be credited toward the transfer fee;

(9) you (and your transferring owners) sign a general release, in a form satisfactory to us, of any and all claims against us and our shareholders, officers, directors, members, employees, and agents;

(10) we have determined that the purchase price and payment terms will not adversely affect the transferee's operation of the Shoppe;

(11) if you or your owners finance any part of the purchase price, you and/or your owners agree that all of the transferee's obligations under promissory notes, agreements, or security interests reserved in the Shoppe are subordinate to the transferee's obligation to pay Royalties, Fund contributions, and other amounts due to us, our affiliates, and third party vendors and otherwise to comply with this Agreement;

(12) (a) you have corrected any existing deficiencies of the Shoppe of which we have notified you on a punch list or in other communications, and/or (b) the transferee agrees (if the transfer is of this Agreement) to upgrade, remodel, expand and/or refurbish the Shoppe and to add or replace services, vehicles, equipment, Operating Assets and/or Proprietary Products, in accordance with our then current requirements and specifications for A La Mode Shoppes within the time period we specify following the effective date of the transfer (we will advise the transferee before the effective date of the transfer of the specific actions that it must take and the time period within which such actions must be taken);

(13) you and your transferring owners (and your and your owners' spouses) will not, for two (2) years beginning on the transfer's effective date, engage in any of the activities proscribed in Subsection 15.D below; and

(14) you and your transferring owners will not directly or indirectly at any time or in any manner (except with respect to other A La Mode Shoppes you own and operate) identify yourself or themselves or any business as a current or former A La Mode Shoppe or as one of our franchise owners; use any Mark, any colorable imitation of a Mark, or other indicia of a A La Mode Shoppe in any manner or for any purpose; or utilize for any purpose any trade name, trade or service mark, or other commercial symbol that suggests or indicates a connection or association with us.

We may review all information regarding the Shoppe that you give the transferee, correct any information that we believe is inaccurate, and give the transferee copies of any reports that you have given us or we have made regarding the Shoppe. In addition, you agree to reimburse us, upon our demand at any time before or after the intended effective date of the proposed transfer, for any costs we incur in connection with any proposed transfer that is subject to the immediately preceding conditions (1) through (14), regardless of whether the proposed transfer actually transpires.

D. TRANSFER TO A WHOLLY-OWNED CORPORATION OR LIMITED LIABILITY COMPANY.

Despite Subsection 12.C above, if you are fully complying with this Agreement, you may transfer this Agreement to a corporation or limited liability company which conducts no business other than the Shoppe and, if applicable, other A La Mode Shoppes, in which you maintain management control, and of which you own and control one hundred percent (100%) of the equity and voting power of all issued and outstanding ownership interests, provided that all of the Shoppe's assets are owned, and the Shoppe's business is conducted, only by that single corporation or limited liability company. The corporation or limited liability company must expressly assume all of your obligations under this Agreement. Transfers of ownership interests in the corporation or limited liability company are subject to the conditions of Subsection 12.C above that otherwise apply to non-controlling transfers. You agree to remain personally liable under this Agreement as if the transfer to the corporation or limited liability company did not occur.

E. YOUR DEATH OR DISABILITY.

(1) **Transfer Upon Death or Disability.** Upon your or your Managing Owner's death or disability, your or the Managing Owner's executor, administrator, conservator, guardian, or other personal representative must transfer your interest in this Agreement, or the Managing Owner's ownership interest in you, to a third party (which may be your or the Managing Owner's heirs, beneficiaries, or devisees). That transfer must be completed within a reasonable time, not to exceed six (6) months from the date of death or disability, and is subject to all of the terms and conditions in this Section 12. A failure to transfer your interest in this Agreement or the Managing Owner's ownership interest in you within this time period is a breach of this Agreement.

The term "disability" means a mental or physical disability, impairment, or condition that is reasonably expected to prevent or actually does prevent you or the Managing Owner from supervising the Shoppe's management and operation.

(2) **Operation Upon Death or Disability.** Upon your or the Managing Owner's death or disability, your or the Managing Owner's executor, administrator, conservator, guardian, or other personal representative must within a reasonable time, not to exceed fifteen (15) days from the date of death or disability, appoint a manager. The manager must complete our standard training program at your expense. A new Managing Owner acceptable to us also must be appointed for the Shoppe, and that new Managing Owner must complete our standard training program, within sixty (60) days after the date of death or disability.

If, in our judgment, the Shoppe is not being managed properly any time after your or the Managing Owner's death or disability, we may, but need not, assume the Shoppe's management (or appoint a third party to assume its management). All funds from the Shoppe's operation while it is under our (or the third party's) management will be kept in a separate account, and all expenses will be charged to this account. We may charge you (in addition to the Royalty, Fund contributions, Technology Fee, and other amounts due under this Agreement) Four Hundred Dollars (\$400) per day, plus our (or the third party's) direct out-of-pocket costs and expenses, if we (or a third party) assume the Shoppe's management under this subparagraph. We (or a third party) have a duty to utilize only

reasonable efforts and will not be liable to you or your owners for any debts, losses, or obligations the Shoppe incurs, or to any of your creditors for any products, other assets, or services the Shoppe purchases, while we (or a third party) manage it.

F. EFFECT OF CONSENT TO TRANSFER.

Our consent to a transfer of this Agreement and the Shoppe, or any interest in you or your owners, is not a representation of the fairness of the terms of any contract between you and the transferee, a guarantee of the Shoppe's or transferee's prospects of success, or a waiver of any claims we have against you (or your owners) or of our right to demand the transferee's full compliance with this Agreement.

G. OUR RIGHT OF FIRST REFUSAL.

If you (or any of your owners) at any time determine to sell or transfer for consideration an interest in this Agreement and the Shoppe, or an ownership interest in you (except to or among your current owners, which is not subject to this Subsection 12.G), in a transaction that otherwise would be allowed under Subsections 12.B and C above, you (or your owners) agree to obtain from a responsible and fully disclosed buyer, and send us, a true and complete copy of a bona fide, executed written offer (which may include a letter of intent) relating exclusively to an interest in you or in this Agreement and the Shoppe. The offer must include details of the payment terms of the proposed sale and the sources and terms of any financing for the proposed purchase price. To be a valid, bona fide offer, the proposed purchase price must be in a dollar amount, and the proposed buyer must submit with its offer an earnest money deposit equal to five percent (5%) or more of the offering price.

The right of first refusal process will not be triggered by a proposed transfer that would not be allowed under Subsections 12.B and C above. We may require you (or your owners) to send us copies of any materials or information sent to the proposed buyer or transferee regarding the possible transaction.

We may, by written notice delivered to you or your selling owner(s) within thirty (30) days after we receive both an exact copy of the offer and all other information we request, elect to purchase the interest offered for the price and on the terms and conditions contained in the offer, provided that:

- (1) we may substitute cash for any form of payment proposed in the offer (such as ownership interests in a privately-held entity);
- (2) our credit will be deemed equal to the credit of any proposed buyer (meaning that, if the proposed consideration includes promissory notes, we or our designee may provide promissory notes with the same terms as those offered by the proposed buyer);
- (3) we will have an additional thirty (30) days to prepare for closing after notifying you of our election to purchase; and

(4) we must receive, and you and your owners agree to make, all customary representations and warranties given by the seller of the assets of a business or the ownership interests in a legal entity, as applicable, including, without limitation, representations and warranties regarding: (a) ownership and condition of and title to ownership interests and/or assets; (b) liens and encumbrances relating to ownership interests and/or assets; and (c) validity of contracts and the liabilities, contingent or otherwise, of the entity whose assets or ownership interests are being purchased.

If we exercise our right of first refusal, you and your selling owner(s) agree that, for two (2) years beginning on the closing date, you and they will be bound by the non-competition covenant contained in Subsection 15.D below. We have the unrestricted right to assign this right of first refusal to a third party, who then will have the rights described in this Subsection 12.G.

If we do not exercise our right of first refusal, you or your owners may complete the sale to the proposed buyer on the original offer's terms, but only if we otherwise approve the transfer in accordance with, and you (and your owners) and the transferee comply with the conditions in, Subsections 12.B and C above. This means that, even if we do not exercise our right of first refusal (whether or not it is properly triggered as provided above), if the proposed transfer otherwise would not be allowed under Subsections 12.B and C above, you (or your owners) may not move forward with the transfer at all.

If you do not complete the sale to the proposed buyer within sixty (60) days after we notify you that we do not intend to exercise our right of first refusal, or if there is a material change in the terms of the sale (which you agree to tell us promptly), we or our designee will have an additional right of first refusal during the thirty (30) day period following either the expiration of the sixty (60) day period or our receipt of notice of the material change(s) in the sale's terms, either on the terms originally offered or the modified terms, at our or our designee's option.

13. EXPIRATION OF THIS AGREEMENT.

A. YOUR RIGHT TO ACQUIRE A SUCCESSOR FRANCHISE.

If you meet certain conditions, then you will have the option to acquire three (3) additional consecutive successor Renewal Terms. Each of the Renewal Terms will be five (5) years in duration. The qualifications and conditions for the first Renewal Term are described below. The qualifications and conditions for the second Renewal Term will be described in the form of franchise agreement signed upon the expiration of this Agreement.

When this Agreement expires:

(1) if you (and each of your owners) have substantially complied with this Agreement during the Term; and

(2) if you (and each of your owners) are, both on the date you give us written notice of your election to acquire a successor franchise (as provided in Subsection 13.B below) and on the date on which the Renewal Term of the successor franchise would commence, in full compliance with this Agreement and all System Standards; and

(3) provided that (a) you maintain possession of and agree (regardless of cost) to remodel and/or expand the Shoppe, add or replace improvements, services, vehicles, equipment, Operating Assets and/or Proprietary Products, and otherwise modify the Shoppe as we require to comply with System Standards then applicable for new A La Mode Shoppes, or (b) at your option, you secure a substitute premises that we approve and you develop those premises according to System Standards then applicable for A La Mode Shoppes,

then you have the option to acquire a Renewal Term of five (5) years commencing immediately upon the expiration of this Agreement, plus a possible second and third Renewal Term of an additional five (5) years each if you comply with our terms and conditions of renewal under the Successor Franchise Agreement. For each Renewal Term, you agree to sign the form of franchise agreement we then use to grant franchises for A La Mode Shoppes (modified as necessary to reflect the fact that it is for a successor franchise), which may contain provisions that differ materially from any and all of those contained in this Agreement (each, a “Successor Franchise Agreement”). You must pay us a renewal fee of Five Thousand Dollars (\$5,000) upon signing a Successor Franchise Agreement in connection with your purchase of a successor Franchise for each Renewal Term.

If you (and each of your owners) are not, both on the date you give us written notice of your election to acquire a successor franchise and on the date on which the Renewal Term commences, in full compliance with this Agreement and all System Standards, then you acknowledge that we need not grant you a successor franchise, whether or not we had, or chose to exercise, the right to terminate this Agreement during the Term under Subsection 14.B

B. GRANT OF A SUCCESSOR FRANCHISE.

You agree to give us written notice of your election to acquire a successor franchise no more than two hundred twenty (220) days and no less than one hundred eighty (180) days before this Agreement expires. We agree to give you written notice of our decision (“Our Notice”):

- (1) to grant you a successor franchise;
- (2) to grant you a successor franchise on the condition that you correct existing deficiencies of the Shoppe or in your operation of the Shoppe; or
- (3) not to grant you a successor franchise based on our determination that you and your owners have not substantially complied with this Agreement during the Term or were not in full compliance with this Agreement and all System Standards on the date you gave us written notice of your election to acquire a successor franchise.

If applicable, Our Notice will:

- (a) describe the remodeling, expansion, improvements, and/or modifications required to bring the Shoppe into compliance with then applicable System Standards for new A La Mode Shoppes; and

(b) state the actions you must take to correct operating deficiencies and the time period in which you must correct these deficiencies.

If we elect not to grant you a successor franchise, Our Notice will describe the reasons for our decision. If we elect to grant you a successor franchise, your right to acquire a successor franchise is subject to your full compliance with all of the terms and conditions of this Agreement through the date of its expiration, in addition to your compliance with the obligations described in Our Notice.

If Our Notice states that you must cure certain deficiencies of the Shoppe or its operation as a condition to our granting you a successor franchise, we will give you written notice of our decision not to grant a successor franchise, based upon your failure to cure those deficiencies. If you fail to notify us of your election to acquire a successor franchise within the prescribed time period, we need not grant you a successor franchise.

C. AGREEMENTS/RELEASES.

If you satisfy all of the other conditions for a successor franchise, you and your owners agree to execute a Successor Franchise Agreement and any ancillary agreements we then customarily use in granting franchises for A La Mode Shoppes (modified as necessary to reflect the fact that it is for a successor franchise), which may contain provisions that differ materially from any and all of those contained in this Agreement. You and your owners further agree to sign our current form of general release of any and all claims against us and our affiliates, shareholders, officers, directors, members, employees, agents, successors, and assigns. We will consider your or your owners' failure to sign these agreements and releases and to deliver them to us for acceptance and execution within thirty (30) days after their delivery to you to be an election by you not to acquire a successor franchise for the first Renewal Term of five (5) years.

14. TERMINATION OF AGREEMENT.

A. BY YOU.

If you and your owners are fully complying with this Agreement and we materially fail to comply with this Agreement and do not correct the failure within thirty (30) days after you deliver to us written notice of the material failure or, if we cannot correct the failure within thirty (30) days, do not give you within thirty (30) days after your notice reasonable evidence of our effort to correct the failure within a reasonable time (which may extend beyond that thirty (30) days), you may terminate this Agreement effective an additional thirty (30) days after you deliver to us written notice of termination. (The time period during which we may cure any alleged material failure to comply with this Agreement after your delivery of notice is called the "Cure Period.") However, if we send you written notice during the Cure Period indicating that either (1) we do not agree that we have materially failed to comply with this Agreement or (2) we have fully corrected the failure, then you may not terminate this Agreement. If you disagree with our position and still wish to terminate this Agreement, you must commence an arbitration proceeding seeking a declaration of your right to terminate this Agreement.

This Agreement will remain in full force and effect during the arbitration proceeding (unless we terminate it under Subsection 14.B below). If the arbitrator determines that we are materially failing to comply with this Agreement, or that we did not fully correct a material failure to comply, we will have an additional thirty (30) days following the arbitrator's ruling to correct the failure. If we fail to do so, then you may terminate this Agreement effective an additional thirty (30) days after you deliver to us written notice of termination.

Your termination of this Agreement other than according to this Subsection 14.A will be deemed a termination without cause and a breach of this Agreement.

B. BY US.

We may terminate this Agreement, effective upon delivery of written notice of termination to you, if:

(1) you (or any of your owners) have made or make any material misrepresentation or omission in acquiring the Franchise or operating the Shoppe;

(2) you do not locate, and submit for our approval a Lease or purchase document for, an acceptable site within the Designated Area for the Premises within the time period prescribed in Subsection 2.B of this Agreement, or deliver a fully-signed copy of any signed Lease that includes our prescribed Lease Addendum within seven (7) days after their execution;

(3) you do not open the Shoppe for business within the time period prescribed in Subsection 2.F of this Agreement;

(4) you (or your Managing Owner) and your General Manager do not satisfactorily complete the initial training program;

(5) you abandon or fail actively to operate the Shoppe for three (3) or more consecutive business days, unless such abandonment or failure is for a purpose we approve or because of casualty or government order;

(6) you (or your owners) make or attempt to make any transfer in violation of Section 12;

(7) you (or any of your owners) are or have been convicted by a trial court of, or plead or have pleaded no contest to, a felony, crime or other offense involving moral turpitude, or any other crime or offense which we reasonably believe adversely affects the System's reputation or the goodwill associated with the Marks;

(8) you fail to maintain the insurance we require and do not correct the failure within ten (10) days after we deliver written notice of that failure to you;

(9) you (or any of your owners) engage in any dishonest or unethical conduct which, in our opinion, adversely affects the Shoppe's reputation or the goodwill associated with the Marks;

(10) you make any representation or warranty on our behalf that has not been specifically authorized in writing by us;

(11) you lose the right to occupy the Premises and fail (a) to begin immediately to look for a substitute site or (b) to locate a substitute site, and to begin operating the Shoppe from that substitute site, within the time period prescribed in Subsection 2.B of this Agreement;

(12) you (or any of your owners) knowingly make any unauthorized use or disclosure of any part of the Operations Manual or any other Confidential Information;

(13) you violate any health, safety, or sanitation law, ordinance, or regulation, or operate the Shoppe in an unsafe manner, and do not begin to cure the violation immediately, and correct the violation within seventy-two (72) hours, after you receive notice from us or any other party;

(14) you interfere with our right to inspect the Shoppe, or observe or videotape its operation, as provided in Section 11;

(15) you fail to pay us (or our affiliates) any amounts due and you do not correct the failure within ten (10) days after we deliver written notice of that failure to you;

(16) you fail to pay when due any amounts owed to vendors or suppliers;

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

(18) you understate the Shoppe's Gross Sales three (3) times or more during the Term or by more than five percent (5%) on any one occasion;

(19) you (or any of your owners) (a) fail on three (3) or more separate occasions within any twelve (12) consecutive month period to comply with this Agreement, whether or not we notify you of the failures, and, if we do notify you of the failures, whether or not you correct the failures after our delivery of notice to you; or (b) fail on two (2) or more separate occasions within any six (6) consecutive month period to comply with the same obligation under this Agreement, whether or not we notify you of the failures, and, if we do notify you of the failures, whether or not you correct the failures after our delivery of notice to you;

(20) you make an assignment for the benefit of creditors or admit in writing your insolvency or inability to pay your debts generally as they become due; you consent to the appointment of a receiver, trustee, or liquidator of all or the substantial part of your

property; the Shoppe is attached, seized, subjected to a writ or distress warrant, or levied upon, unless the attachment, seizure, writ, warrant, or levy is vacated within thirty (30) days; or any order appointing a receiver, trustee, or liquidator of you or the Shoppe is not vacated within thirty (30) days following the order's entry;

(21) your or any of your owners' assets, property, or interests are blocked under any law, ordinance, or regulation relating to terrorist activities, or you or any of your owners otherwise violate any such law, ordinance, or regulation;

(22) you knowingly maintain false books or records, or submit any false reports to us;

(23) you refuse to permit us to inspect the Shoppe's books, records, or accounts upon request;

(24) you (or any of your owners or affiliates) are in default or breach of the Lease and you do not correct the default or breach within the applicable cure period provided under the Lease, if any;

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

(26) you (or any of your owners) fail to comply with any other provision of this Agreement or any System Standard and do not correct the failure within thirty (30) days after we deliver written notice of the failure to you.

C. OUR ALTERNATE REMEDIES UPON YOUR DEFAULT.

In addition to, and without limiting, our other rights and remedies under this Agreement, any other agreement or applicable law, upon the occurrence of any event giving rise to our right to terminate this Agreement under the preceding Subsection 14.B, we may instead elect, at our sole option and upon delivering providing you written notice, to take any or all of the following actions without terminating this Agreement:

(1) temporarily or permanently reduce the size of the Territory, in which case the restrictions on us or our affiliates under Section 1 above will not apply in any geographic area removed from the preceding territorial boundaries;

(2) temporarily remove information concerning the Shoppe from any Website or extranet operated for the network of A La Mode Shoppes, and/or restrict your or the Shoppe's participation in other programs or benefits offered on or through any such Website or extranet;

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

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

(5) suspend your and the Shoppe's right to participate in any advertising, marketing, promotional, or public relations programs that we or the Fund provide, authorize, or administer; or

(6) assume, or appoint a third party to assume, management of the Shoppe in the manner provided in Subsection 14.F below.

D. CROSS DEFAULT.

Any default or breach by you (or any of your owners), or your affiliate (or any of your owner's affiliates) of any other agreement with us or our affiliate will be considered an event of default under this Agreement, and any default or breach by you (or any of your owners) of this Agreement will be considered an event of default or breach by you under any and all agreements between us or our affiliate and you (or any of your owners), or your affiliate (or any of your owner's affiliates). If the nature of the default under any other agreement would have been considered an event of default under this Agreement, then we or our affiliate will have the right to terminate all other agreements between us or our affiliate and you (or any of your owners), or your affiliate (or any of your owner's affiliates) in accordance with the termination provisions of this Agreement.

E. FAILURE TO CURE MAY BE DEEMED TERMINATION BY YOU.

Your failure to cure timely any breach by you of this Agreement about which we have provided you notice (and opportunity to cure, if applicable) pursuant to Subsection 14.B above, including but not limited to your failure to pay overdue Royalties, Fund contributions, or any other amounts due and owing to us or our affiliates under this Agreement, may be irrevocably deemed a unilateral rejection and termination by you of this Agreement and all related agreements between you and us or our affiliates, even if we ultimately issue a formal notice of such termination, and you shall never contend or complain otherwise.

F. ASSUMPTION OF MANAGEMENT.

We have the right (but not the obligation), under the circumstances described below, to enter the Premises and assume the Shoppe's management (or to appoint a third party to assume its management) for any period of time we deem appropriate. If we (or a third party) assume the Shoppe's management under subparagraphs (1) and (2) below, you agree to pay us (in addition to the Royalty, Fund contributions, Technology Fee and other amounts due under this Agreement) Four Hundred Dollars (\$400) per day, plus our (or the third party's) direct out-of-pocket costs and expenses, if we (or a third party) assume the Shoppe's management under this Subsection 14.F.

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

We (or a third party) may assume the Shoppe's management under the following circumstances: (1) if you abandon or fail actively to operate the Shoppe; (2) if you fail to comply with any provision of this Agreement or any System Standard and do not cure the failure within the time period we specify in our notice to you; or (3) if this Agreement expires or is terminated and we are deciding whether to exercise our option to purchase the Shoppe under Subsection 15.E below.

Any exercise of our rights under subparagraphs (1) or (2) above in this Subsection 14.F will not affect our right to terminate this Agreement under Subsection 14.B above.

15. OUR AND YOUR RIGHTS AND OBLIGATIONS UPON TERMINATION OR EXPIRATION OF THIS AGREEMENT.

A. PAYMENT OF AMOUNTS OWED TO US.

(1) Immediately upon termination or expiration of this Agreement, and on any later date that we determine the amounts due to us, you shall pay us all Royalties, Fund contributions, interest, and all other amounts owed to us (and our affiliates) which then are unpaid.

(2) If this Agreement is terminated before its Term expires pursuant to Subsections 14.B, 14.D, or 14.E above, then you acknowledge and confirm that we will suffer and incur substantial damages because this Agreement did not continue for the Term's full length. Accordingly, you agree to pay us for all damages, costs, expenses, attorneys' and experts' fees directly or indirectly related thereto, including, without limitation, lost Royalties, lost Fund contributions, lost profits, loss of goodwill and damage to our Marks and reputation, lost opportunities, travel and personnel costs, expenses that we may incur in developing or finding another franchisee to develop a new A La Mode Shoppe in the Territory, and any other lost payments or benefits we would have received for the balance of the Term after the effective date of termination (collectively, "Brand Damages"). You further acknowledge and agree that your obligation to pay Brand

Damages resulting from early termination shall be in addition to (not in lieu of) your post-termination obligations to pay other amounts due as of the date of termination (as contemplated under the preceding Subsection (1) above) and to otherwise comply with the entirety of Section 15 hereof, and that the Brand Damages shall not be deemed a penalty for early termination but instead reasonable compensation to us for your failure to perform under this Agreement during the remainder of the Term.

(3) Your foregoing payment obligations arising under Subsections (1) and (2) above will give rise to, and remain until paid in full, a lien in our favor: (i) against any and all assets, property, furnishings, equipment, signs, fixtures and inventory owned by you or the Shoppe at the time of termination or expiration; and (ii) against any payment obligation you may allege we have to you, any of your money we are holding, or any other amounts of yours which are otherwise in our possession on or after the effective date of termination or expiration. Our rights and your obligations under this Subsection 15.A shall survive termination or expiration of this Agreement until they are satisfied or later expire by their terms.

B. MARKS.

When this Agreement expires or is terminated:

(1) you may not directly or indirectly at any time or in any manner (except with other A La Mode Shoppes you own and operate) identify yourself or any business as a current or former A La Mode Shoppe or as one of our current or former franchise owners; use any Mark, any colorable imitation of a Mark, or other indicia of a A La Mode Shoppe in any manner or for any purpose; or use for any purpose any trade name, trade or service mark, or other commercial symbol that indicates or suggests a connection or association with us;

(2) you agree to discontinue the use of any Website and social media used in connection with Shoppe or otherwise referring to the Marks or A La Mode Shoppes.

(3) you agree, at your expense, to take the action required to cancel all fictitious or assumed name or equivalent registrations relating to your use of any Mark;

(4) you agree, at your expense, to deliver to us within thirty (30) days all signs, sign-faces, sign-cabinets, marketing materials, forms, and other materials containing any Mark or otherwise identifying or relating to a A La Mode Shoppe that we request and allow us, without liability to you or third parties for trespass or any other claim, to enter the Premises and remove these items from the Shoppe;

(5) if we do not have or do not exercise an option to purchase the Shoppe under Subsection 15.E below, you agree promptly and at your own expense to make the alterations we specify in our Operations Manual (or otherwise) to distinguish the Shoppe clearly from its former appearance and from other A La Mode Shoppes in order to prevent public confusion;

(6) you agree to notify within five (5) days the telephone company, all telephone directory publishers and all online listings (e.g., Google and Yelp) of the termination or expiration of your right to use any telephone, facsimile, or other numbers, telephone directory listings and email addresses associated with any Mark; to authorize the transfer of these numbers and directory listings to us or at our direction; and/or to instruct the telephone company to forward all calls made to your numbers to numbers we specify. If you fail to do so, we may take whatever action and sign whatever documents we deem appropriate on your behalf to effect these events; and

(7) you agree to give us, within thirty (30) days after the expiration or termination of this Agreement, evidence satisfactory to us of your compliance with these obligations.

C. **CONFIDENTIAL INFORMATION.**

You agree that, when this Agreement expires or is terminated, you will immediately (1) cease using any of our Confidential Information (including computer software or similar technology and digital passwords and identifications that we have licensed to you or that otherwise are proprietary to us or the System) in any business or otherwise; (2) return to us all copies of the Operations Manual and any other confidential materials that we have provided you for your use during the Term; and (3) immediately deliver to us all training or other manuals furnished to you for your use during the Term (including the Operations Manual and any supplements to the Operations Manual), computer software and database material, customer lists, records and files, documents, instructions, display items, advertising and promotional material, any and all materials, signs and related items which bear our Marks or slogans and insignias and designs, advertising contracts, forms and other materials or property of ours, and any copies of them in your possession which relate to the operation of the Shoppe. You may retain no copy or record of any of these items, except for your copy of this Agreement, any correspondence between the parties and any other documents which you reasonably need for compliance with any provision of law. You agree that the foregoing items, materials, customer lists, files, software and other similar items are at all times considered to be our property for all purposes.

D. **COVENANT NOT TO COMPETE.**

(1) Upon

(a) our or your termination of this Agreement according to its terms and conditions,

(b) your termination of this Agreement without cause, or

(c) expiration of this Agreement (if we offer, but you elect not to acquire, a successor franchise, or if we do not offer you a successor franchise due to your failure to satisfy the conditions for a successor franchise set forth in Section 13),

you and your owners agree that, for two (2) years beginning on the earlier of the effective date of termination or expiration of this Agreement, neither you nor any of your owners will have any direct or indirect interest (e.g., through a spouse) as an owner (whether of record, beneficially, or otherwise), investor, partner, director, officer, employee, consultant, representative, or agent in any Competitive Business (as defined in Section 7 above) located or operating:

- (i) at the Premises;
- (ii) within the Territory;
- (iii) within a ten (10) mile radius of the Territory; or
- (iv) within ten (10) miles of any other A La Mode Shoppe in operation or under construction on the later of the effective date of the termination or expiration of this Agreement or the date on which all persons restricted by this Subsection 15.D begin to comply with this Subsection 15.D.

(2) The restrictions above in this Subsection 15.D also apply after transfers, as provided in Subsection 12.C(13) above. If any person restricted by this Subsection 15.D refuses voluntarily to comply with these obligations, the two (2) year period for that person will commence with the entry of a court order enforcing this provision. The two (2) year period will be tolled, if applicable, for the period during which a restricted person is in breach of this Subsection 15.D and will resume when that person begins or resumes compliance. You and your owners expressly acknowledge that you possess skills and abilities of a general nature and have other opportunities for exploiting these skills. Consequently, our enforcing the covenants made in this Subsection 15.D will not deprive you of your personal goodwill or ability to earn a living.

E. OUR RIGHT TO PURCHASE CERTAIN ASSETS OF THE SHOPPE.

Upon either party's termination of this Agreement, or upon expiration of this Agreement without renewal, we shall have the right and option, but not the obligation, to purchase the equipment, furnishings, and accessories from the Shoppe at a purchase price equal to its then-current book value determined using the straight-line method of depreciation. If we elect to exercise this option, we will deliver written notice to you of our election within thirty (30) days after the date of termination or expiration of this Agreement. We will have the right to inspect the equipment, furnishings, and accessories at any time during this thirty (30) day period. If we elect to purchase the equipment, furnishings, and accessories, we will be entitled to, and you must provide, all customary warranties and representations relating to the equipment, furnishings, and accessories to be purchased, including, without limitation, representations and warranties as to the maintenance, function and condition of the equipment, furnishings, and accessories and your good title to those items (including that you own each item free and clear of any liens and encumbrances), the validity of contracts and agreements, and the liabilities affecting the equipment, furnishings, and accessories, contingent or otherwise. You and your owners further agree to execute general releases, in a form satisfactory to us, of any and all claims against us and our shareholders, officers, directors, employees, agents, successors and assigns. You shall deliver

the equipment to us within fifteen (15) days of receipt of our written notice to you of our election to purchase.

Regardless of whether or not we exercise our right to purchase the equipment, furnishings, and accessories under this Subsection 15.E, we shall have the option, exercisable upon written notice to you within thirty (30) days after the date of termination or expiration of this Agreement, to repurchase some or all (at our option) of the Menu Items and Proprietary Products and other products then owned by you. We have the unrestricted right to assign this option to purchase. The purchase price of all inventory (in full, unopened case-loads) / products will be as agreed upon by the parties, provided that the purchase price shall not exceed the prices paid by you for such Menu Items and Proprietary Products and other products (less any freight and insurance charges). All purchase prices are freight-on-board ("F.O.B.") our premises. We may set off against the purchase price any and all amounts you then owe to us, if applicable.

F. CONTINUING OBLIGATIONS.

All of our and your (and your owners') obligations which expressly or by their nature survive this Agreement's expiration or termination will continue in full force and effect subsequent to and notwithstanding its expiration or termination and until they are satisfied in full or by their nature expire.

16. RELATIONSHIP OF THE PARTIES/INDEMNIFICATION.

A. INDEPENDENT CONTRACTORS.

You and we understand and agree that this Agreement does not create a fiduciary relationship between you and us, that you and we are and will be independent contractors, and that nothing in this Agreement is intended to make either you or us a general or special agent, joint venturer, partner, or employee of the other for any purpose. You agree to identify yourself conspicuously in all dealings with customers, suppliers, public officials, Shoppe personnel, and others as the Shoppe's owner under a franchise we have granted and to place notices of independent ownership on the forms, business cards, stationery, advertising, and other materials we require at any time and from time to time.

None of your employees or other personnel will be considered to be our employees or personnel. Neither you nor any of your employees or personnel whose compensation you pay may in any way, directly or indirectly, expressly or by implication, be construed to be our employee or personnel for any purpose, most particularly with respect to any mandated or other insurance coverage, tax or contributions, or requirements pertaining to withholdings, levied or fixed by any city, state, provincial, or federal governmental agency. We will not have the power to hire or fire your employees or personnel. You expressly agree, and will never contend otherwise, that our authority under this Agreement to certify certain of your employees or personnel for qualification to perform certain functions for the Shoppe does not directly or indirectly vest in us the power to hire, fire or control any such employee. You acknowledge and agree, and will never contend otherwise, that you alone will exercise day-to-day control over all operations, activities and elements of the Shoppe and that under no circumstance shall we do so or be deemed to do so. You further acknowledge and agree, and will never contend otherwise, that the various requirements,

restrictions, prohibitions, specifications and procedures of the System which you are required to comply with under this Agreement, whether set forth in the Operations Manual or otherwise, do not directly or indirectly constitute, suggest, infer or imply that we control any aspect or element of the day-to-day operations of the Shoppe, which you alone control, but only constitute standards you must adhere to when exercising your control of the day-to-day operations of the Shoppe.

B. NO LIABILITY FOR ACTS OF OTHER PARTY.

We and you may not make any express or implied agreements, warranties, guarantees, or representations, or incur any debt, in the name or on behalf of the other or represent that our respective relationship is other than franchisor and franchise owner. We will not be obligated for any damages to any person or property directly or indirectly arising out of the Shoppe's operation or the business you conduct under this Agreement.

C. TAXES.

We will have no liability for any sales, use, service, occupation, excise, gross receipts, income, property, or other taxes, whether levied upon you or the Shoppe, due to the business you conduct (except for our income taxes). You are responsible for paying these taxes and must reimburse us for any taxes that we must pay to any state taxing authority on account of either your operation or payments that you make to us.

D. INDEMNIFICATION.

You agree to indemnify, defend, and hold harmless us, our affiliates, and our and their respective affiliates, shareholders, members, managers, directors, partners, officers, employees, agents, successors, and assignees (the "Indemnified Parties") against, and to reimburse any one or more of the Indemnified Parties for, all claims, obligations, and damages directly or indirectly arising out of the Shoppe's operation, employment matters in connection with the Shoppe, the business you conduct under this Agreement, or your breach of this Agreement, including, without limitation, those alleged to be or found to have been caused by the Indemnified Party's negligence, unless (and then only to the extent that) the claims, obligations, or damages are determined to be caused solely by our gross negligence or willful misconduct in a final, unappealable ruling issued by a court or arbitrator with competent jurisdiction. You agree to give us and the Indemnified Parties written notice of any action, suit, proceeding, claim, demand, inquiry or investigation that could be the basis for a claim for indemnification by any of the Indemnified Parties within three (3) days of your actual or constructive knowledge of it. The Indemnified Parties shall have the right, in their sole discretion to: (i) retain counsel of their own choosing to represent them with respect to any claim; and (ii) control the response thereto and the defense thereof, including the right to enter into settlements or take any other remedial, corrective, or other actions. You agree to give your full cooperation to the Indemnified Parties in assisting the Indemnified Parties with the defense of any such claim, and to reimburse the Indemnified Parties for all of their costs and expenses in defending any such claim, including court costs and reasonable attorneys' fees, within ten (10) days of the date of each invoice delivered by the Indemnified Parties to you enumerating such costs, expenses and attorneys' fees.

For purposes of this indemnification, “claims” include all obligations, damages (actual, consequential, or otherwise), and costs that any Indemnified Party reasonably incurs in defending any claim against it, including, without limitation, reasonable accountants’, arbitrators’, attorneys’, and expert witness fees, costs of investigation and proof of facts, court costs, travel and living expenses, and other expenses of litigation, arbitration, or alternative dispute resolution, regardless of whether litigation, arbitration, or alternative dispute resolution is commenced.

This indemnity will continue in full force and effect subsequent to and notwithstanding this Agreement’s expiration or termination. An Indemnified Party need not seek recovery from any insurer or other third party, or otherwise mitigate its or their losses and expenses, in order to maintain and recover from third parties fully a claim against you under this subparagraph. You agree that a failure to pursue a recovery or mitigate a loss will not reduce or alter the amounts that an Indemnified Party may recover from you under this subparagraph. Your or any of the other Indemnified Parties’ undertaking of defense and/or settlement will in no way diminish your obligation to indemnify us and the other Indemnified Parties and to hold us and any of the Indemnified Parties harmless.

17. ENFORCEMENT.

A. SEVERABILITY AND SUBSTITUTION OF VALID PROVISIONS.

Except as expressly provided to the contrary in this Agreement, each section, paragraph, term, and provision of this Agreement is severable, and if, for any reason, any part is held to be invalid or contrary to or in conflict with any applicable present or future law or regulation in a final, unappealable ruling issued by any court, agency, or tribunal with competent jurisdiction, that ruling will not impair the operation of, or otherwise affect, any other portions of this Agreement, which will continue to have full force and effect and bind the parties.

If any covenant which restricts competitive activity is deemed unenforceable by virtue of its scope in terms of area, business activity prohibited, and/or length of time, but would be enforceable if modified, you and we agree that the covenant will be enforced to the fullest extent permissible under the laws and public policies applied in the jurisdiction whose law determines the covenant’s validity.

If any applicable and binding law or rule of any jurisdiction requires more notice than this Agreement requires of this Agreement’s termination or of our refusal to enter into a Successor Franchise Agreement, or some other action that this Agreement does not require, or if, under any applicable and binding law or rule of any jurisdiction, any provision of this Agreement or any System Standard is invalid, unenforceable, or unlawful, the notice and/or other action required by the law or rule will be substituted for the comparable provisions of this Agreement, and we may modify the invalid or unenforceable provision or System Standard to the extent required to be valid and enforceable or delete the unlawful provision in its entirety. You agree to be bound by any promise or covenant imposing the maximum duty the law permits which is subsumed within any provision of this Agreement, as though it were separately articulated in and made a part of this Agreement.

B. WAIVER OF OBLIGATIONS.

We and you may by written instrument unilaterally waive or reduce any obligation of or restriction upon the other under this Agreement, effective upon delivery of written notice to the other or another effective date stated in the notice of waiver. Any waiver granted will be without prejudice to any other rights we or you have, will be subject to continuing review, and may be revoked at any time and for any reason effective upon delivery of ten (10) days' prior written notice.

We and you will not waive or impair any right, power, or option this Agreement reserves (including, without limitation, our right to demand exact compliance with every term, condition, and covenant or to declare any breach to be a default and to terminate this Agreement before its term expires) because of any custom or practice at variance with this Agreement's terms; our or your failure, refusal, or neglect to exercise any right under this Agreement or to insist upon the other's compliance with this Agreement, including, without limitation, any System Standard; our waiver of or failure to exercise any right, power, or option, whether of the same, similar, or different nature, with other A La Mode Shoppes; the existence of franchise agreements for other A La Mode Shoppes which contain provisions different from those contained in this Agreement; or our acceptance of any payments due from you after any breach of this Agreement. No special or restrictive legend or endorsement on any check or similar item given to us will be a waiver, compromise, settlement, or accord and satisfaction. We are authorized to remove any legend or endorsement, which then will have no effect.

Neither we nor you will be liable for loss or damage or be in breach of this Agreement if our or your failure to perform our or your obligations results from: (1) compliance with the orders, requests, regulations, or recommendations of any federal, state, or municipal government; (2) acts of God; (3) fires, strikes, embargoes, war, acts of terrorism or similar events, or riot; or (4) any other similar event or cause. Any delay resulting from any of these causes will extend performance accordingly or excuse performance, in whole or in part, as may be reasonable, except that these causes will not excuse payments of amounts owed at the time of the occurrence or payment of Royalties or Fund and Cooperative contributions due afterward.

C. COSTS AND ATTORNEYS' FEES.

If we incur costs and expenses due to your failure to pay when due amounts owed to us, to submit when due any reports, information, or supporting records, or otherwise to comply with this Agreement, you agree, whether or not we initiate a formal legal proceeding, to reimburse us for all of the costs and expenses that we incur, including, without limitation, reasonable accounting, attorneys', arbitrators', and related fees.

D. RIGHTS OF PARTIES ARE CUMULATIVE.

Our and your rights under this Agreement are cumulative, and our or your exercise or enforcement of any right or remedy under this Agreement will not preclude our or your exercise or enforcement of any other right or remedy which we or you are entitled by law to enforce.

E. **MEDIATION.**

Except as otherwise provided herein, if a dispute arises out of or relates to this Agreement, the breach hereof, the rights and obligations of the parties hereto, or the making, interpretation, or performance of either party under this Agreement, the parties agree first to try in good faith to settle the dispute by mediation administered by non-binding mediation administered by the American Arbitration Association (“AAA”) in accordance with its Commercial Mediation Rules before resorting to arbitration or litigation in accordance with the terms of this Agreement. Such mediation shall take place before a sole mediator at a location we designate in the city in which our then current principal business address is located (currently, New York, New York). The parties shall each bear all of their own costs of mediation; provided, however, the fees of the mediator shall be divided equally between you and us. All aspects of the mediation, including statements made and documents produced within the mediation, will be confidential in nature and will not be admissible in any subsequent arbitration or other legal proceeding. If the matter is not settled by mediation within thirty (30) days of the commencement of the mediation, or such further period as the parties shall agree in writing, the matter shall be referred to arbitration as described in Subsection 17.F below. The parties hereto agree that mediation shall not be required with respect to: (a) any claim or dispute involving any payment obligation of us that is more than thirty (30) days past due; (b) any claim or dispute involving actual or threatened disclosure or misuse of our Confidential Information; (c) any claim or dispute involving the ownership, validity, or use of the Marks; (d) any claim or dispute involving the insurance or indemnification provisions of this Agreement; (e) any claim or dispute involving a non-curable default; (f) any claim or dispute involving your failure to comply with our System Standards; or (g) any action by us to enforce the covenants set forth in Section 7 or Subsection 15.D of this Agreement.

The object of any mediation subject to this Subsection 17.E is to assist the parties in reaching a mutually acceptable resolution of the dispute. Such mediation will, in all circumstances, be consistent with the rights and obligations created by this Agreement and will not be premised on the derogation or diminution of those rights or disregard of those rights.

F. **ARBITRATION.**

Subject to the parties' obligation to mediate certain controversies, disputes and claims pursuant to Subsection 17.E above, we and you agree that all controversies, disputes, or claims between us and our affiliates, and our and their respective shareholders, officers, directors, agents, and/or employees, and you (and/or your owners, guarantors, affiliates, and/or employees) arising out of or related to:

- (1) this Agreement or any other agreement between you and us or your or our respective affiliates
- (2) our relationship with you;
- (3) the scope and validity of this Agreement or any other agreement between you and us or any provision of such agreements (including the validity and scope of the arbitration obligations under this Subsection 17.F, which the parties acknowledge is to be determined by an arbitrator and not a court); or

(4) any System Standard;

must be submitted for binding arbitration, on demand of either party, to the American Arbitration Association. The arbitration proceedings will be conducted by one arbitrator and, except as this Subsection 17.F otherwise provides, according to the then current commercial arbitration rules of the American Arbitration Association. All proceedings will be conducted at a suitable location chosen by the arbitrator in the city in which our then current principal business address is located (currently, New York, New York). All matters relating to arbitration will be governed by the Federal Arbitration Act (9 U.S.C. §§ 1 et seq.). Except as expressly provided otherwise in the remainder of this Section 17, judgment upon the arbitrator's award may be entered in any court of competent jurisdiction.

The arbitrator has the right to award or include in his or her award any relief which he or she deems proper, including, without limitation, money damages (with interest on unpaid amounts from the date due), specific performance, injunctive relief, and attorneys' fees and costs, provided that the arbitrator may not declare any Mark generic or otherwise invalid or, except as expressly provided in Subsection 17.I below, award any punitive or exemplary damages against either party (we and you hereby waiving to the fullest extent permitted by law, except as expressly provided in Subsection 17.I below, any right to or claim for any punitive or exemplary damages against the other). All aspects of the arbitration, including statements made and documents produced within the arbitration, will be confidential in nature and will not be admissible in any subsequent legal proceeding.

Except as expressly limited by Subsection 17.K below, we and you agree to be bound by the provisions of any limitation on the period of time in which claims must be brought under applicable law or this Agreement, whichever expires earlier. We and you further agree that, in any arbitration proceeding, each must submit or file any claim which would constitute a compulsory counterclaim (as defined by Rule 13 of the Federal Rules of Civil Procedure) within the same proceeding as the claim to which it relates. Any claim which is not submitted or filed as required is forever barred. The arbitrator may not consider any settlement discussions or offers that might have been made by either you or us. We reserve the right, but have no obligation, to advance your share of the costs of any arbitration proceeding in order for such arbitration proceeding to take place and by doing so will not be deemed to have waived or relinquished our right to seek the recovery of those costs in accordance with Subsection 17.C.

We and you agree that arbitration will be conducted on an individual, not a class-wide, basis and that an arbitration proceeding between us and our affiliates, and our and their respective shareholders, members, officers, directors, agents, and/or employees, and you (and/or your owners, guarantors, affiliates, and/or employees) may not be consolidated with any other arbitration proceeding between us and any other person. Notwithstanding the foregoing or anything to the contrary in this Subsection 17.F or Subsection 17.A, if any court or arbitrator determines that all or any part of the preceding sentence is unenforceable with respect to a dispute that otherwise would be subject to arbitration under this Subsection 17.F, then the parties agree that this arbitration clause shall not apply to that dispute and that such dispute will be resolved in a judicial proceeding in accordance with this Section 17 (excluding this Subsection 17.F).

Except as expressly provided otherwise in the remainder of this Section 17, despite our and your agreement to arbitrate, we and you each have the right in a proper case to seek temporary restraining orders and temporary or preliminary injunctive relief from a court of competent jurisdiction; provided, however, that we and you must contemporaneously submit our dispute for arbitration on the merits as provided in this Subsection 17.F.

The provisions of this Subsection 17.F are intended to benefit and bind certain third party non-signatories and will continue in full force and effect subsequent to and notwithstanding this Agreement's expiration or termination.

G. GOVERNING LAW.

ALL MATTERS RELATING TO ARBITRATION WILL BE GOVERNED BY THE FEDERAL ARBITRATION ACT (9 U.S.C. §§ 1 ET SEQ.). EXCEPT TO THE EXTENT GOVERNED BY THE FEDERAL ARBITRATION ACT, THE UNITED STATES TRADEMARK ACT OF 1946 (LANHAM ACT, 15 U.S.C. SECTIONS 1051 ET SEQ.), OR OTHER FEDERAL LAW, THIS AGREEMENT, THE FRANCHISE, AND ALL CLAIMS ARISING FROM THE RELATIONSHIP BETWEEN US AND YOU WILL BE GOVERNED BY THE LAWS OF THE STATE OF NEW YORK, WITHOUT REGARD TO ITS CONFLICT OF LAWS RULES, EXCEPT THAT ANY NEW YORK LAW REGULATING THE SALE OF FRANCHISES OR GOVERNING THE RELATIONSHIP OF A FRANCHISOR AND ITS FRANCHISEE WILL NOT APPLY UNLESS ITS JURISDICTIONAL REQUIREMENTS ARE MET INDEPENDENTLY WITHOUT REFERENCE TO THIS SUBSECTION 17.G.

H. CONSENT TO JURISDICTION.

SUBJECT TO SUBSECTIONS 17.E AND F ABOVE AND THE PROVISIONS BELOW, YOU AND YOUR OWNERS AGREE THAT ALL ACTIONS ARISING UNDER THIS AGREEMENT OR OTHERWISE AS A RESULT OF THE RELATIONSHIP BETWEEN YOU AND US MUST BE COMMENCED IN THE STATE OR FEDERAL COURT OF COMPETENT JURISDICTION LOCATED CLOSEST TO OUR THEN CURRENT PRINCIPAL BUSINESS ADDRESS (CURRENTLY, NEW YORK, NEW YORK), AND YOU (AND EACH OWNER) IRREVOCABLY SUBMIT TO THE JURISDICTION OF THOSE COURTS AND WAIVE ANY OBJECTION YOU (OR THE OWNER) MIGHT HAVE TO EITHER THE JURISDICTION OF OR VENUE IN THOSE COURTS. NONETHELESS, YOU AND YOUR OWNERS AGREE THAT WE MAY ENFORCE THIS AGREEMENT AND ANY ARBITRATION ORDERS AND AWARDS IN THE COURTS OF THE STATE OR STATES IN WHICH YOU ARE DOMICILED OR THE SHOPPE IS LOCATED.

I. WAIVER OF PUNITIVE DAMAGES AND JURY TRIAL.

EXCEPT FOR YOUR OBLIGATION TO INDEMNIFY US FOR THIRD PARTY CLAIMS UNDER SUBSECTION 16.D. AND TO PAY US BRAND DAMAGES UNDER SUBSECTION 15.A, AND EXCEPT FOR PUNITIVE DAMAGES AVAILABLE TO EITHER PARTY UNDER FEDERAL LAW, WE AND YOU (AND YOUR OWNERS) WAIVE TO THE FULLEST EXTENT PERMITTED BY LAW ANY RIGHT TO OR CLAIM FOR ANY PUNITIVE, EXEMPLARY, OR CONSEQUENTIAL DAMAGES AGAINST THE OTHER AND AGREE THAT, IN THE EVENT OF A DISPUTE BETWEEN US AND YOU, THE PARTY MAKING A CLAIM WILL BE LIMITED TO EQUITABLE RELIEF AND TO RECOVERY OF ANY ACTUAL DAMAGES IT SUSTAINS. WE AND YOU IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER OF US.

J. BINDING EFFECT.

This Agreement is binding upon us and you and our and your respective executors, administrators, heirs, beneficiaries, permitted assigns, and successors in interest. Subject to our right to modify the Operations Manual and System Standards, this Agreement may not be modified except by a written agreement signed by both our and your duly-authorized officers.

K. LIMITATIONS OF CLAIMS.

EXCEPT FOR CLAIMS ARISING FROM YOUR NON-PAYMENT OR UNDERPAYMENT OF AMOUNTS YOU OWE US, ANY AND ALL CLAIMS ARISING OUT OF OR RELATING TO THIS AGREEMENT OR OUR RELATIONSHIP WITH YOU WILL BE BARRED UNLESS A JUDICIAL OR ARBITRATION PROCEEDING IS COMMENCED WITHIN EIGHTEEN (18) MONTHS FROM THE DATE ON WHICH THE PARTY ASSERTING THE CLAIM KNEW OR SHOULD HAVE KNOWN OF THE FACTS GIVING RISE TO THE CLAIMS.

L. CONSTRUCTION.

The preambles and exhibits are a part of this Agreement which, together with any addenda or riders signed at the same time as this Agreement, constitutes our and your entire agreement, and supersedes all prior and contemporaneous oral or written agreements and understandings between us and you relating to the subject matter of this Agreement. There are no other oral or written understandings or agreements between us and you, or oral or written representations by us, relating to the subject matter of this Agreement, the franchise relationship, or the Shoppe (any understandings or agreements reached, or any representations made, before this Agreement are superseded by this Agreement). Notwithstanding the foregoing, nothing in this Agreement shall disclaim or require you to waive reliance on any representation made by us in our most recent franchise disclosure document (including exhibits and amendments) delivered to you or your representative.

Any policies that we adopt and implement at any time and from time to time to guide us in our decision-making are subject to change, are not a part of this Agreement, and are not binding on us.

Except as provided in Subsections 16.D and 17.F, nothing in this Agreement is intended or deemed to confer any rights or remedies upon any person or legal entity not a party to this Agreement.

Except where this Agreement expressly obligates us reasonably to approve or not unreasonably to withhold our approval of any of your actions or requests, we have the absolute right to refuse any request you make or to withhold our approval of any of your proposed, initiated, or completed actions that require our approval. The headings of the sections and paragraphs are for convenience only and do not define, limit, or construe the contents of these sections or paragraphs.

References in this Agreement to “we,” “us,” and “our,” with respect to all of our rights and all of your obligations to us under this Agreement, include any of our affiliates with whom you deal. The term “affiliate” means any person or entity directly or indirectly owned or controlled by, under common control with, or owning or controlling you or us. “Control” means the power to direct or cause the direction of management and policies. The words “include” and “including” are meant to be illustrative and not exhaustive and are deemed to be read in all cases as “including, without limitation” and/or “including but not limited to.”

If two or more persons are at any time the owners of the Franchise and the Shoppe, whether as partners or joint venturers, their obligations and liabilities to us will be joint and several. References to “owner” mean any person holding a direct or indirect ownership interest (whether of record, beneficially, or otherwise) or voting rights in you (or a transferee of this Agreement and the Shoppe or an ownership interest in you), including, without limitation, any person who has a direct or indirect interest in you (or a transferee), this Agreement, the Franchise, or the Shoppe and any person who has any other legal or equitable interest, or the power to vest in himself or herself any legal or equitable interest, in their revenue, profits, rights, or assets.

References to a “controlling ownership interest” in you or one of your owners (if an Entity) mean the percent of the voting shares or other voting rights that results from dividing one hundred percent (100%) of the ownership interests by the number of owners. In the case of a proposed transfer of an ownership interest in you or one of your owners, the determination of whether a “controlling ownership interest” is involved must be made as of both immediately before and immediately after the proposed transfer to see if a “controlling ownership interest” will be transferred (because of the number of owners before the proposed transfer) or will be deemed to have been transferred (because of the number of owners after the proposed transfer).

“Person” means any natural person, corporation, limited liability company, general or limited partnership, unincorporated association, cooperative, or other legal or functional entity.

Unless otherwise specified, all references to a number of days shall mean calendar days and not business days.

The term "Shoppe" includes all of the assets of the A La Mode Shoppe you operate under this Agreement, including its revenue and the Lease.

The term "employee" includes all of the Shoppe's personnel, including all managers, administrators and other personnel, whether such person is classified as an employee of yours or an independent contractor.

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

18. NOTICES AND PAYMENTS.

All written notices, reports, and payments permitted or required to be delivered by this Agreement or the Operations Manual will be deemed to be delivered:

- (a) at the time delivered by hand;
- (b) at the time delivered via computer transmission and, in the case of the Royalty, Fund contributions, Technology Fee, and other amounts due, at the time we actually receive payment via the EDTA;
- (c) one (1) business day after transmission by facsimile or other electronic system if the sender has confirmation of successful transmission;
- (d) one (1) business day after being placed in the hands of a nationally recognized commercial courier service for next business day delivery; or
- (e) three (3) business days after placement in the United States Mail by Registered or Certified Mail, Return Receipt Requested, postage prepaid.

Any notice to us must be sent to the address specified on the first page of this Agreement, with a copy to the following:

Greenberg Traurig, LLP
the MetLife Building
200 Park Avenue
New York, NY 10166
Attn: Breton Permesly, Esq.

We may change these addresses for notice by giving you notice of the new address(es). Any notice that we send to you may be sent only to the one (1) person identified on **Exhibit A**, even if you have multiple owners, at the email or postal address specified on **Exhibit A**. You may change the person and/or address for notice only by giving us thirty (30) days' prior notice by any of the means specified in subparagraphs (a) through (e) above.

Any required payment or report which we do not actually receive during regular business hours on the date due (or postmarked by postal authorities at least two (2) days before then) will be deemed delinquent.

19. COMPLIANCE WITH ANTI-TERRORISM LAWS.

You and your owners agree to comply, and to assist us to the fullest extent possible in our efforts to comply, with Anti-Terrorism Laws (defined below). In connection with that compliance, you and your owners certify, represent, and warrant that none of your property or interests is subject to being blocked under, and that you and your owners otherwise are not in violation of, any of the Anti-Terrorism Laws. “Anti-Terrorism Laws” mean 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 other requirements of any governmental authority addressing or in any way relating to terrorist acts and acts of war. Any violation of the Anti-Terrorism Laws by you or your owners, or any blocking of your or your owners’ assets under the Anti-Terrorism Laws, shall constitute good cause for immediate termination of this Agreement, as provided in Subsection 14.B(21) above.

20. ELECTRONIC MAIL.

You acknowledge and agree that exchanging information with us by e-mail is efficient and desirable for day-to-day communications and that we and you may utilize e-mail for such communications. You authorize the transmission of e-mail by us and our employees, vendors, and affiliates (“**Official Senders**”) to you during the Term.

You further agree that: (a) Official Senders are authorized to send e-mails to those of your employees as you may occasionally authorize for the purpose of communicating with us; (b) you will cause your officers, directors, and employees to give their consent to Official Senders’ transmission of e-mails to them; (c) you will require such persons not to opt out or otherwise ask to no longer receive e-mails from Official Senders during the time that such person works for or is affiliated with you; and (d) you will not opt out or otherwise ask to no longer receive e-mails from Official Senders during the Term.

The consent given in this Section 20 shall not apply to the provision of notices by either party under this Agreement pursuant to Section 18 using e-mail unless the parties otherwise agree in a written document manually signed by both parties.

21. ELECTRONIC SIGNATURES.

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

[Signatures on following page.]

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement on the dates noted below, to be effective as of the Effective Date.

ALM FRANCHISE LLC, a New York
limited liability company

By: _____
[_____]

DATED*: _____
(*Effective Date of this Agreement)

FRANCHISE OWNER

**(IF YOU ARE TAKING THE
FRANCHISE AS A CORPORATION,
LIMITED LIABILITY COMPANY, OR
PARTNERSHIP):**

[Print Name of Franchisee Entity]

By: _____
[signature of person signing on behalf of entity]

Title of Signator: _____

DATED: _____

**(IF YOU ARE TAKING THE
FRANCHISE INDIVIDUALLY AND
NOT AS A LEGAL ENTITY):**

[signature of individual franchisee]

Print Name: _____

DATED: _____

[signature of individual franchisee]

Print Name: _____

DATED: _____

EXHIBIT A
TO THE FRANCHISE AGREEMENT
LISTING OF OWNERSHIP INTERESTS

**Effective Date: This Exhibit A is current and complete
as of _____, 20_____**

You and Your Owners

1. **Form of Owner.** (Choose (a) or (b))

(a) **Individual Proprietorship.** List individual(s):

(b) **Corporation, Limited Liability Company, or Partnership.** (CIRCLE ONE) You were incorporated or formed on _____, under the laws of the State of _____. You have not conducted business under any name other than your corporate, limited liability company, or partnership name and _____. The following is a list of your directors, if applicable, and officers as of the effective date shown above:

<u>Name of Each Director/Officer</u>	<u>Position(s) Held</u>
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

2. **Owners.** The following list includes the full name of each person who is one of your owners (as defined in the Franchise Agreement), or an owner of one of your owners, and fully describes the nature of each owner's interest (attach additional pages if necessary).

	<u>Owner's Name</u>	<u>Percentage/Description of Interest</u>
(a)	_____	_____
(b)	_____	_____
(c)	_____	_____
(d)	_____	_____

3. **Name and Address of Person to Receive Notice for Franchise Owner.**

- (a) Name: _____
- (b) Postal Address: _____

- (c) E-mail Address: _____

4. **Identification of Managing Owner.** Your Managing Owner as of the Effective Date is _____ (must be one of the individuals listed in paragraph 2 above). You may not change the Managing Owner without prior written approval.

[Signatures on following page.]

ALM FRANCHISE LLC, a New York
limited liability company

By: _____
[]

DATED*: _____
(*Effective Date of this Agreement)

FRANCHISE OWNER

**(IF YOU ARE TAKING THE
FRANCHISE AS A CORPORATION,
LIMITED LIABILITY COMPANY, OR
PARTNERSHIP):**

[Print Name of Franchisee Entity]

By: _____
[signature of person signing on behalf of entity]

Title of Signator: _____

DATED: _____

**(IF YOU ARE TAKING THE
FRANCHISE INDIVIDUALLY AND
NOT AS A LEGAL ENTITY):**

[signature of individual franchisee]

Print Name: _____

DATED: _____

[signature of individual franchisee]

Print Name: _____

DATED: _____

EXHIBIT B
TO THE FRANCHISE AGREEMENT
THE DESIGNATED AREA, PREMISES AND TERRITORY

1. The type of A La Mode Shoppe you operate shall be:

___ Scoop Shoppe Plus

___ Scoop Shoppe

2. The Designated Area (if applicable) shall be:

3. The Premises of the Shoppe will be located at:

4. The Territory shall be:

[insert map on following page]

ALM FRANCHISE LLC, a New York
limited liability company

By: _____
[]

DATED*: _____
(*Effective Date of this Agreement)

FRANCHISE OWNER

**(IF YOU ARE TAKING THE
FRANCHISE AS A CORPORATION,
LIMITED LIABILITY COMPANY, OR
PARTNERSHIP):**

[Print Name of Franchisee Entity]

By: _____
[signature of person signing on behalf of entity]

Title of Signator: _____

DATED: _____

**(IF YOU ARE TAKING THE
FRANCHISE INDIVIDUALLY AND
NOT AS A LEGAL ENTITY):**

[signature of individual franchisee]

Print Name: _____

DATED: _____

[signature of individual franchisee]

Print Name: _____

DATED: _____

EXHIBIT C
TO THE FRANCHISE AGREEMENT
FRANCHISE ADDENDUM TO LEASE AGREEMENT

THIS FRANCHISE ADDENDUM TO LEASE AGREEMENT (this “Addendum”) is entered into this _____ day of _____, 202__, by and between _____, a(n) _____ (“Landlord”) and _____, a(n) _____ (“Tenant”) for the benefit of **ALM FRANCHISE LLC**, a New York limited liability company (“Franchisor”).

WHEREAS, Tenant and Franchisor have executed a A La Mode Shoppe Franchise Agreement (the “Franchise Agreement”), pursuant to which Franchisor has granted Tenant the right to establish and operate a “A La Mode”-branded Shoppe at the following location: _____ (the “Premises”);

WHEREAS, Tenant and Landlord are entering into a lease agreement (the “Lease”), pursuant to which Tenant will lease the Premises from Landlord; and

WHEREAS, Franchisor has required Tenant to include certain terms in the Lease in order to protect Franchisor’s rights, and Landlord has agreed to such terms.

NOW, THEREFORE, for good and valuable consideration, the receipt of which the parties hereby acknowledge, Landlord and Tenant agree as follows:

1. Landlord agrees to: (a) furnish to Franchisor a copy of any default notice served on Tenant and/or another lessee under the Lease simultaneously with the service of the notice to Tenant and/or such other lessee; (b) provide Franchisor with notice of any proposed renewals, extensions, modifications and amendments to the Lease; (c) give Franchisor the opportunity, but Franchisor shall not be required, to cure any default by Tenant or other lessee under the Lease within fifteen (15) days following the expiration of any applicable cure period if Tenant and/or such other lessee fail to cure such default; and (d) to furnish to Franchisor, at Franchisor’s request, a copy of any sales or operating information for the Premises provided by Tenant. All notices to Franchisor shall be sent to the following address: **ALM FRANCHISE LLC 400 E 56th Street, Apt 38B, New York, New York 10022**, unless Landlord is notified otherwise in writing by Franchisor. No notice to Tenant shall be effective unless and until a copy thereof is served upon Franchisor.

2. Landlord agrees that if Franchisor exercises its right to cure a default by Tenant and/or another lessee under the Lease, then Franchisor may, at its option, succeed to Tenant’s and/or such other lessee’s interests under the Lease and shall be recognized by Landlord as the lessee or sublessee thereunder for the remaining term of the Lease.

3. Landlord agrees that the expiration of the Franchise Agreement (unless Tenant enters into a renewal Franchise Agreement with Franchisor) or a termination of the Franchise Agreement prior to expiration shall constitute a default under the Lease, giving Franchisor the

right, but not the obligation, to cure such default by succeeding to Tenant's and/or any other lessee's interests as the new lessee or sublessee under the Lease.

4. Landlord agrees that upon the termination or expiration of the Lease, Franchisor shall have the first right of refusal to lease the Premises as the new lessee or sublessee.

5. Landlord agrees that Franchisor shall have the right to enter the Premises to make any modifications or alterations necessary in Franchisor's sole judgment to protect its franchise system, trademarks, trade names, trade dress and other intellectual property without being guilty of trespass or any other tort or crime.

6. Landlord agrees that upon the expiration or termination of the Franchise Agreement, Franchisor shall have the right to enter the Premises and remove any trade fixtures, interior or exterior signs or other items bearing its trademarks. Landlord agrees upon the expiration or termination of the Franchise Agreement to relinquish to Franchisor any and all liens or other ownership interests, whether by operation of law or otherwise, in and to any tangible property bearing Franchisor's trademarks, service marks or trade dress.

7. Landlord agrees that, if Franchisor succeeds to Tenant's and/or any other lessee's interests under the Lease for any reason, Franchisor shall have the right to further assign the lease or to sublease the Premises to either an entity owned or controlled by Franchisor, or to another franchisee of Franchisor upon obtaining Landlord's written consent, which consent may not be unreasonably withheld, conditioned or delayed by Landlord. No assignment permitted under this Section is subject to any assignment or similar fee or will cause any rental acceleration.

8. Upon Franchisor's delivery to Landlord and Tenant of its election to exercise its rights under this Addendum, Franchisor shall be entitled to all of Tenant's rights and interests in the Lease, as if Franchisor were the tenant under the Lease, including, by way of example and not limitation, the right to exercise any and all renewal options thereunder, without the need for any further action or instrument.

9. Landlord and Tenant expressly agree that Franchisor is an intended third party beneficiary of the terms of this Addendum. Landlord and Tenant further agree that Franchisor has no liability or obligation under the Lease unless and until Franchisor exercises its right to assume the Lease under this Addendum.

10. In the event of any inconsistency between the terms of this Addendum and the terms of the Lease, the terms of this Addendum control. All of the terms of this Addendum, whether so expressed or not, are binding upon, inure to the benefit of, and are enforceable by the parties and their respective personal and legal representatives, heirs, successors and permitted assigns. The provisions of this Addendum may be amended, supplemented, waived or changed only by a written document signed by all the parties to this Addendum that makes specific reference to this Addendum and which must be approved in writing by Franchisor. This Addendum may be executed in one or more counterparts, each of which is an original, but all of which together constitute one and the same instrument.

LANDLORD:

TENANT:

_____,
a _____

_____,
a _____

By: _____
Print Name: _____
Title: _____

By: _____
Print Name: _____
Title: _____

EXHIBIT D
TO THE FRANCHISE AGREEMENT
NONDISCLOSURE AND NON-COMPETITION AGREEMENT

THIS NONDISCLOSURE AND NON-COMPETITION AGREEMENT (this “Agreement”) is made as of the ____ day of _____, 202__, is executed by _____ (“Individual,” “me,” or “I”) for the benefit of ALM FRANCHISE LLC a New York limited liability company (“Company”), and for _____, a/an _____ (“Franchisee”).

Franchisee is a franchisee of Company pursuant to a franchise agreement entered into by those parties concerning a shoppe operating, or to be operated, under the "A La Mode Shoppe" name at _____ (the “Franchise Agreement”). The franchised business Company authorizes Franchisee to operate under the Franchise Agreement is known as the “Shoppe,” which Shoppe is one among all A La Mode shoppes that Company owns, operates, or franchises under the “A La Mode Shoppe" name. I agree that, unless otherwise specified, all capitalized terms in this Agreement have those meanings ascribed to them in the Franchise Agreement.

I agree that during the term of my employment by, ownership participation in, association with or service to Franchisee, or at any time thereafter, I will not communicate, divulge or use for the benefit of any other person, persons, partnership, proprietorship, association, corporation or entity, Company’s proprietary and confidential information relating to the development and operation of A La Mode Shoppes, including but not limited to the following concerning A La Mode Shoppes: (1) site selection criteria and plans and specifications for the development of A La Mode Shoppes (2) ingredients, recipes, and methods of preparation and presentation of food products Company authorizes; ; (3) training and operations materials and manuals; (4) methods, formats, specifications, standards, systems, procedures, food preparation techniques,] sales and marketing techniques, knowledge, and experience used in developing and operating A La Mode Shoppes; (5) marketing, promotional and advertising research and programs for A La Mode Shoppes; (6) knowledge of specifications for and suppliers of Operating Assets, Proprietary Products, and other products and supplies, including supplier pricing and related terms; (7) computer systems and software programs; (8) knowledge of the operating results and financial performance of A La Mode Shoppes other than the Shoppe; (9) graphic designs and related intellectual property; (10) customer solicitation, communication and retention programs, along with data and information used or generated in connection with those programs; (11) all data and other information generated by, or used in, the operation of the Shoppe, including customer names, addresses, phone numbers, pricing and other information supplied by any customer (such as credit card information or personal information), and any other information contained at any time and from time to time in the Computer System or that visitors to the Shoppe (including you and your personnel) provide to the Website for the network of A La Mode Shoppes; (12) future business plans relating to A La Mode Shoppes and the A La Mode Shoppe franchise opportunity, including expansion and development plans; and (13) any and all other information Company provides to me, Franchisee, Franchisee’s Owners or Affiliates that is designated orally or in writing as proprietary or confidential, or by its nature would reasonably be understood to be proprietary or

confidential, regardless of whether such information is specifically designated as proprietary or confidential (collectively, all information referenced above, including examples (1) through (13), is known as the “Confidential Information”).

Furthermore, any and all information, knowledge, know-how, techniques and information which the entities mentioned above (or their officers) designate as confidential is considered, and hereby acknowledged by me, to be Confidential Information for the purposes of this Agreement, except information which I can demonstrate came to my attention before disclosure or which had become or becomes a part of the public domain through publication or communication by others (unless the publication or communication violates a similar confidentiality agreement), but in no event through any act of mine.

I specifically understand that, without limitation, all the above items, concepts, and/or examples contained in the preceding paragraph constitute Confidential Information of Company, and I will not divert any business to competitors of Franchisee and/or Company. I will at no time copy, duplicate, record or otherwise reproduce any of the Confidential Information or material containing it, in whole or in part, store them in a computer retrieval or database, nor otherwise make the them available to any unauthorized person.

I further agree that, during the term of my employment/service/association or ownership participation, I will not, directly or indirectly, engage or participate in any Competitive Business (defined below in this paragraph), any of which such prohibited behavior I understand and hereby explicitly acknowledge would or could be injurious to, or (in Company’s sole judgment) have an adverse effect upon, Company’s protectable interests in the Confidential Information, the “A La Mode” trademark or related Marks, or the goodwill and/or reputation of A La Mode Shoppes generally. I agree that I am prohibited from engaging in any Competitive Business as a proprietor, partner, investor, shareholder, director, officer, employee, principal, agent, advisor, or consultant. For purposes of this Agreement, a “Competitive Business” means (i) any restaurant or other food-service business which derives more than fifteen percent (15%) of its revenue from selling ice-cream, frozen yogurt, frozen treats or other frozen dessert related products, (ii) any retail outlet that contains an ice-cream or frozen yogurt scoop counter; or (iii) any business granting franchises or licenses to others to operate the type of business specified in subparagraphs (i) and (ii) (other than an A La Mode Shoppe operated under a franchise agreement with us). Despite the foregoing definition of a Competitive Business, nothing under this Agreement or the Franchise Agreement will prevent Individual from owning for investment purposes less than two (2%) of a Competitive Business whose stock or other forms of ownership interest are publicly traded on a recognized United States stock exchange, and so long as neither Individual nor Franchisee controls the company in question.

Upon the expiration or other termination for any reason of my employment, association, service or ownership participation, I agree:

- (i) to return immediately to Company or Franchisee, as the case may be, all Confidential Information, and any material(s) containing a subset thereof, in my possession that was utilized, or to which I had access, during my employment, association, service or ownership participation;

- (ii) to refrain, beginning upon such expiration or termination and forever thereafter, from any and all contacts with customers of A La Mode Shoppes for any purpose whatsoever; and
- (iii) for a period of two (2) years, starting on the earlier of the effective date of termination or expiration of my employment/service/association or ownership participation, to refrain from directly or indirectly (such as through any one or more of my spouse, legally-recognized domestic partner, parents, children or sibling(s) (collectively, "Immediate Family")) owning a legal or beneficial interest in, or rendering services or giving advice to: (a) any Competitive Business operating at the Premises or within a ten (10)-mile radius of the Premises; (b) any Competitive Business operating within a radius of ten (10) miles of any A La Mode Shoppe in operation or under construction on the later of the effective date of termination or expiration of my employment/service/association/ ownership participation; or (c) any entity which grants franchises, licenses or other interests to others to operate any Competitive Business.

I acknowledge and understand that the provisions of this Agreement, including my representations, covenants, and warranties (as applicable) given hereunder, are necessary and integral to this Agreement and to Company's and Franchisee's interests under the Franchise Agreement, and are intended to:

- (i) preclude not only direct competition, but also all forms of indirect competition, such as consultation for Competitive Businesses, service as an independent contractor for Competitive Businesses, or any assistance or transmission of information of any kind which would be of any material assistance to a competitor;
- (ii) bind any person or entity having any legal or beneficial interest in me, or traceable to, down or through me, including (without limitation) any of member of my Immediate Family, any direct or indirect beneficiary, any partner (general or limited) or proprietor of mine, and any other such related person or entity, regardless of how many levels or tiers there may be between any such described person or entity and me; and
- (iii) identify for me, toward the goal of preserving through this Agreement, Company's protectable legal interests in the System, customers A La Mode Shoppes, the Confidential Information, and the goodwill associated with the Marks.

I also expressly acknowledge my possession of skills and abilities of a general nature, and the opportunity for exploiting such skills in other ways than the operation or involvement in the activities of an A La Mode Shoppe or a Competitive Business, so that enforcement of my covenants made in this Agreement will not deprive me of my personal goodwill or ability to earn a living after the effective date of expiration or termination of my relationship with Franchisee, the Shoppe, or A La Mode Shoppes generally. If I fail or refuse to abide by any of my foregoing obligations or promises made under this Agreement, and Company or Franchisee obtains enforcement in a judicial or arbitration proceeding, then my obligations and responsibilities specified under the breached covenant will be tolled during the period(s) of time that the covenant

is breached and/or Company or Franchisee seeks to enforce it, and will continue for two (2) years starting from the effective date of the order enforcing the covenant.

I acknowledge that violation of the covenants not to compete contained in this Agreement would result in immediate and irreparable injury to Company and Franchisee, for which no adequate remedy at law will be available. Accordingly, I hereby consent to the entry of an injunction procured by Company or Franchisee (or both), in any appropriate jurisdiction and venue (notwithstanding other references to resolution of actions exclusively in Company's home prohibiting any conduct by me in violation of the terms of those covenants not to compete and/or restrictions on the use of Confidential Information under this Agreement. I expressly agree that it may conclusively be presumed in any legal action that any violation of the terms of these covenants not to compete was accomplished by and through my unlawful utilization of Company's Confidential Information. Further, I expressly agree that any claims I may have against Company will not constitute a defense to Company's enforcement of the covenants not to compete under this Agreement. I further agree to pay all costs and expenses (including reasonable attorneys' and experts' fees) incurred by Company in connection with the enforcement of those covenants not to compete set forth in this Agreement.

If all, or any portion of, this covenant not to use Confidential Information and not to compete is held unreasonable, void, vague or illegal by any court or agency having valid jurisdiction in an unappealed final decision to which Franchisee and/or Company is a party, the court or agency will be empowered to revise and/or construe the covenant to fall within permissible legal limits, and should not invalidate the entire covenant. I expressly agree to be bound by any lesser covenant subsumed within the terms of this Agreement as if the resulting covenant were separately stated in and made a part of this Agreement.

I agree that this Agreement and all relations and disputes between myself on the one hand, and Franchisee or Company on the other hand, whether sounding in contract, tort, or otherwise, are to be exclusively construed in accordance with and/or governed by (as applicable) the law of the State of New York without recourse to the laws in which the Shoppe is located (or any other) choice of law or conflicts of law principles. If, however, any provision of this Agreement would not be enforceable under the laws of New York state, and if the Shoppe is located outside of New York state and the provision would be enforceable under the laws of the state in which the Shoppe is located, then the provision (and only that provision) will be interpreted and construed under the laws of that state. Nothing in this Agreement is intended to invoke the application of any franchise, business opportunity, antitrust, "implied covenant", unfair competition, fiduciary or any other doctrine of law of the State of New York or any other state, which would not otherwise apply.

I further agree that any litigation arising out of or related to this Agreement, any breach of this Agreement, and any and all relations and/or disputes between myself on the one hand, and Franchisee or Company on the other hand, whether sounding in contract, tort, or otherwise, will be instituted exclusively in the U.S. District Court sitting nearest to Company's corporate headquarters (currently, New York, New York). I agree that any dispute as to the aforementioned venue will be submitted to and resolved exclusively by such aforementioned court. Nonetheless,

I agree that Franchisee or Company may enforce this Agreement and any awards in the courts of the state or states in which I am domiciled or the Shoppe is located.

I IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY ME, FRANCHISEE OR COMPANY. I hereby waive and covenant never to assert or claim that said venue is for any reason improper, inconvenient, prejudicial or otherwise inappropriate (including, without limitation, any claim under the judicial doctrine of forum non conveniens).

[Signatures on Following Page]

IN WITNESS WHEREOF, Franchisee has hereunto caused this Agreement to be executed by its duly authorized officer, and Individual has executed this Agreement, as of the day and year first written above.

ATTESTED TO BY FRANCHISEE:

INDIVIDUAL:

_____,
a/an

(Print Name)

By:

(Name of Franchisee's Officer)

(Signature)

Signed: _____
(Signature of Franchisee's Officer)

(Date)

(Date)

**WITNESS TO INDIVIDUAL'S
SIGNATURE:**

(Print Witness Name)

(Signature of Witness)

(Date)

EXHIBIT E
TO THE FRANCHISE AGREEMENT
GUARANTY AND ASSUMPTION OF OBLIGATIONS

THIS GUARANTY AND ASSUMPTION OF OBLIGATIONS is given this ____ day
of _____, 20 ____

By (list each guarantor):

_____.

In consideration of, and as an inducement to, the execution of that certain Franchise Agreement (the “Agreement”) on this date by **ALM FRANCHISE LLC**. (“us,” “we,” or “our”), each of the undersigned personally and unconditionally (a) guarantees to us and our successors and assigns, for the term of the Agreement (including extensions) and afterward as provided in the Agreement, that _____ (“Franchisee”) will punctually pay and perform each and every undertaking, agreement, and covenant set forth in the Agreement (including any amendments or modifications of the Agreement) and (b) agrees to be personally bound by, and personally liable for the breach of, each and every provision in the Agreement (including any amendments or modifications of the Agreement), both monetary obligations and obligations to take or refrain from taking specific actions or to engage or refrain from engaging in specific activities, including the non-competition, confidentiality, transfer, and arbitration requirements.

Each of the undersigned consents and agrees that: (1) his or her direct and immediate liability under this Guaranty will be joint and several, both with Franchisee and among other guarantors; (2) he or she will render any payment or performance required under the Agreement upon demand if Franchisee fails or refuses punctually to do so; (3) this liability will not be contingent or conditioned upon our pursuit of any remedies against Franchisee or any other person; (4) this liability will not be diminished, relieved, or otherwise affected by any extension of time, credit, or other indulgence which we may at any time and from time to time grant to Franchisee or to any other person, including, without limitation, the acceptance of any partial payment or performance or the compromise or release of any claims (including the release of other guarantors), none of which will in any way modify or amend this Guaranty, which will be continuing and irrevocable during the term of the Agreement (including extensions), for so long as any performance is or might be owed under the Agreement by Franchisee or its owners, and for so long as we have any cause of action against Franchisee or its owners; and (5) this Guaranty will continue in full force and effect for (and as to) any extension or modification of the Agreement and despite the transfer of any interest in the Agreement or Franchisee, and each of the undersigned waives notice of any and all renewals, extensions, modifications, amendments, or transfers.

Guaranty
1 of 2

Each of the undersigned waives: (i) all rights to payments and claims for reimbursement or subrogation which any of the undersigned may have against Franchisee arising as a result of the undersigned's execution of and performance under this Guaranty; and (ii) acceptance and notice of acceptance by us of his or her undertakings under this Guaranty, notice of demand for payment of any indebtedness or non-performance of any obligations hereby guaranteed, protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed, and any other notices to which he or she may be entitled.

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

Subject to the arbitration obligations and the provisions below, each of the undersigned agrees that all actions arising under this Guaranty or the Agreement, or otherwise as a result of the relationship between us and the undersigned, must be commenced in the state or federal court of competent jurisdiction located closest to our then current principal business address (currently, New York, New York), and each of the undersigned irrevocably submits to the jurisdiction of those courts and waives any objection he or she might have to either the jurisdiction of or venue in those courts. Nonetheless, each of the undersigned agrees that we may enforce this Guaranty and any arbitration orders and awards in the courts of the state or states in which he or she is domiciled.

IN WITNESS WHEREOF, each of the undersigned has affixed his or her signature on the same day and year as the Agreement was executed.

Signatures Of Each Guarantor	Percentage Of Ownership In Franchisee
_____	_____%
_____	_____%
_____	_____%
_____	_____%
_____	_____%

EXHIBIT F
TO THE FRANCHISE AGREEMENT
ELECTRONIC PAYMENT AUTHORIZATION AGREEMENT
(ACH CREDITS AND DEBITS)

I hereby authorize ALM FRANCHISE LLC (“FRANCHISOR”), to initiate debit and credit entries and to initiate, if necessary, adjustments for any debit or credit entries in error to _____ (“FRANCHISEE”) ☐ Checking (please attach voided check) or ☐ Savings account (select one) indicated below at the depository named below, (“DEPOSITORY”), to debit and/or credit the same to such account.

Depository Name: _____

Depository Branch: _____

Depository Address: _____

City _____ State _____ Zip _____

Routing Number: _____

Account Name: _____

Account Number: _____

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned agrees that this authorization is to remain in full force and effect until terminated by FRANCHISEE pursuant to a written notice to FRANCHISOR in such time and in such manner as to afford FRANCHISOR and DEPOSITORY a reasonable opportunity to act on it, but in no event less than thirty (30) days in advance thereof. FRANCHISEE consents for the DEPOSITORY to provide FRANCHISOR with a bank account statement and deposit detail, at any time and from time to time, for any and all accounts described above.

[SIGNATURE ON FOLLOWING PAGE]

Exhibit F

IN WITNESS WHEREOF, this authorization has been executed on _____,
202__ at _____.

FRANCHISEE:

By: _____

Title: _____

Phone No.: _____

[ATTACH VOIDED CHECK HERE]

Exhibit F

Exhibit D

DEVELOPMENT RIGHTS RIDER TO FRANCHISE AGREEMENT

ALM Franchise LLC

**DEVELOPMENT AGREEMENT RIDER
TO ALM FRANCHISE LLC
FRANCHISE AGREEMENT**

1. **Background.** This Development Agreement Rider (this “**Rider**”) is made between **ALM Franchise LLC**, a New York limited liability company (“**we**,” “**us**,” or “**our**”) and _____ (“**you**” or “**your**”). This Rider is attached to, and intended to be a part of, that certain Franchise Agreement that we and you have [signed concurrently with signing this Rider/entered into on _____] (the “**Franchise Agreement**”) for the operation of the A La Mode Shoppe located at _____ (the “**Shoppe**”). We and you are signing this Rider because you want the right to develop additional A La Mode Shoppes (besides the Shoppe covered by the Franchise Agreement) within a certain geographic area over a certain time period, and we are willing to grant you those development rights if you comply with this Rider. Capitalized terms not defined herein shall have the meanings defined in the Franchise Agreement.

2. **Grant of Development Rights.** Subject to your strict compliance with this Rider, we grant you the right to develop ____ () new A La Mode Shoppes (including the Shoppe covered by the Franchise Agreement), according to the mandatory development schedule described in Exhibit A to this Rider (the “**Development Schedule**”), within the following geographic area (the “**Development Area**”): _____

_____.

If you (and, to the extent applicable and with our approval, your affiliated entities) are fully complying with all of your obligations under this Rider, and are fully complying with all of your obligations under the Franchise Agreement and all other franchise agreements then in effect between us and you (and, to the extent applicable and with our approval, your affiliated entities) for the development and operation of A La Mode Shoppes, then during this Rider’s term only, we (and our affiliates) may not establish or operate (except to the extent that we already operate A La Mode Shoppes in the Development Area), or grant to others the right to establish or operate, an A La Mode Shoppe, the physical premises of which are located within the Development Area.

Except for the A La Mode Shoppe location restriction above, there are no restrictions that this Rider imposes on our (and our affiliates’) activities within the Development Area during this Rider’s term. You acknowledge and agree that we and our affiliates have the right to engage, and grant to others the right to engage, in any other activities of any nature whatsoever within the Development Area, including, without limitation, those rights we reserve in the Franchise Agreement. After this Rider expires or is terminated (regardless of the reason for termination), we and our affiliates have the right to establish and operate, and grant to others the right to establish and operate, A La Mode Shoppes, the physical premises of which are located within the Development Area and continue to engage, and grant to others the right to engage, in any activities that we (and they) desire within the Development Area without any restrictions whatsoever.

YOU ACKNOWLEDGE AND AGREE THAT TIME IS OF THE ESSENCE UNDER THIS RIDER AND THAT YOUR RIGHTS UNDER THIS RIDER ARE SUBJECT TO TERMINATION (WITHOUT ANY CURE OPPORTUNITY) IF YOU DO NOT COMPLY

STRICTLY WITH THE DEVELOPMENT OBLIGATIONS PROVIDED IN THE DEVELOPMENT SCHEDULE. WE MAY ENFORCE THIS RIDER STRICTLY.

3. **Development Obligations.** To maintain your rights under this Rider, you (and/or affiliated entities we approve) must, by the dates specified in the Development Schedule, sign franchise agreements for and have open and operating the agreed-upon number of A La Mode Shoppes in the Development Area. You (and/or the approved affiliated entity) will operate each A La Mode Shoppe under a separate franchise agreement with us. The franchise agreement (and related documents, including Owner's Guaranty and Assumption of Obligations) that you (and your owners) sign for each additional A La Mode Shoppe will be our then current form of franchise agreement (and related documents), any and all of the terms of which may differ materially from any and all of the terms contained in the Franchise Agreement (and related documents). However, despite any contrary provision contained in the newly-signed franchise agreements, your additional A La Mode Shoppes must be open and operating by the dates specified in the Development Schedule. To retain your rights under this Rider, each of your A La Mode Shoppes must operate continuously throughout this Rider's term in full compliance with its franchise agreement.

4. **Subfranchising Rights.** This Rider does not give you any right to franchise, license, subfranchise, or sublicense others to operate A La Mode Shoppes. Only you (and/or affiliated entities we approve) may develop, open, and operate A La Mode Shoppes pursuant to this Rider. This Rider also does not give you (or your affiliated entities) any independent right to use the "A La Mode" trademark or our other trademarks and commercial symbols. The right to use our trademarks and commercial symbols is granted only under a franchise agreement signed directly with us. This Rider only grants you potential development rights if you comply with its terms.

5. **Development Fees.** As consideration for the development rights we grant you in this Rider, you must pay us, at the same time you sign this Rider, a total of _____ (\$_____) (the "**Development Fee**"). The balance of the initial franchise fee (that is, the remaining \$17,500) for each A La Mode Shoppe is due when you sign the franchise agreement that governs that A La Mode Shoppe credited toward the Development Schedule. The Development Fee is consideration for the rights we grant you in this Rider and for reserving the Development Area for you to the exclusion of others, is fully earned by us when we and you sign this Rider, and is not refundable under any circumstances, even if you do not comply or attempt to comply with the Development Schedule and we then terminate this Rider for that reason.

6. **Grant of Franchises.** You must submit to us a separate application for each A La Mode Shoppe you wish to develop pursuant to this Rider. You agree to give us all information and materials we request in order to assess each proposed site. We will supply you with our site selection criteria and may put you in contact with a commercial real estate broker in the Development Area; however, we will not conduct site selection activities for you. In granting you the development rights under this Rider, we are relying on your knowledge of the real estate market and your ability to locate and access sites. We will not unreasonably withhold acceptance of any proposed site if the site meets our then current site criteria. However, we have the absolute right not to accept any site not meeting these criteria. If we accept a proposed site, you agree, within the time period we specify (but no later than the date specified in the Development Schedule), to sign a separate franchise agreement (and related documents) for the Shoppe. If you do not do so,

or cannot obtain lawful possession of the proposed site, we may withdraw our acceptance of the proposed site. After you (and your owners) sign the franchise agreement (and related documents, including Owner's Guaranty and Assumption of Obligations), its terms and conditions will control your development and operation of the Shoppe (except that the required opening date is governed exclusively by this Rider).

In addition to our rights with respect to proposed A La Mode Shoppe sites, we may delay your development of additional A La Mode Shoppes pursuant to this Rider for the time period we deem best if we believe, when you submit your application, that you are not yet operationally, managerially, or otherwise prepared, due to the particular amount of time that has elapsed since you developed and opened your most recent A La Mode Shoppe, to develop, open and/or operate the additional A La Mode Shoppes in full compliance with our standards and specifications. We may delay additional development for the time period we deem best as long as the delay will not in our reasonable opinion cause you to breach your development obligations under the Development Schedule (unless we are willing to extend the Development Schedule proportionately to account for the delay).

7. **Term.** This Rider's term begins on the date we and you sign it and ends on the date when (a) the final A La Mode Shoppe to be developed under the Development Schedule has opened (or, if earlier, must have opened) for business, or (b) this Rider otherwise is terminated.

8. **Termination.** We may terminate this Rider and your right to develop A La Mode Shoppes within the Development Area at any time, effective upon delivery to you of written notice of termination: (a) if you fail to satisfy either your development obligations under the Development Schedule or any other obligation under this Rider, which defaults you have no right to cure; or (b) if the Franchise Agreement, or any other franchise agreement between us and you (or your affiliated entity) for an A La Mode Shoppe, is terminated by us in compliance with its terms or by you (or your affiliated entity) for any (or no) reason; or (c) if we have delivered a formal written notice of default to you (or your affiliated entity) under the Franchise Agreement, or any other franchise agreement between us and you (or your affiliated entity) for a A La Mode Shoppe, whether or not you (or your affiliated entity) cure that default and whether or not we subsequently terminate the Franchise Agreement or the other franchise agreement. No portion of the Development Fee is refundable upon a termination of this Rider or under any other circumstances.

Upon the occurrence of any of the events above in this Section 8 during the term of this Rider, we may, at our option, elect to terminate only the exclusivity of the Development Area (as provided under Section 2 above) instead of terminating this Rider entirely. This means that during the remainder of the term of this Rider, we and our affiliates will have the right to establish and operate, and grant to others the right to establish and operate, A La Mode Shoppes the physical premises of which are located within the Development Area and continue to engage, and grant to others the right to engage, in any activities that we (and they) desire within the Development Area without any restrictions whatsoever. However, such termination of the exclusivity shall be without prejudice to our right to terminate this Rider at any time thereafter for the same default or any other defaults under this Rider.

A termination of this Rider is not deemed to be the termination of any franchise rights (even though this Rider is attached to the Franchise Agreement) because this Rider grants you no

separate franchise rights. Franchise rights arise only under franchise agreements signed directly with us. A termination of this Rider does not affect any franchise rights granted under any then-effective individual franchise agreements.

9. **Assignment.** Your development rights under this Rider are not assignable at all. This means that we will not under any circumstances allow the development rights to be transferred. A transfer of the development rights would be deemed to occur (and would be prohibited) if there is an assignment of the Franchise Agreement, any change in your ownership (whether or not it is a controlling ownership interest), any change in your owners' ownership (if such owners are legal entities and whether or not it is a controlling ownership interest), a transfer of this Rider separate and apart from the Franchise Agreement, or any other event attempting to assign the development rights.

10. **Incorporation of Other Terms.** Sections 16.A, 16.D, 18 and 17.B of the Franchise Agreement, entitled "Independent Contractors," "Indemnification," "Notices and Payments," and "Waiver of Obligations," respectively, are incorporated by reference in this Rider and will govern all aspects of this Rider and our and your relationship as if fully restated within the text of this Rider.

11. **Rider to Control.** Except as provided in this Rider, the Franchise Agreement remains in full force and effect as originally written. If there is any inconsistency between the Franchise Agreement and this Rider, the terms of this Rider will control.

[Signature Page Follows.]

Dated this _____ day of _____, 20__.

ALM FRANCHISE LLC	FRANCHISE OWNER
By: _____	_____ [Name]
Title: _____	By: _____
Date: _____	Title: _____
	Date: _____

EXHIBIT A
TO DEVELOPMENT AGREEMENT RIDER

You agree to develop and open ____ (__) new A La Mode Shoppes in the Development Area, including the Shoppe that is the subject of the Franchise Agreement, according to the following Schedule:

A La Mode Shoppe Number	Date by which Franchise Agreement Must be Signed	Date by which Approved Location must be Secured	Date by which A La Mode Shoppe Must be Opened	Cumulative Number of A La Mode Shoppes to Be Open and Operating in the Development Area No Later than the Opening Dates (in previous column)
1				1
2				2
3				3

ALM FRANCHISE LLC	FRANCHISE OWNER
By: _____	_____ [Name]
Title: _____	By: _____
Date: _____	Title: _____
	Date: _____

EXHIBIT E – State Addenda to Franchise Agreement

**RIDER TO THE ALM FRANCHISE LLC
FRANCHISE AGREEMENT
FOR USE IN NEW YORK**

This Rider (the “**Rider**”) is made and entered into as of the Effective Date as stated in the Franchise Agreement (defined below), by and between ALM FRANCHISE LLC, a New York limited liability company with its principal business address at 400 E 56th Street Apt 38, New York, New York 10022 (“**we**,” “**us**” or “**our**”), and _____ a _____ whose principal business address is _____ (“**you**” or “**your**”).

1. **Background.** We and you are parties to that certain Franchise Agreement that has been signed concurrently with the signing of this Rider (the “**Franchise Agreement**”). This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) the offer or sale of the franchise for the A La Mode Shoppe that you will operate under the Franchise Agreement was made in the State of New York, and/or (b) you are a resident of New York and will operate the A La Mode Shoppe in New York.

2. **Releases.** The following language is added to the end of the subparagraphs in Section 3.A.(2), to the end of Sections 4.A.(4), 12.C.(9) and 13.C., and to the end of the first paragraph of Section 15.E of the Franchise Agreement:

, provided, however, that to the extent required by Article 33 of the General Business Law of the State of New York, 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 the proviso that the non-waiver provisions of GBL 687 and 687.5 be satisfied.

3. **Transfer by Us.** The following language is added to the end of Section 12.A. of the Franchise Agreement:

However, to the extent required by applicable law, no assignment will be made except to an assignee who, in good faith and judgment of the franchisor, is willing and financially able to assume the franchisor's obligations under the franchise agreement.

4. **Termination by You.** The following language is added to the end of Section 14.A of the Franchise Agreement:

The franchisee may terminate this Agreement on any grounds available by law under the provisions of Article 33 of the General Business Law of the State of New York.

5. **Governing Law/Consent to Jurisdiction.** The following language is added to the end of Sections 17.G and 17.H of the Franchise Agreement:

The forgoing choice of law should not be considered a waiver of any right conferred upon the franchisor or upon the franchisee by article 33 of the General Business law of the state of New York.

6. **Limitation of Claims.** The following language is added to the end of Section 17.K of the Franchise Agreement:

However, to the extent required by Article 33 of the General Business Law of the State of New York, all rights 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 provision that the non-waiver provisions of GBL Sections 687.4 and 687.5 be satisfied.

7. **No Waiver of Disclaimer of Reliance.** No statement, questionnaire or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or any other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

8. **Application of Rider.** There are circumstances in which an offering made by us would not fall within the scope of the New York General Business Law, Article 33, such as when the offer and acceptance occurred outside the State of New York. However, an offer or sale is deemed to be made in New York if you are domiciled in and the franchise will be opened in New York. We are required to furnish a New York prospectus to every prospective franchisee who is protected under the New York General Business Law, Article 33.

[Signatures on following page]

IN WITNESS WHEREOF, the parties have executed and delivered this Rider effective on the Agreement Date.

ALM FRANCHISE LLC

By: _____
[_____]

DATED: _____

FRANCHISE OWNER

**(IF YOU ARE TAKING THE
FRANCHISE AS A CORPORATION,
LIMITED LIABILITY COMPANY, OR
PARTNERSHIP):**

[Print Name of Franchisee Entity]

By: _____
[Signature of person signing on behalf of entity]

Title: _____

DATED: _____

**(IF YOU ARE TAKING THE
FRANCHISE INDIVIDUALLY AND
NOT AS A LEGAL ENTITY):**

[Signature of individual franchisee]

Print Name: _____

DATED: _____

[Signature of individual franchisee]

Print Name: _____

DATED: _____

EXHIBIT F – Financial Statements

ALM Franchise, LLC

**Independent Auditor's Report
And
Balance Sheet Statement
March 05, 2026**

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Independent Auditor's Report

To the members of
ALM Franchise, LLC

Opinion

We have audited the accompanying balance sheet of ALM Franchise, LLC (the Company) as of March 05, 2026, and the related notes to the financial statement.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the financial position of the Company as of March 05, 2026, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit 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 Statement section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. 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 Statement

Management is responsible for the preparation and fair presentation of the financial statement 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 statement that are free from material misstatement, whether due to fraud or error.

In preparing the financial statement, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the financial statement is available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is 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 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 statement.

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 statement, 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 statement.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statement.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, which raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

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

Metwally CPA PLLC

Metwally CPA PLLC
Flower Mound, Texas
March 16, 2026

ALM Franchise, LLC
Balance Sheet
March 05, 2026

Assets	
Current Assets	
Cash and cash equivalents	\$15,000
Total Current Assets	<u>\$15,000</u>
 Liabilities and Members' Equity	
Total Liabilities	<u>\$0</u>
Members' equity	15,000
Total Liabilities and Members' Equity	<u>\$15,000</u>

The accompanying notes are an integral part of the financial statement.

ALM Franchise, LLC
Notes to Financial Statement
March 05, 2026

1. COMPANY AND DESCRIPTION OF BUSINESS

ALM Franchise, LLC (the Company) was established in the State of New York on February 3, 2026, to offer franchise opportunities to entrepreneurs seeking to own and operate ice cream scoop shop businesses. The Company grants individuals the right to operate branded ice cream shops using its trademarks, proprietary recipes, and operating systems. The concept focuses on small-batch ice cream produced in an allergen-controlled environment, offering products that are free from common allergens and include gluten-free and dairy-free options. The Company supports franchisees through training, operational guidance, and marketing support, and intends to expand the brand through franchised locations.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies is presented to assist the reader in understanding and evaluating the Company's financial statement. The financial statement and notes are representations of the Company's management, which is responsible for their integrity and objectivity. These accounting policies conform to generally accepted accounting principles and have been consistently applied in the preparation of the financial statement.

A. Basis of Accounting

The financial statement was prepared in conformity with accounting principles generally accepted in the United States of America ("US GAAP").

B. Cash and Cash Equivalents

The Company considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents.

C. Federal Income Taxes

As a limited liability Company, the Company's taxable income or loss is allocated to members in accordance with their respective percentage ownership. Therefore, no provision for income taxes has been included in the financial statement.

D. Use of Estimates

The preparation of our Company's financial statements 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 our financial statements and the reported amounts of revenues, costs, and expenses during the reporting period. Actual results could differ significantly from those estimates. It is at least reasonably possible that a change in the estimates will occur in the near term.

E. Concentration of Credit Risk

The Company maintains cash and cash equivalents with major financial institutions. At various times during the period, the total amount on deposits might exceed the \$250,000 limit insured by the Federal Deposit Insurance Corporation (FDIC). The Company believes that it mitigates credit risk by depositing cash with financial institutions having high credit ratings.

F. Revenue Recognition

Revenue is recognized in accordance with ASC Topic 606, Revenue from Contracts with Customers. The Company adopted ASU 2021-02 Franchisors - Revenue from Contracts with Customers (Subtopic 952-606) effective with the application of ASC Topic 606. The ASU provides a practical expedient to ASU2014-09 Revenue from contracts with Customers (Topic 606). The new guidance allows franchisors to simplify the application of the guidance about identifying performance obligations for franchisors that perform pre-opening services by allowing a franchisor to account for pre-opening services as distinct if they are consistent with those included in a predefined list of pre-opening services.

Franchise Fees

The franchise arrangement between the Company and each franchise owner is documented in the form of a franchise agreement and, in select cases, a development agreement. The franchise arrangement requires the Company as franchisor to perform various activities to support the brand and does not involve the direct transfer of goods and services to the franchise owner as a customer. Activities performed by the Company before opening are distinguished from the franchise license. Therefore, the Company recognizes franchise fees as two performance obligations. The nature of the Company's promise in granting the franchise license is to provide the franchise owner with access to the brand's intellectual property over the term of the franchise arrangement.

The transaction price in a standard franchise arrangement consists of (a) franchise/development fees; (b) Marketing, brand development, and royalties Fees and (c) IT Fees; (d) Annual Conference Fees. The Company utilize ASC 606 five-steps revenue recognition model as follows:

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

The terms of the Company's franchise agreement will be as follows:

- The Company will grant the right to use the Company name, trademark, and system in the franchisee's franchise development business.
- The franchisee is obligated to pay a non-refundable initial franchise fee.
- The franchisee is obligated to pay monthly royalties, marketing, IT, and annual conference fees. Certain other fees are also outlined in the agreement.

Franchise revenues are recognized by the Company from the following different sources: The Company recognizes franchise fees as two (2) performance obligations. The first, pre-opening services, including access to manuals, assistance in site selection, and initial training, have been determined to be distinct services offered to franchisees. Pre-opening services are earned over a period using an input method of completion based on costs incurred for each franchisee at the end of each year.

The second, access to the franchise license, has been determined to be distinct. The amount allocated to the franchise license is earned overtime as performance obligations are satisfied due to the continuous transfer of control to the franchisee. Franchise and development fees are paid in advance of the franchise opening, typically when entering into a new franchise or development agreement. Fees allocated to the franchise license are recognized as revenue on a straight-line basis over the term of each respective franchise agreement. Initial franchise agreement terms are typically 10 years while successive agreement terms are typically 10 years.

Variable Considerations

Franchise agreements contain variable considerations in the form of royalty fees and brand development (advertising). These fees are based on franchisee sales and are recorded as revenue and recognized as these services are delivered because the variable payment relates specifically to the performance obligation of using the license.

Contracts Assets and Liabilities Balances

The Company incurs costs that are directly attributable to obtaining a contract, for example, commission fees, broker fees, and referral fees. Under ASC 606, costs that are directly associated with obtaining a contract are to be capitalized and recognized over the term of the agreement. Capitalized costs are included in deferred expenses on the accompanying balance sheet. As such, direct franchise license costs are recognized over the franchise and renewal term, which is the performance obligation, and is typically the franchise agreement's term. If a customer is terminated, the remaining deferred expense will be recognized as expenses.

Deferred revenue consists of the remaining initial franchise fees to be amortized over the life of the franchise agreements. Deferred revenue is a result of the collection of the initial franchise fee at the time of the signing of the franchise agreement and will fluctuate each year based on the number of franchise agreements signed.

The Company didn't generate any revenue as of the balance sheet date but will be implementing ASC 606 to recognize its revenue once a sale has been made.

G. Recent Accounting Pronouncements

FASB ASU No. 2016-02 – Leases (Topic 842) is effective for the calendar year 2022. The standard requires lessees to recognize right-of-use assets and liabilities for most leases with terms longer than twelve months. The Company has evaluated the impact of this standard on its financial statements and determined that it doesn't have any lease that meets the requirement to recognize a right-of-use asset and liability because the Company doesn't have any long-term leases.

In June 2016, the FASB issued ASU No. 2016-13, Financial Instruments – Credit Losses (Topic 326): Measurements of Credit Losses on Financial Instruments. ASU 2016-13, along with subsequent clarifications and improvements (collectively, ASC 326), replaces the incurred loss impairment methodology in prior U.S. GAAP with a methodology that instead reflects a current estimate of all expected credit losses on financial assets, including receivables. ASC 326 requires that the Company measure and recognize expected credit losses at the time the asset is recorded, while considering a broader range of information to estimate credit losses including country specific macroeconomic conditions that correlate with historical loss experience, delinquency trends and aging behavior of receivables, among others. ASC 326 is effective for the Company since inception. There was no impact on the Company's financial statements because of the implementation of this standard.

3. CASH AND CASH EQUIVALENTS

The Company maintains its cash balance in U.S. noninterest-bearing transaction accounts which are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. On March 05, 2026, the Company's cash balance didn't exceed the FDIC insurance limits.

The Company considers all cash in the bank and investments in highly liquid debt instruments with maturities of three months or less to be cash equivalents. As of March 05, 2026, the Company has approximately \$15,000 in cash in their operating bank account.

4. SUBSEQUENT EVENTS

Management has evaluated subsequent events through March 16, 2026 which is the date the financial statement was available to be issued. The Company did not have any material recognizable subsequent events that would require adjustment to, or disclosure in, the financial statement.

EXHIBIT G – Operations Manual Table of Contents



OPERATIONS MANUAL TABLE OF CONTENTS

SECTION 1: INTRODUCTION

1-21

- 1.1 Welcome Letter
- 1.2 Introduction to the Franchise Operations Manual
- 1.3 Independent Franchise Operation
- 1.4 A La Mode History
- 1.5 The A La Mode Culture, Mission and Vision
- 1.6 Franchisor and Franchisee Relationship
- 1.7 Training
 - 1.7.1 Ongoing Training
- 1.8 Confidentiality of the Operations Manual
 - 1.8.1 Nondisclosure Agreement Information
- 1.9 Privacy and Artificial Intelligence (AI)
- 1.10 Keeping the Manual Current
- 1.11 Facilitating the Opening Checklist

SECTION 2: ESTABLISHING THE BUSINESS

22-47

- 2.1 Business Overview
 - 2.1.1 Business Structure
 - 2.1.2 Overview of Entity Choices
 - 2.1.3 Naming Your Entity
 - 2.1.4 Employer Identification Number
 - 2.1.5 Setting Up Banking Relationships
- 2.2 Site Selection Process
 - 2.2.1 Site Selection Criteria
 - 2.2.2 Seeking Approval for Proposed Site(s)
 - 2.2.3 Letter of Intent
 - 2.2.4 Lease Considerations
 - 2.2.5 Hiring a Real Estate Attorney
 - 2.2.6 Lease Negotiation and Approval
- 2.3 License, Permits and Taxes
 - 2.3.1 Business Licenses and Permits
 - 2.3.2 Tax Registrations and Payments
 - 2.3.3 State Information Websites
- 2.4 Setting Up Your Shoppe
 - 2.4.1 Building Out the Shoppe
 - 2.4.2 Construction Specifications
 - 2.4.3 Required Furnishings, Fixtures, and Equipment
 - 2.4.4 Utilities and Services
- 2.5 Initial Inventory and Supplies
 - 2.5.1 Required Items



- 2.5.2 List of Approved Suppliers
- 2.6 Insurance Coverage

SECTION 3: PERSONNEL

48-78

- 3.1 Introduction
- 3.2 Joint Employment
- 3.3 Employment Law Basics
 - 3.3.1 Employee Rights and Employer Responsibilities
 - 3.3.2 Federal Regulations on Employment Relationships
 - 3.3.3 State Employment Laws
- 3.4 Job Descriptions
 - 3.4.1 Job Responsibilities
- 3.5 Recruiting Employees
 - 3.5.1 Sources of Employee Candidates
 - 3.5.2 Job Advertisements
- 3.6 Job Applications
 - 3.6.1 Application Form
 - 3.6.2 Confidentiality of Applications
- 3.7 Interviewing Job Applicants
 - 3.7.1 Preparing for Interviews
 - 3.7.2 Conducting Successful Interviews
 - 3.7.3 Questions to Avoid
- 3.8 New Employee Paperwork
- 3.9 Employee Orientation
- 3.10 New Employee Training
- 3.11 Personnel Policies
- 3.12 Employee Scheduling
- 3.13 Performance Evaluations
- 3.14 Terminating Employees

SECTION 4: MARKETING THE BUSINESS

79-110

- 4.1 Promoting the Business in Your Area
 - 4.1.1 Your General Obligations
 - 4.1.2 Educating the Public
 - 4.1.3 Guidelines for Using Logos and Marks
 - 4.1.4 Marketing Standards
 - 4.1.5 Website and Web Design
- 4.2 Brand Specifications
 - 4.2.1 Logo
 - 4.2.2 Brand Standards



OPERATIONS MANUAL TABLE OF CONTENTS

- 4.2.3 Electronic Media
- 4.2.4 Menus
- 4.3 Obtaining Marketing Approval
- 4.4 Required Marketing Expenditures
 - 4.4.1 System Marketing
 - 4.4.2 Local Marketing Requirements
- 4.5 Local Marketing
 - 4.5.1 Planning and Budgeting
 - 4.5.2 Internet Advertising
 - 4.5.3 Social Media
 - 4.5.4 Networking
 - 4.5.5 Referral Marketing
 - 4.5.6 Event Marketing
 - 4.5.7 Guerrilla Marketing
 - 4.5.8 Email, Text, & Newsletters
 - 4.5.9 Print and Flyers
 - 4.5.10 POP and Merchandising
 - 4.5.11 Other Traditional Tactics
- 4.6 Public Relations and Community Involvement
 - 4.6.1 Press Release
 - 4.6.2 Community Building
 - 4.6.3 Associations and Business Networking
 - 4.6.4 Grand Opening

SECTION 5: OPERATING PROCEDURES

111-141

- 5.1 Introduction
- 5.2 Minimum Hours of Operations
- 5.3 Approved Menu
- 5.4 Operating Procedures
 - 5.4.1 Daily Procedures
 - 5.4.2 Guest Ordering Procedures
 - 5.4.3 Ordering and Inventory Management
 - 5.4.4 Third Party Delivery
 - 5.4.5 Client Wholesale
 - 5.4.6 Private Events
- 5.5 The Importance of Guest Satisfaction
 - 5.5.1 The Guest Experience
 - 5.5.2 Handling Guest Complaints
- 5.6 Operations Management Software
 - 5.6.1 Point of Sale (POS)



OPERATIONS MANUAL TABLE OF CONTENTS

5.6.2 A La Mode Portal	
5.6.3 Loyalty Programs and Gift Cards	
5.7 Cleaning and Maintenance Guidelines	
5.7.1 Counter & Seating Area	
5.7.2 Back of House	
5.7.3 Office	
5.7.4 Storage	
5.7.5 Restrooms	
5.7.6 General Facility	
5.8 Safety and Security Procedures	
5.8.1 OSHA Compliance	
5.8.2 Food Safety	
5.9 Financial Management	
5.9.1 Office Responsibilities	
5.9.2 Filing	
5.9.3 Reporting	
5.9.4 Banking Procedures	
5.9.5 Accounting and Bookkeeping	
5.9.6 Chart of Accounts	
5.10 Franchise Fees	

SUPPORTING DOCUMENTS

142-180

EXHIBIT H – Form of General Release

ALM FRANCHISE LLC
GRANT OF FRANCHISOR CONSENT AND FRANCHISEE RELEASE

ALM FRANCHISE LLC (“we,” “us,” “our,” or “Franchisor”) and the undersigned franchisee, _____ (“you,” “your,” or “Franchisee”), currently are parties to a certain franchise agreement dated _____ (the “Franchise Agreement”). You have asked us to take the following action or to agree to the following request: [insert as appropriate for renewal or transfer situation] _____

_____. We have the right under the Franchise Agreement to obtain a general release from you (and, if applicable, your owners) as a condition of taking this action or agreeing to this request. Therefore, we are willing to take the action or agree to the request specified above if you (and, if applicable, your owners) give us the release and covenant not to sue provided below in this document. You (and, if applicable, your owners) are willing to give us the release and covenant not to sue provided below as partial consideration for our willingness to take the action or agree to the request described above.

Consistent with the previous introduction, you, on your own behalf and on behalf of your successors, heirs, executors, administrators, personal representatives, agents, assigns, partners, shareholders, members, directors, officers, principals, employees, and affiliated entities (collectively, the “Releasing Parties”), hereby forever release and discharge us and our affiliates, our and their current and former officers, directors, shareholders, principals, employees, agents, representatives, affiliated entities, successors, and assigns (collectively, the “Franchisor Parties”) from any and all claims, damages (known and unknown), demands, causes of action, suits, duties, liabilities, and agreements of any nature and kind (collectively, “Claims”) that you and any of the other Releasing Parties now has, ever had, or, but for this document, hereafter would or could have against any of the Franchisor Parties (1) arising out of or related to the Franchisor Parties’ obligations under the Franchise Agreement or (2) otherwise arising from or related to your and the other Releasing Parties’ relationship, from the beginning of time to the date of your signature below, with any of the Franchisor Parties. You, on your own behalf and on behalf of the other Releasing Parties, further covenant not to sue any of the Franchisor Parties on any of the Claims released by this paragraph and represent that you have not assigned any of the Claims released by this paragraph to any individual or entity that is not bound by this paragraph.

We also are entitled to a release and covenant not to sue from your owners. By his, her, or their separate signatures below, your transferring owners likewise grant to us the release and covenant not to sue provided above.

[Signature Page Follows]

ALM FRANCHISE LLC
a New York limited liability company

By: _____

Title: _____

FRANCHISEE,
a/an _____

By: _____

Title: _____

EXHIBIT I – Lists of Current and Former Franchise Owners

NONE

EXHIBIT J TO DISCLOSURE DOCUMENT

FRANCHISEE DISCLOSURE QUESTIONNAIRE

As you know, ALM Franchise LLC and you are preparing to enter into a Franchise Agreement for the operation of an A La Mode Shoppe. In this Franchisee Disclosure Questionnaire, ALM Franchise LLC will be referred to as “we” 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 the ALM Franchise LLC Franchise Agreement and each exhibit, addendum and schedule attached to it?
Yes ___ No ___

2. Do you understand all of the information contained in the Franchise Agreement and each exhibit and schedule attached to it?
Yes ___ No ___

If “No”, what parts of the Franchise Agreement do you not understand? (Attach additional pages, if necessary.)

3. Have you received and personally reviewed our Disclosure Document we provided to you?
Yes ___ No ___

4. Do you understand all of the information contained in the Disclosure Document?
Yes ___ No ___

If “No”, what parts of the Disclosure Document do you not understand? (Attach additional pages, if necessary.)

5. Have you discussed the benefits and risks of operating the A La Mode Shoppe with an attorney, accountant or other professional advisor and do you understand those risks?
Yes ___ No ___
6. Has any employee or other person speaking on our behalf made any statement or promise concerning the revenues, profits or operating costs of an A La Mode Shoppe that we or our franchisees operate?
Yes ___ No ___
7. Has any employee or other person speaking on our behalf made any statement or promise concerning an A La Mode Shoppe that is contrary to, or different from, the information contained in the Disclosure Document?
Yes ___ No ___
8. 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 an A La Mode Shoppe?
Yes ___ No ___
9. 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 the Disclosure Document?
Yes ___ No ___
10. If you have answered “Yes” to any of questions 6 through 9, 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.

11. 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 ____

You understand that your answers are important to us and that we will rely on them.

By signing this Franchisee Disclosure Questionnaire, you are representing that you have responded truthfully to the above questions.

Name of Franchisee/Applicant

Date: _____, 20__

Signature

Name and Title of Person Signing

EXHIBIT K - State Addenda to Disclosure Document

**ADDENDUM TO THE
A LA MODE FRANCHISING LLC
FRANCHISE DISCLOSURE DOCUMENT**

FOR THE STATE OF NEW YORK

1. The following information is added to the cover page of the Franchise Disclosure Document:

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR RESOURCES OR INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN ANYTHING IN THIS FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND THE APPROPRIATE STATE OR PROVINCIAL AUTHORITY. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS THAT ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

2. The following is to be added at the end of Item 3:

Except as provided above, the following applies 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 that is significant in the context of the number of franchisees and the size, nature, or financial condition of the franchise system or its business operations.

C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the ten years 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 a franchisee to renew or extend,” and Item 17(m), entitled “Conditions for franchisor approval of transfer”:

However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; this proviso intends that the nonwaiver 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 a 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 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 acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.
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 Rev. April 2, 2024 time period a Franchise Disclosure Document (offering prospectus) must be provided to a prospective franchisee before a sale may be made. New York law requires a franchisor to provide the Franchise Disclosure Document at the earliest of the first personal meeting, ten (10) business days before the execution of the franchise or other agreement, or the payment of any consideration that relates to the franchise relationship.

NEW YORK REPRESENTATIONS PAGE

THE FRANCHISOR REPRESENTS THAT THIS PROSPECTUS DOES NOT KNOWINGLY OMIT ANY MATERIAL FACT OR CONTAIN ANY UNTRUE STATEMENT OF A MATERIAL FACT.

STATE EFFECTIVE DATES

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the states, 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:

California	Effective Date:	<u>Not Effective</u>
Hawaii	Effective Date:	<u>Not Effective</u>
Illinois	Effective Date:	<u>Not Effective</u>
Indiana	Effective Date:	<u>Not Effective</u>
Maryland	Effective Date:	<u>Not Effective</u>
Michigan	Effective Date:	<u>Not Effective</u>
Minnesota	Effective Date:	<u>Not Effective</u>
New York	Effective Date:	<u>Not Effective</u>
North Dakota	Effective Date:	<u>Not Effective</u>
Rhode Island	Effective Date:	<u>Not Effective</u>
South Dakota	Effective Date:	<u>Not Effective</u>
Virginia	Effective Date:	<u>Not Effective</u>
Washington	Effective Date:	<u>Not Effective</u>
Wisconsin	Effective Date:	<u>Not Effective</u>

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

Item 23

RECEIPT

This Disclosure Document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this Disclosure Document and all agreements carefully.

If ALM Franchise, LLC offers you a franchise, it must provide this Disclosure Document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale. New York and Rhode Island require that we give you this Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement 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 execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If ALM Franchise LLC does not deliver this Disclosure Document on time, or if it contains a false or misleading statement or a material omission, then 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 state agency listed on Exhibit A.

The franchisor is ALM Franchise LLC, located at 400 E 56th Street Apt 38, New York, New York 10022. Its telephone number is (917) 639-3401.

The franchise seller(s) for this offering is or are:

☐ Marc Roth, 400 E 56th Street Apt 38, New York 10022, (917) 639-3401;

☐ _____.

Issuance Date: March 18, 2026

We authorize the respective state agencies identified on Exhibit B to receive service of process for us in the particular state.

I have received a Disclosure Document dated March 18, 2026 that included the following Exhibits:

Exhibit A	List of State Administrators	Exhibit G	Operations Manual Table of Contents
Exhibit B	List of State Agents for Service of Process	Exhibit H	Sample Form of General Release
Exhibit C	Franchise Agreement	Exhibit I	Lists of Current and Former Franchise Owners
Exhibit D	Development Agreement Rider	Exhibit J	Franchise Owner Disclosure Questionnaire
Exhibit E	State Addenda to Franchise Agreement	Exhibit K	State Addenda to Disclosure Document
Exhibit F	Financial Statements		

Date

(Sign, Date and Return to us, the franchisor)

Prospective Franchisee

Authorized Signature

Item 23

RECEIPT

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Exhibit F	Financial Statements		

Date

(Sign, Date and Keep for Your Records)

Prospective Franchisee

Authorized Signature