



FRANCHISE DISCLOSURE DOCUMENT

PUB Franchisor LLC
A Delaware limited liability company
1391 Post Road E, #200
Westport, Connecticut 06880
(475) 888-9011
www.popupbagels.com
franchise@popupbagels.com

The franchise offered is to operate a bagel shop concept under the POPUP BAGELS name and other trademarks that serves up unique flavors of bagels and multiple flavors of schmears.

The total investment necessary to begin operation of a new PopUp Bagels Shop franchise is \$312,600 to \$884,150. This includes \$35,000 to \$58,500 that must be paid to the franchisor or affiliate. If you want development rights, you must pay us a development fee equal to \$35,000 (the initial franchise fee for the first Shop) plus a \$17,500 deposit toward the initial franchise fee (which is \$35,000) due for each subsequent PopUp Bagels Shop you commit to develop. The total investment necessary to begin operation if you acquire development rights (for a minimum of three Shops) is \$347,600 to \$919,150. This includes \$70,000 to \$93,500 that must be paid to the franchisor or affiliate.

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 availability of disclosures in different formats, contact Lisa Potash at 1391 Post Road E, #200, Westport, Connecticut 06880 and (475) 888-9011.

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: May 22, 2025

How to Use This Franchise Disclosure Document

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

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

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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 Rights Agreement require you to resolve disputes with the franchisor by arbitration and/or litigation only in the franchisor's then-current home state (currently Connecticut). Out-of-state arbitration or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to arbitrate or litigate with the franchisor in its then-current home state (currently Connecticut) 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 franchise in a system with a longer operating history.

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

THE FOLLOWING PROVISIONS APPLY ONLY TO TRANSACTIONS GOVERNED BY THE MICHIGAN FRANCHISE INVESTMENT LAW

THE STATE OF MICHIGAN PROHIBITS CERTAIN UNFAIR PROVISIONS THAT ARE SOMETIMES IN FRANCHISE DOCUMENTS. IF ANY OF THE FOLLOWING PROVISIONS ARE IN THESE FRANCHISE DOCUMENTS, THE PROVISIONS ARE VOID AND CANNOT BE ENFORCED AGAINST YOU.

- (a) A prohibition on the right of a franchisee to join an association of franchisees.
- (b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.
- (c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.
- (d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) the term of the franchise is less than 5 years and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise.
- (e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.
- (f) A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.
- (g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:
 - (i) The failure of the proposed transferee to meet the franchisor's then current reasonable qualifications or standards.
 - (ii) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor.
 - (iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.

(iv) The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.

(h) A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (c).

(i) A provision which permits the franchisor to directly or indirectly convey, assign, or otherwise transfer its obligations to fulfill contractual obligations to the franchisee unless provision has been made for providing the required contractual services.

If the franchisor's most recent financial statements are unaudited and show a net worth of less than \$100,000, the franchisor shall, at the request of a franchisee, arrange for the escrow of initial investment and other funds paid by the franchisee until the obligations to provide real estate, improvements, equipment, inventory, training, or other items included in the franchise offering are fulfilled. At the option of the franchisor, a surety bond may be provided in place of escrow.

THE FACT THAT THERE IS A NOTICE OF THIS OFFERING ON FILE WITH THE ATTORNEY GENERAL DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION, OR ENFORCEMENT BY THE ATTORNEY GENERAL.

Any questions regarding this notice should be directed to:

State of Michigan Consumer Protection Division
Attn: Franchise Section
670 G. Mennen Williams Building
525 West Ottawa, Lansing, Michigan 48933
(517) 335-7567

Notwithstanding paragraph (f) above, we intend to enforce fully the provisions of the arbitration sections in our Franchise Agreement and Development Rights Agreement. We believe that paragraph (f) is unconstitutional and cannot preclude us from enforcing our arbitration provision. If you acquire a franchise, you acknowledge that we will seek to enforce that section as written, and that the terms of the Franchise Agreement and the Development Rights Agreement will govern our relationship with you, including the specific requirements of the arbitration section.

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Item 1

THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

The Franchisor

The franchisor is PUB Franchisor LLC. (“we,” “us,” or “our”). “You” means the entity to which we grant a franchise and, if applicable, development rights. Your owners must sign our “Guaranty and Assumption of Obligations” or “Owner’s Undertaking of Non-Monetary Obligations” (depending on their ownership percentage). This means all or some of our Franchise Agreement’s provisions (Exhibit A) also will apply to your owners.

We are a Delaware limited liability company formed on October 17, 2024. Our principal business address is 1391 Post Road E, #200, Westport, Connecticut 06880. We conduct business primarily under our corporate name and the POPUP BAGELS trademark and under no other name. If we have an agent in your state for service of process, we disclose that agent in Exhibit F to this disclosure document.

Our parent company is PopUp Bagels Inc., a Delaware corporation, whose principal place of business is the same as our address (“PUB”). Our founder, Adam Goldberg, created the concept that is PopUp Bagels, and he commenced operating PopUp Bagels Shops through our parent company.

Our affiliate, PUB Distribution Holder LLC, a Delaware corporation, whose principal place of business is the same as our address (“PUB Distribution”). PUB Distribution is the company which will operate our commissary and from whom franchisees will purchase certain food and beverage items and paper products.

Except as provided above, we have no predecessors or affiliates that offer franchises in any line of business or provide products or services to our franchisees.

The Franchise Offered

We grant franchises to develop and operate a distinctive bagel shop concept identified principally by the POPUP BAGELS® trademark that serves unique flavors of bagels and multiple flavors of schmears. We refer to these Shops as “PopUp Bagels Shops” and to your PopUp Bagels Shop as the “Shop” or the “Franchised Shop.” PopUp Bagels Shops operate under the trademarks, service marks, and other commercial symbols we periodically designate (collectively, the “Marks”) and the mandatory specifications, standards, operating procedures, and rules we periodically specify for PopUp Bagels Shops (collectively, the “Brand Standards”). Your Shop must offer the products and services we specify. You must sign our current form of Franchise Agreement at the time you purchase a franchise from us. Our current form of Franchise Agreement is found in Exhibit A to this disclosure document.

We also grant multi-unit development rights to qualified franchisees, which permit franchisees to develop a specific number of PopUp Bagels Shops within a defined territory according to a pre-determined, mandatory development schedule. Those franchisees may open and operate their PopUp Bagels Shops directly or through “Approved Affiliates,” which are entities whose majority ownership is owned and controlled by you or your owners. Our Development Rights Agreement (Exhibit B to this disclosure document), which we also reference as the “DRA,” governs a franchisee’s multi-unit development rights and obligations. If you sign a Development Rights Agreement, you (or your Approved Affiliate) will sign a Franchise Agreement for your first PopUp Bagels Shop at the same time.

Franchisees signing our DRAs must sign our then-current form of Franchise Agreement for each additional PopUp Bagels Shop that they develop under the DRA. While that form may differ substantially, and materially, from year to year from the first Franchise Agreement they sign for their first

PopUp Bagels Shop, the initial franchise fee for each PopUp Bagels Shop that you commit to developing under the DRA will be \$35,000. We also will commit (but only if you are in full compliance with the terms of your DRA) to charge during the initial franchise term for each PopUp Bagels Shop that you develop under the DRA the same Royalty, Brand Fund contribution, and Local Marketing Spending Requirement we charge you under the first Franchise Agreement you sign.

We have been offering franchises for PopUp Bagels Shops since November 2024. We have not conducted any other material business activities and have not offered franchises in any other lines of business. While we have never operated a PopUp Bagels Shop, our parent and various affiliated entities have owned and operated PopUp Bagels Shops since April 2022. As of December 29, 2024, there were five PopUp Bagels Shops open and operating in Connecticut and four operating in New York.

Nature of Market and Competition

Your Shop will offer products and services to the public throughout the year. The bagel store industry is mature and competitive. You will compete with numerous businesses, including national, regional, and local bagel chains (both company-owned and franchised), “mom and pop” shops, grocery and convenience stores that offer bagels for sale, and other foodservice businesses that also sell bagels.

Laws and Regulations

No regulations apply specifically to the restaurant industry in which PopUp Bagels Shops operate. However, federal, state, and local food-safety, sanitation, handling, labeling, storage, and other laws governing all foodservice operations are likely to impact your Shop’s operations more than others. You must comply with all of these laws and with laws applying generally to all businesses. You should investigate these laws and regulations when evaluating your franchise acquisition.

Item 2 **BUSINESS EXPERIENCE**

Chief Executive Officer of PUB: Tory Bartlett

Mr. Bartlett has been Chief Executive Officer of PUB since October 2024. From March 2021 to September 2024, Mr. Bartlett was the Chief Brand Officer for Moe’s Franchisor SPV LLC in Atlanta, Georgia. From April 2019 to March 2021, Mr. Bartlett was the Chief Brand Officer for Schlotzsky’s Franchisor SPV LLC in Atlanta, Georgia. Mr. Bartlett serves in his current position in Westport, Connecticut.

Founder and Chief Brand Officer of PUB: Adam Goldberg

Mr. Goldberg started PUB in March 2021 and has served as its Chief Brand Officer since October 2024. From March 2021 to October 2024, Mr. Goldberg served as the Chief Executive Officer of PUB. From June 2013 to March 2021, Mr. Goldberg served as a Director of Aquafence in Fairfield, Connecticut. Mr. Goldberg serves in his current position in Westport, Connecticut.

Chief Marketing Officer of PUB: Christian Kuhn

Mr. Kuhn has been Chief Marketing Officer of PUB since April 2025. From January 2024 to April 2025, Mr. Kuhn served as Chief Marketing Officer of Blaze Pizza, LLC in Atlanta, Georgia. From February 2021 to January 2024, Mr. Kuhn served as Vice President of Customer Engagement and Head of Loyalty for GoTo Foods LLC in Sandy Springs, Georgia. From November 2019 to August 2020, Mr. Kuhn served

as Global Brand Head for Hilton Grand Vacations in McLean, Virginia. Mr. Kuhn serves in his current position in Westport, Connecticut.

Chief Growth Officer of PUB: Taylor Bennett

Mr. Bennett has been Chief Growth Officer of PUB since February 2025. From May 2023 to January 2025, Mr. Bennett was a principal of Taylor Bennett Law Group P.C. in Atlanta, Georgia. From January 2023 to May 2023, Mr. Bennett served as Chief Development Officer of Pizza Hut, LLC in Dallas, Texas. From May 2022 to January 2023, Mr. Bennett served as Global Vice President, Nontraditional of Subway in Milford, Connecticut. From June 2021 to May 2022, Mr. Bennett served as Chief Development Officer of HOA Brands in Atlanta, Georgia. From March 2017 to June 2021, Mr. Bennett served as Vice President of Development, International of Focus Brands in Atlanta, Georgia. Mr. Bennett serves in his current position in Atlanta, Georgia.

President, Operations of PUB: Doug Troy

Mr. Troy has been President, Operations of PUB since November 2022. From July 2022 until November 2022, Mr. Troy served as Chief Executive Officer of Stoneridge Consulting in Bradford, New Hampshire. From July 2007 to July 2022, Mr. Troy served as Chief Operating Officer for Rustic Crust in Pittsfield, New Hampshire. Mr. Troy serves in his current position in Westport, Connecticut.

Vice President, Operations of PUB: Brian Coakley

Mr. Coakley has been Vice President, Operations of PUB since February 2024. From August 2019 to February 2024, Mr. Coakley served as the Director of Operations for Dig Inn Restaurant Company LLC in New York, New York. Mr. Coakley serves in his current position in Westport, Connecticut.

Item 3
LITIGATION

No litigation is required to be disclosed in this Item.

Item 4
BANKRUPTCY

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

Item 5
INITIAL FEES

Franchise Agreement

You must pay us a \$35,000 initial franchise fee for each PopUp Bagels Shop franchise. You must pay the fee in a lump sum when you sign the Franchise Agreement. It is not refundable under any circumstances.

If you purchase an existing PopUp Bagels Shop from a franchisee, you will not pay an initial franchise fee. Instead, we receive a transfer fee from you or the selling franchisee (depending on your arrangement). This payment is not refundable.

You must locate, evaluate, and select the Shop's site and we must approve your Shop's site. We will review potential Shop sites that you identify within your Site Selection Area and visit the Site Selection Area once at no additional fee. However, we have the right to require you to pay us a fee for each site visit after our initial site visit equal to an amount not to exceed \$1,500 plus our travel-related expenses for not more than two people associated with our Shop development department. This payment is not refundable.

If you cannot open the Shop for business by the opening deadline despite your diligent efforts, you may request one 30-day extension to open. We will not unreasonably deny your request if the reasons for your request demonstrate your diligence in the Shop development and opening process. You may request a second 30-day extension on the same terms. You may request a third (and final) 30-day extension of the opening deadline, which request we will not unreasonably deny if the reasons for your request demonstrate your diligence in the Shop development and opening process and you pay us a \$5,000 extension fee for that final extension. This payment is not refundable.

We provide initial training for up to four people for no additional fee. We have the right to charge our then-current training fee (currently ranging up to \$2,000 per person) for each additional person you wish to send to initial training and for any required retraining of people who previously attended training. This payment is not refundable.

You must conduct a grand opening marketing program to support the initial opening of your Shop. Your grand opening marketing budget must not be less than \$15,000 for the marketing, advertising and promotional activities associated with the grand opening. You will also bear the cost of samples which will be distributed during the grand opening. We expect this program to begin approximately 30 days before and to continue for approximately 60 days after the Shop opens (although we have the right to specify a different timeframe). We will consult with you about the advertising and marketing plan that we believe is most suitable for the market area surrounding your Shop. While it is likely that you will directly pay your vendors for their work in connection with your grand opening program, we reserve the right to require you to pay us for your program's anticipated costs, which we then will either spend funds on your behalf for marketing and promotional activities in the Shop's market area or re-pay you as you send us invoices/receipts confirming your commitment with vendors to move forward with the approved plan. The funds you spend on your grand opening marketing program are not refundable.

Development Rights Agreement

If you sign our DRA because you commit to develop multiple PopUp Bagels Shops in a designated territory, we currently charge a development fee that you must pay in full when you sign the DRA. The development fee is the full \$35,000 initial franchise fee for the first Shop covered by the first Franchise Agreement you sign concurrently with the DRA, plus a 50% deposit of the initial franchise fees (which will be \$35,000 per Shop) due for all subsequent Shops you commit under the DRA to construct, develop, and operate. We will identify the number of Shops you must develop (a minimum of three), the deadlines for developing those Shops, and the applicable total development fee before you sign the DRA.

The development fee is not refundable under any circumstances. If you sign the DRA, pay the development fee, and then cannot find sites for the Shops or choose for another reason not to perform (in which case we terminate the DRA), we have the right to keep the entire development fee and need not return any money to you. However, each time you (or your "Approved Affiliate") sign a franchise agreement for the next Shop to be developed within the territory, we will apply the deposit related to that Shop towards the initial franchise fee due for that Shop (leaving the 50% balance of the initial franchise fee due at signing of the Franchise Agreement).

You have the same Shop opening deadline extension rights described above. However, any extensions we grant you (or your Approved Affiliate) will apply only to the Shop for which you (or your Approved Affiliate) obtained the extension. That extension will not extend, delay, or otherwise impact any other deadline under the Schedule in your DRA. The extension fee is not refundable.

We will establish an E-Commerce Program which, as a franchisee operating in compliance with its Franchise Agreement, you will be required to engage in the program through our website and other e-commerce platforms approved by us including, but not limited to, third-party delivery platforms. As part of the program, you will be required to fulfill online orders consumers place and other third-party platforms for pick-up at the Shop, delivery or shipping. See Item 12 of this disclosure document for more details about our E-Commerce Program.

Range of Initial Fees

All developers and franchisees entering into Development Agreements or Franchise Agreements with us in fiscal year 2024 paid us the applicable initial fee(s) in the amount(s) stated above.

Item 6
OTHER FEES

Column 1	Column 2	Column 3	Column 4
Type of Fee ⁽¹⁾	Amount	Due Date	Remarks
Royalty	6% of Shop's weekly Gross Sales ⁽²⁾	Due by Wednesday after the end of each calendar-week period. Each calendar week currently begins on Monday and ends on Sunday. ⁽³⁾	
Brand Fund Contribution	The maximum amount we have the right to charge franchisees is 3% of the Shop's weekly Gross Sales ⁽²⁾ We currently charge 2% of the Shop's weekly Gross Sales	Due by Wednesday after the end of each calendar-week period. Each calendar week currently begins on Monday and ends on Sunday. ⁽³⁾	
Technology Fee	The maximum amount we have the right to charge franchisees is \$750 per month ⁽³⁾	Due on the first Wednesday of each month. ⁽³⁾	The Technology Fee is for technology products or services we determine to associate or utilize in connection with the Franchise System and to cover all or certain portions of the corresponding costs. We expect the Technology Fee initially to cover

Column 1	Column 2	Column 3	Column 4
Type of Fee ⁽¹⁾	Amount	Due Date	Remarks
			operational-data analytics, learning-management platforms, restaurant management software development, website development, point-of-sale system development, and data input/storage. The Technology Fee does not cover software subscriptions or license fees payable to third parties.
Local Marketing Spending Requirement	Not to exceed 1% of the Shop's monthly Gross Sales (unless an advertising cooperative votes to spend more). Upon commencing operation of the Shop, your Local Marketing Spending Requirement will be ½% of your monthly Gross Sales until such time that we decide to increase the Local Marketing Spending Requirement percentage, as permitted under the Franchise Agreement.	Must be spent monthly ⁽⁵⁾	
Cooperative Contributions ⁽³⁾	The maximum amount we have the right to require franchisees to contribute is 1% of the Shop's monthly Gross Sales ⁽⁴⁾	Monthly	We have not yet formed any Cooperatives and do not yet require Cooperative contributions.
Successor Franchise Fee	Greater of \$3,000 or 10% of our then-current standard initial franchise fee	When you sign successor franchise agreement (if you have that right)	

Column 1	Column 2	Column 3	Column 4
Type of Fee ⁽¹⁾	Amount	Due Date	Remarks
Transfer of Franchise Rights or Controlling Ownership Interest in Franchisee	Transfer fee varies from 50% to 100% of our then-current initial franchise fee	Upon transfer	The transfer fee equals (i) 50% of our then-current initial franchise fee if the transferee is an existing PopUp Bagels Shop franchisee, an entity that is legally affiliated with an existing PopUp Bagels Shop franchisee, or an owner of an existing PopUp Bagels Shop franchisee, (ii) 75% of our then-current initial franchise fee if the transferee does not fall into category (i), or (iii) 100% of our then-current initial franchise fee if a franchise broker that we retained was involved in the transfer process and a broker commission is payable.
Transfer of Non-Controlling Ownership Interest in Franchisee	\$1,000	Upon transfer	
Replacement Operating Principal/General Manager Training Fee	Not to exceed \$2,000	As incurred	We have the right to charge you for providing initial training to your replacement Operating Principal or General Manager. Our General Manager is also referred to as our “Bagel Chef.”
Retraining of Operating Principal or General Manager	Our then-current retraining fee (not to exceed \$2,000 per person) if at our location; not to exceed \$500 per trainer per day, plus our out-of-pocket expenses (for example, travel, accommodations, and meals), if at your Shop	As incurred	Due if we must re-train these individuals because they fail to complete initial training to our satisfaction, or the Shop is not operating according to Brand Standards.

Column 1	Column 2	Column 3	Column 4
Type of Fee ⁽¹⁾	Amount	Due Date	Remarks
Ongoing and Supplemental Training and Assistance	Our then-current fee for ongoing and supplemental training (not to exceed \$500 per trainer per day if at our location; not to exceed \$500 per trainer per day, plus our out-of-pocket expenses (for example, travel, accommodations, and meals), if at your Shop	As incurred	We have the right to charge you for ongoing and supplemental training and assistance (whether or not you request such training, or we determine that you need to address issues specific to your Shop).
Product and Service Purchases	Varies depending on products and services you buy from us or our affiliates	As incurred	During the franchise term, you must buy certain products and services from us or our affiliates (like PUB Distribution), from designated or approved distributors and suppliers, or according to our standards and specifications. If we or our affiliates sell products or services to you during the franchise term, as described in Item 8, we or our affiliates will give you a price list identifying the applicable prices.
Computer Software and Technology, Support, and Upgrades	Not to exceed \$500 per month	As incurred	<p>We and our affiliates have the right to charge you upfront and ongoing (<i>e.g.</i>, weekly, monthly, or other) fees for any required or recommended proprietary software or technology created, developed, modified, and licensed to you (to the extent not covered by the Technology Fee) and for other computer system maintenance and support services and programs provided during the franchise term; we have the right to increase the fees as costs increase.</p> <p>We do not now provide these services and therefore do not have a set charge; we have the right to charge you if we provide these services at a later time and will notify you when we establish the charge.</p>

Column 1	Column 2	Column 3	Column 4
Type of Fee ⁽¹⁾	Amount	Due Date	Remarks
Relocation	25% of our then-current initial franchise fee for first-time PopUp Bagels franchisees, plus reasonable costs we incur	As incurred	Due only if you relocate the Shop. You may not relocate your Shop without our consent.
Audit	Cost of inspection or audit, including legal fees and independent accountants' fees, plus travel expenses, room and board, and compensation of our employees	As incurred	Due if you fail to submit required reports and records or our examination reveals Gross Sales understatement exceeding 2%. Amount depends on nature and extent of your non-compliance. In addition, if you fail or refuse to cooperate with audit or inspection process, we have the right to charge you \$2,500.
Inspection Fee	Actual costs of first follow-up audit (including our personnel's wages and travel, hotel, and living expenses) \$1,000, plus our personnel's travel-related expenses, for the second and each follow-up evaluation we make and for each inspection you specifically request	As incurred	Compensates our costs and expenses for each follow-up inspection to confirm your compliance with your Franchise Agreement and our Brand Standards.
Interest	Lesser of 1.5% per month or highest commercial contract interest rate law allows	When invoiced	Due on past due amounts.
Administrative Fee	\$250	When invoiced	Due for each late or dishonored payment.
Non-Compliance Fee	\$200 to \$1,000 per deviation from operational requirements/Brand Standards	When billed	Due if you deviate from contractual requirement, including Brand Standard. This compensates us for administrative and management costs, not for our damages due to your

Column 1	Column 2	Column 3	Column 4
Type of Fee ⁽¹⁾	Amount	Due Date	Remarks
			default. The fee is \$200 for the first violation, \$500 for the first repeat violation, and \$1,000 for second and each subsequent repeat violation on one or more consecutive, subsequent visits to the Shop.
Costs and Attorneys' Fees	Varies under circumstances and depends on nature of your non-compliance	As incurred	Due when you do not comply with your Franchise Agreement or Development Rights Agreement.
Indemnification	Varies under circumstances and depends on nature of third-party claim	As incurred	<p>Under the Franchise Agreement, you must reimburse us for all losses and expenses arising out of third-party claims relating to the selection, development, ownership, operation, or closing of the Shop or any claims by any of your employees arising out of his or her employment with you, except for any liability arising from a breach of the Franchise Agreement by any franchisor indemnitee or the gross negligence or willful acts of any franchisor indemnitee (except to the extent that joint liability is involved, in which case the indemnification will extend to any finding of comparative or contributory negligence attributable to you).</p> <p>Under the DRA, in addition to your indemnification obligations above, you must reimburse us for all claims and losses arising out of (i) any breach by you or your owners of any representation or warranty in the DRA, or (ii) any third-party claim that our signing the DRA with you or granting you development rights violates any law or any rights of, or duties owed to, that third party.</p>

Column 1	Column 2	Column 3	Column 4
Type of Fee ⁽¹⁾	Amount	Due Date	Remarks
Management Fee	Greater of \$5,000 per month or 10% of the Shop's monthly Gross Sales, plus any out-of-pocket expenses (including salaries and travel and living expenses) incurred in connection with the Shop's management	As incurred	Due if we assume the Shop's management under certain situations, including your default.
Reimbursement of Costs of Third-Party Service Providers	Out-of-pocket cost reimbursement	As incurred	If we determine for convenience, or because of the service provider's billing requirements, to pay for Shop-level quality-assurance, food-safety-audit, guest-satisfaction, "mystery-shop," consumer survey, and similar programs (rather than having you pay the service provider directly), you must reimburse our actual costs for those service providers.
Reimbursement for Customer Complaints	Cost reimbursement	As incurred	We have the right to require you to reimburse our costs if we resolve a customer complaint because you fail to do so.
Remedial Expense	Out-of-pocket cost reimbursement	As incurred	You must reimburse our costs of correcting any deficiencies at the Shop or in its operation (short of our taking over management) if you fail to do so.
Tax Reimbursement	Out-of-pocket cost reimbursement	As incurred	You must reimburse us for taxes we must pay any state taxing authority on account of either your operation or your payments to us (except for our income taxes).
Insurance Reimbursement	Then-current administrative fee, not to exceed 10% of the total policy amount	As incurred	You must pay us if we obtain insurance coverage for the Shop because you fail to do so.
De-Identification Fee	Cost reimbursement	As incurred	You must reimburse our costs of de-identifying the Shop if you fail to do so.

Column 1	Column 2	Column 3	Column 4
Type of Fee ⁽¹⁾	Amount	Due Date	Remarks
Liquidated Damages	Product of either 24 or the number of months that would have remained in franchise term (as of the effective date of termination) had it not been terminated, whichever is shorter, multiplied by average monthly Royalties and Brand Fund contributions that were due and payable to us during the 12 months before the month of termination (or for such lesser period that the Shop has been open, if less than 12 months)	Within timeframe we specify	If we terminate Franchise Agreement for cause, or you terminate Franchise Agreement without cause, before the franchise term’s scheduled expiration date.

Explanatory Notes to Table:

1. Except as noted above and except for certain product and service purchases from unaffiliated suppliers, all fees are imposed and collected by and payable to us or an affiliate. We and our affiliates currently do not impose any fees or payments on, or collect any fees or payments from, you on behalf of unaffiliated third parties. No fee in this chart is refundable. All fees represent our current offering and generally are uniformly imposed.

2. “Gross Sales” means the aggregate amount of all revenue and other consideration received by the Shop from any source, including from selling products, services, and merchandise (including delivery charges paid for deliveries made by the Shop’s employed staff); other types of revenue you receive, including the proceeds of business interruption insurance; and (if we allow barter) the value of products, services, and merchandise bartered in exchange for the Shop’s products, services, or merchandise. All transactions must be entered into the Computer System at the full, standard retail price for purposes of calculating Gross Sales.

Gross Sales exclude: (i) federal, state, or municipal sales, use, or service taxes collected from customers and paid to the appropriate taxing authority; (ii) tips paid to your employees by customers; (iii) delivery fees collected from customers for in-house and third-party delivery services; (iv) the value of both employee discounts and permitted promotional or marketing discounts offered to the public (these discounts not exceeding, in the aggregate, 2% of the Shop’s weekly Gross Sales); (v) proceeds from insurance, excluding business interruption insurance; and (vi) proceeds from any civil forfeiture, condemnation, or seizure by government entities. In addition, Gross Sales are reduced by the amount of any credits provided in compliance with our policies.

Each charge or credit sale will be treated as a sale for the full price on the day the charge or sale is made, regardless of when you receive payment (whether full or partial, or at all) on that sale. Revenue from gift/loyalty/stored-value cards and similar items we approve for offer and sale at PopUp Bagels Shops, whether maintained on an App, on another electronic medium, or in another form (together, the “Loyalty Program Media”) is included in Gross Sales when the Loyalty Program Media are used to pay for products and services (although we have the right to collect our fees due on that revenue when the Loyalty Program Media are acquired by the customer). Your Shop may not issue or redeem any coupons or Loyalty Program Media unless we first approve in writing their form and content and your proposed issuing and honoring/redemption procedures. We have the right to grant or withhold our approval as we consider best.

We have the right to modify our policies and practices regarding revenue recognition, revenue reporting, and including or excluding certain revenue from “Gross Sales” as circumstances, business practices, and technology change.

3. Each calendar week currently begins on Monday and ends on Sunday. You must authorize us to debit your business checking or other account automatically for the Royalty, Brand Fund contributions, Technology Fee, and other amounts due under the Franchise Agreement or otherwise. We will debit your account on or after the applicable payment due date for the Royalty, Brand Fund contributions, Technology Fee, and other amounts due. Funds must be available in the account for withdrawal. You must reimburse any “insufficient funds” charges and related expenses we incur due to your failure to maintain sufficient funds in your bank account. We have the right, at our sole option upon notice to you, to change periodically the timing and terms for payment of Royalties, Brand Fund contributions, Technology Fees, and other amounts due to us under the Franchise Agreement.

4. We have the right to designate one or more distinct geographic areas or any combination of geographic areas for one or more advertising cooperatives (each, a “Cooperative”). Each Cooperative’s members will be the owners of all PopUp Bagels Shops located and operating in the distinct geographic area or, if combined, the multiple geographic areas (including us and our affiliates, if applicable). We have the right to require you to contribute to the Cooperative up to 1% of the Shop’s monthly Gross Sales (although the Cooperative’s members may vote to increase the required contribution above this 1%, with each member in the Cooperative having one vote without regard to the number of PopUp Bagels Shops it owns and operates in the Cooperative’s area). We have the right to control how the Cooperative contributions are spent. All Cooperative dues you pay will count toward your Local Marketing Spending Requirement for the Shop but not toward your Grand Opening Marketing program or required Brand Fund contributions.

5. You must spend the amounts we periodically specify, not to exceed 1% of the Shop’s monthly Gross Sales, on approved Marketing Materials (defined as advertising, marketing, promotional, and consumer lead-generation formats and materials) and advertising, marketing, and promotional programs for the Shop (the “Local Marketing Spending Requirement”). Upon commencing operation of the Shop, your Local Marketing Spending Requirement will be ½% of your monthly Gross Sales until such time as we decide to increase the Local Marketing Spending Requirement percentage, as permitted under the Franchise Agreement. We will credit all of your Cooperative contributions toward the Local Marketing Spending Requirement. However, we do not count the Grand Opening Marketing program or Brand Fund contributions toward this minimum obligation. We have the right to review your books and records and to have you send us reports to determine your advertising, marketing, and promotion expenses. If you fail to spend (or prove that you spent) the Local Marketing Spending Requirement, we have the right to collect the required amounts from you and to deposit them into the Brand Fund.

Item 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

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 Rights Agreement	Us
Construction/ Leasehold Improvements/ Buildout costs ⁽²⁾	\$135,000 - \$434,000	As incurred	As incurred	Contractors
One Month's Rent ⁽³⁾	\$1,750 - \$18,000	As agreed	As incurred	Landlord
Security Deposit	\$1,750 - \$72,000	As agreed	As incurred	Landlord
Design and Architect Fee	\$5,000 - \$39,000	Lump sum	As incurred	Architect (and Us in limited circumstances)
Fixtures, Furniture, and Equipment ⁽⁴⁾	\$66,000 - \$158,000	Lump sum or financed	As incurred	Approved Suppliers
Signage (Exterior including awnings)	\$2,600 - \$12,000	As incurred	As incurred	Approved Suppliers
Menu Boards/Graphics/ Signage	\$2,500 - \$6,000	As incurred	As incurred	Approved Suppliers
Point-of-Sale / Computer / IT Systems ⁽⁵⁾	\$8,700 - \$10,850	Lump sum	As incurred	Approved 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
Opening Inventory, Operating Supplies, and Opening Smallwares ⁽⁶⁾	\$13,800 - \$27,500	Lump sum	Before opening	Approved Suppliers
Business and Operating Permits ⁽⁷⁾	\$4,500 - \$14,800	As incurred	As incurred	Government Agencies
Initial Training Travel & Living Expenses ⁽⁸⁾	\$2,500 - \$14,000	As incurred	As incurred	Employees / Vendors
Utilities	\$1,500 - \$4,500	As incurred	As incurred	Utility Suppliers
Insurance (3 months) ⁽⁹⁾	\$500 - \$2,000	As incurred	As incurred	Insurance Company / Broker
Professional Fees	\$6,500	As incurred	As incurred	Third-Party Advisors
Grand Opening Marketing Program ⁽¹⁰⁾	\$15,000	Lump sum	As incurred	Marketing, promotional and advertising sources and/or Us
Additional Funds—3 Months ⁽¹¹⁾	\$10,000 - \$15,000	As incurred	Monthly and as incurred	Third Parties, Suppliers, and Employees
Total Estimated Initial Investment (including real estate lease costs) ⁽¹²⁾	\$312,600 - \$884,150			

- Except for security and utility deposits, no expenditure in the table is refundable (deposit refundability depends on landlord’s and utility’s practices).

Explanatory Notes to Table:

Note 1: The initial franchise fee for each PopUp Bagels franchise is \$35,000.

No separate initial investment is required when you sign the Development Rights Agreement. You need only pay the development fee, which equals the full \$35,000 initial franchise fee for the first Shop covered by the first Franchise Agreement, plus a 50% deposit of the initial franchise fees due for each subsequent Shop you commit to develop under the DRA. The total investment necessary to begin operation if you acquire development rights (with a minimum required commitment of three PopUp Bagels Shops) is \$347,600 to \$919,150.

Note 2: The estimate includes amounts for construction, millwork, decorating costs and other leasehold improvements. We have estimated the costs associated with this expenditure based upon a commercial building with interiors consisting only of ceilings, lighting, plumbing, heating and cooling, interior walls (painted or unpainted), electrical outlets, rest rooms, and a concrete floor. This estimate covers both materials and labor. Leasehold improvement costs—which could include floor and window covering, wall treatment, counters, ceilings, painting, venting, electrical, and similar work, and contractor’s fees—depend on the site’s condition, location, and size; the demand for the site among prospective lessees; the site’s previous use; the build-out required to conform the site for your Shop; and any construction or other allowances the landlord grants. Your costs might be more or less than this estimate based on where you plan to operate your Shop, and the amount of tenant improvements provided by the landlord. This estimate assumes tenant improvements reimbursement of approximately \$30 per square foot.

Note 3: A typical PopUp Bagels Shop occupies approximately 700 to 1,200 square feet of leased space in a strip shopping center and/or heavy foot traffic area with adequate parking. The preferred trade area is a mix of residences and daytime businesses. The site should be close to daytime traffic drivers or foot traffic (for example, dense urban office neighborhoods, suburban office parks or corporate campuses, and large entertainment, hospital, or transportation complexes). Rent depends on geographic location, size, local rental rates, businesses in the area, site profile, and other factors. We expect franchisees to lease existing space. Your landlord likely will require you to pay a security deposit equal to one month’s rent or more. Your lease negotiations with your landlord and the Shop’s size and market area will determine when your lease payments begin. The initial investment table does not reflect the potential purchase cost of real estate or the costs of constructing a building suitable for the Shop.

Real property costs vary considerably according to geographic location and immediate surrounding factors. For example, rent costs are likely to be higher on the East Coast and West Coast and in dense major metropolitan areas.) Factors typically affecting your initial investment include your cost to negotiate the lease, terms under which other locations have been leased, how the costs of site improvements are allocated between landlord and tenant, interest costs, and the parties’ negotiations. Lease terms are individually negotiated and may vary materially from one location or transaction to another.

Commercial leases are typically “triple net” leases, requiring you to pay rent, all taxes, insurance, maintenance, repairs, common-area-maintenance costs, merchants’ association fees, and all other costs associated with the property. You might also have to pay percentage rent and make an initial payment into an escrow fund to cover estimated real estate taxes.

Note 4: This amount includes refrigerators, freezers, preparation tables, sinks, racks, burners, boiling pot and other items listed in our Operations Manual or equipment listings.

Note 5: The price ranges reflect equipment configurations and solution costs for the Toast point-of-sale system, charging stations, portable chargers, and credit-card processors as well as all necessary sound equipment, security equipment, phone system, and related network installation and configuration. This estimate includes the implementation fee paid to a third-party vendor for the initial set-up of the restaurant management software program as well as initial Payment Card Industry (PCI) Data Security Standard compliance costs, sales taxes, and shipping costs. Sales taxes and shipping costs are not included. The required components include Toast, Inc’s restaurant management software, equipment and network. The minimum Wi-Fi speed recommended is 1G. Neither we nor any affiliate has any obligation to provide ongoing maintenance, repairs, upgrades, or updates. We estimate the annual costs for software subscriptions to \$225 - \$300. We estimate the annual costs for operational subscriptions (Toast) range from \$2,700 - \$3,600.

Note 6: Before opening your Shop, you must purchase an initial inventory of required products from approved suppliers, including products for resale and raw ingredients, smallwares, containers and other paper, plastic, or similar goods, maintenance and cleaning materials, miscellaneous materials and supplies, and retail merchandise (sales taxes and shipping costs are not included).

Note 7: Before signing the Franchise Agreement, you should consult with the appropriate local agencies about likely expenses. The cost of obtaining business, health, and other permits and licenses for your Shop can vary considerably from area to area.

Note 8: This estimated range is for four people to attend our initial training program for one week, depending on the position of the trainee and includes estimated salaries for the participants, transportation, board, and lodging. You alone are responsible for all hiring decisions and all employment terms and conditions for your employees at the Shop. Your pre-opening labor costs might be higher depending on your own business decisions.

Note 9: You must obtain and maintain certain types and amounts of insurance coverage (described in Item 8). Insurance costs depend on policy limits, types of policies, nature and value of physical assets, gross sales, number of employees, square footage, location, business contents, and other factors affecting risk exposure. The estimate contemplates insurance costs for three months but excludes workers' compensation insurance. You should check with your insurance agent regarding additional insurance you might wish to obtain above our stated minimums.

Note 10: You must spend at least this amount on a public relations and grand opening marketing program for your Shop, which we will help you develop. You must send us your proposed public relations, marketing and promotional activity including program activity at least 30 days before its planned rollout date.

Note 11: This line-item estimates the funds needed to cover your other pre-opening expenses as well as initial expenses during the first three months of operation (other than the items identified separately in the table), including labor, supplies, rent, and utilities. These expenses do not include any draw or salary for you. This three-month period should not be interpreted to identify a point at which your Shop will break even. We relied on our affiliates' PopUp Bagels Shops development and operating experience since 2021 to compile this Additional Funds estimate.

Note 12: You should review these figures carefully with a business advisor before deciding to acquire the franchise. We do not offer financing directly or indirectly for any part of the initial investment. 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. An estimated initial investment will be incurred for each Shop established under a DRA.

Item 8 **RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES**

Brand Standards and Designated and Approved Suppliers

You must operate the Shop according to our Brand Standards. Brand Standards may regulate, among other things, types, models, and brands of furniture, fixtures, signs, branded vehicles (if any), and equipment (including components of and required software licenses for the Computer System) required for the Shop (collectively, "Operating Assets"); required, authorized, and unauthorized products and services for the Shop; and designated and approved manufacturers, suppliers, and/or distributors of

products and services. You must buy or lease all Operating Assets, products, and services you use or sell at the Shop only according to Brand Standards and, if we require, only from manufacturers, suppliers, or distributors we designate or approve (which may include or be limited to us, our affiliates, and/or other restricted sources) at the prices those suppliers choose to charge.

Currently, we and/or our affiliates are the exclusive suppliers for bagels, schmears, small containers of seafood items, ingredients, and certain beverages. We and/or our affiliates reserve the right to offer other items for sale to franchisees including for example, paper products and gloves.

Currently, we do not recommend any particular vendor to assist you with site-selection or lease-negotiation services. However, we reserve the right to pre-approve the vendor(s) you select.

You currently must buy all of the Shop's Operating Assets (defined above), point-of-sale and information-technology systems, small-wares, food and beverage products and ingredients, and branded and non-branded merchandise only from suppliers we designate or approve (which may include or be limited to us, our affiliates, and/or other restricted sources) or according to our minimum brand specifications (depending on the item involved).

If we determine that you do not have readily available accounting service providers or employees who can furnish required reports and other financial information in compliance with our minimum standards, we have the right to require the Shop to use bookkeeping services provided by our designated franchise accounting providers.

No officer of ours owns any interest in any unaffiliated supplier to the franchise system.

We restrict your sources of items and services in many cases to protect trade secrets and other intellectual property, help assure quality and a reliable supply of products meeting our standards, achieve better purchase and delivery terms, control third-party use of the Marks, and monitor the manufacture, packaging, processing, sale, and delivery of these items. Besides your purchases from designated or approved suppliers, you generally must purchase products and services meeting our minimum standards and specifications.

You must send us before you intend to use them, samples or proofs of all Marketing Materials we have not prepared (as an approved source of such items) or already approved Marketing Materials that you propose to change in any way. If we do not approve those Marketing Materials within 15 days after receiving them, they will be deemed disapproved for use. You may not use any Marketing Materials we have not approved or have disapproved. "Marketing Materials" are defined as advertising, marketing, promotional, and consumer lead-generation formats and materials.

Shop Development

You must develop the Shop at your expense. You must follow our construction guidelines and mandatory specifications and layouts for a PopUp Bagels Shop ("Plans"), including requirements for dimensions, design, interior layout, improvements, color scheme, décor, finishes, signage, and Operating Assets. All other decisions regarding the Shop's development are subject to our review and prior written approval.

You must adapt the Plans for the Shop ("Adapted Plans") and make sure they comply with the Americans with Disabilities Act ("ADA"), all other federal, state, and local laws, codes, ordinances, and regulations, and lease requirements and restrictions. We will not recommend an architect to prepare the Adapted Plans for your Shop. However, we reserve the right to pre-approve your architect. Further, we

reserve the right to review your architect's work at any point in the process of developing the Shop including his/her rendering of the Adapted Plans. In all cases, you must ensure we have final signoff of the Adapted Plans before the Shop's build-out begins and all revised or "as built" plans and specifications prepared during construction and development. Our review is limited to reviewing compliance with our Plans. Our review is not intended or designed to assess your compliance with applicable laws or lease requirements, which is your responsibility. We have the right to pre-approve your proposed general contractor.

You must at your expense construct, install all trade dress and Operating Assets in, and otherwise develop the Shop according to our standards, specifications, and directions. The Shop must contain all Operating Assets, and only those Operating Assets, we specify or pre-approve. You agree to place or display at the Shop (interior and exterior), according to our guidelines, only the signs, emblems, lettering, logos, and display materials we approve.

We periodically may modify Brand Standards, which may accommodate regional or local variations, and those modifications may obligate you to invest additional capital in the Shop and/or incur higher operating costs. You must implement any changes in mandatory Brand Standards within the time period we request. However, except for:

- (i) changes in the computer system;
- (ii) changes in signage and logo (*i.e.*, Shop exterior graphics);
- (iii) certain changes in connection with a transfer;
- (iv) changes required by the Shop's lease or applicable law; and
- (v) general Shop upkeep, repair, and maintenance obligations,

For all of which the timing and amounts are not limited during the franchise term, we will not require you to make any capital modifications (*i.e.*, any modification that would qualify as a capital expenditure under generally-accepted accounting principles) (1) during the first five years after the Shop commences operation or (2) during the last two years of the franchise term, unless the proposed capital modifications during those last two years (the amounts for which are not limited) are in connection with Shop upgrades, remodeling, refurbishing, and similar activities for your acquisition of a successor franchise.

This means that, besides the rights we reserve above in clauses (i) through (v), we may, as a condition of the renewal and/or extension of the Franchise Agreement, require you to alter the Shop's appearance, layout, and/or design substantially, and/or replace a material portion of the Operating Assets, in order to meet our then-current requirements and then-current Brand Standards for new PopUp Bagels Shops. You must spend any sums required in order to comply with this obligation and our requirements (even if such expenditures cannot be amortized over the remaining franchise term). However, we will not require you to spend in the aggregate in connection with any remodeling and renovation project more than \$75,000, with no more than \$33,000 in any one 12-month period. Within 60 days after receiving written notice from us, you must prepare plans according to the standards and specifications we prescribe (using an architect and general contractor we approve) and submit those plans to us for written approval. You must complete all work according to the plans we approve within the time period we reasonably specify.

Test Programs

We periodically have the right to require you to participate in certain test programs and consumer surveys for new products, services, and/or Operating Assets. This could obligate you to spend money for new Operating Assets and to incur other operating costs for the Shop. While we need not reimburse those costs, we will not require you to spend unreasonable amounts to participate in test programs and consumer surveys. Alternatively, we have the right to use the Brand Fund to pay for these costs. We have the right to discontinue any test programs before their scheduled completion dates and choose not to implement any changes to the Franchise System. We have not yet started any test programs but will advise you in advance of any required procedures.

Insurance

You must maintain insurance coverage for the Shop at your own expense in the amounts, and covering the risks, we periodically specify. Your insurance carriers must be licensed to do business in the Shop's state and be rated A-, VII or higher by A.M. Best and Company, Inc. (or satisfy our other criteria). We periodically may increase the required coverage amounts and/or require different or additional insurance coverage at any time to reflect inflation, identification of new risks, changes in law or standards of liability, higher damage awards, or relevant changes in circumstances. Insurance policies must name us and our designated affiliates as additional insureds (and be provided on an Additional Insured Grantor of Franchise Endorsement per form CG2029 or an endorsement form with comparable wording acceptable to us) and give us 30 days' prior written notice of material modification, cancellation, or non-renewal and notice of non-payment. You must send us a valid insurance certificate or duplicate insurance policy showing required coverage and payment of premiums.

You currently must have the following minimum insurance coverage: (i) commercial general liability insurance (including product, contractual, and owned and non-owned vehicle liability coverages) in minimum amounts of \$1 million per occurrence and \$2 million general aggregate; (ii) "All Risk" property damage insurance; (iii) business interruption insurance; (iv) employer's liability, workers' compensation, and such statutory insurance as may be required in the state in which the Shop is located; (v) employment practices liability insurance of at least \$50,000; and (vi) commercial umbrella/excess liability insurance of at least \$2 million. You also must obtain and maintain all other insurance required under applicable state law.

Loyalty Program Media

You must participate in, and comply with the requirements of, our Loyalty Program Media and customer loyalty/affinity and similar programs. Your participation will include accepting membership points and credits as payment from customers and paying us transaction-processing fees or merchant-services fees or otherwise reimbursing our or a third-party's costs for transactions through our Loyalty Program Media and customer loyalty/affinity programs.

Supplier Approval and Designation Process and Compliance with Brand Standards

Except as described above, there are no goods, services, supplies, fixtures, equipment, inventory, computer hardware and software, real estate, or comparable items related to establishing or operating the Shop that you currently must buy or lease from us (or our affiliates) or designated or approved suppliers. In the future, we have the right to designate other products and services that you must buy only from us, our affiliates, or designated or approved suppliers. To maintain the quality of PopUp Bagels Shop products and services and our franchise network's reputation, all Operating Assets, products, and services your Shop uses or sells (besides those described above that you currently may obtain only from us, our

affiliates, and/or approved and designated suppliers) must meet our minimum standards and specifications, which we issue and modify based on our, our affiliates', and our franchisees' experience in operating PopUp Bagels Shops. Standards and specifications may impose minimum requirements for production, performance, safety, reputation, prices, quality, design, and appearance. Our Operations Manual, other technical manuals, and written and online communications will identify our standards and specifications for you. When appropriate and authorized, you may provide those standards and specifications to suppliers if they agree to maintain confidentiality.

If you want to purchase or lease any Operating Assets, products, or services from a supplier or distributor we have not then approved (if we require you to buy or lease the asset, product, or service only from an approved supplier or distributor), then you must establish to our reasonable satisfaction that the quality and functionality of the item or service are equivalent to that of the item or service it replaces and that the supplier or distributor is, among other things, reputable, financially responsible, and adequately insured for product-liability claims. You must pay upon request either our then-current fee or any actual expenses we incur (whichever is greater) to determine whether or not the items, services, suppliers, or distributors meet our requirements and specifications. We will decide within a reasonable time (up to 120 days).

We have the right to condition supplier or distributor approval on requirements relating to product taste, quality, and safety; third-party lab testing; prices; consistency; warranty; supply-chain reliability and integrity; financial stability; customer relations; frequency, economy, and efficiency of delivery; the benefits of concentrating purchases with limited suppliers; standards of service (including prompt attention to complaints); and other criteria. We have the right to inspect the proposed supplier's or distributor's facilities and require the proposed supplier or distributor to send samples or items either directly to us or to a third-party testing service. We have the right to re-inspect a supplier's or distributor's facilities and products and revoke our approval of any supplier, distributor, product, or service no longer meeting our criteria by notifying you and/or the supplier or distributor. We do not make our approval criteria for suppliers or distributors available to franchisee. If we approve a supplier or distributor you recommend, we have the right to allow other PopUp Bagels Shops to purchase or lease the Operating Assets or other products or services from those suppliers or distributors without limitation and without compensation to you, although we will return any amounts, we initially charged you to determine whether or not the suppliers or distributors met our requirements and specifications.

Despite these procedures, we have the right to limit the number of approved suppliers and distributors, designate sources you must use, and refuse your requests for any reason, including because we already have designated an exclusive source (which might be us or our affiliate) for a particular item or service or believe that doing so is in the PopUp Bagels Shop network's best interests

Revenue from Supply Chain

We and/or our affiliates have the right to derive revenue—in the form of promotional allowances, volume discounts, commissions, other discounts, performance payments, signing bonuses, rebates, marketing and advertising allowances, free products, and other economic benefits and payments—from suppliers that we designate, approve, or recommend for some or all PopUp Bagels Shops on account of those suppliers' prospective or actual dealings with your Shop and other PopUp Bagels Shops. That revenue may or may not be related to services that we and our affiliates perform. All amounts received from suppliers, whether or not based on your or other franchisees' purchases from those suppliers, will be our and our affiliates' exclusive property, which we and our affiliates may retain and use without restriction for any purposes we and our affiliates deem appropriate. Any products or services that we or our affiliates sell you directly may be sold to you at prices exceeding our and their costs.

We also have the right to derive revenue from the sale of goods and services to franchisees by us or any of our affiliates.

As we did not begin offering franchises until November 2024, and there were no franchised PopUp Bagels Shops as of the end of fiscal year 2024, neither we nor our affiliates received any revenue during fiscal year 2024 either from selling or leasing any items or services directly to our franchisees or from suppliers based on franchisees' purchases from those suppliers. While there are no arrangements formally in place as of this disclosure document's issuance date with unaffiliated suppliers under which we or our affiliates will receive payments from those suppliers on account of their prospective dealings with our franchisees, we expect to begin receiving them on various food, beverage, and similar products once our franchisees open for business.

Collectively, your purchases and leases from us or our affiliates, from designated or approved suppliers, or according to our standards and specifications represent about 95% of your overall purchases and leases to establish and then to operate the Shop.

Negotiation of Purchase Arrangements

There currently are no purchasing or distribution cooperatives. We and our affiliates currently negotiate purchase arrangements with suppliers (including price terms) for Operating Assets, point-of-sale and information-technology systems, small-wares, certain food and beverage products, paper products, ingredients, and branded and non-branded merchandise. In doing so, we and our affiliates seek to promote the overall interests of the franchise system and affiliate-owned PopUp Bagels Shops and our interests as the franchisor.

We do not negotiate purchase arrangements for the benefit of any particular franchisee or group of franchisees. We and our affiliates might not obtain the best pricing or most advantageous terms for PopUp Bagels Shops. We and our affiliates also are not responsible for the performance of suppliers and distributors to PopUp Bagels Shops, including if their products or services fail to conform to or perform in compliance with Brand Standards or our contractual terms with the supplier or distributor.

We do not provide material benefits to a franchisee (for example, renewal or granting additional franchises) for purchasing particular products or services or using particular suppliers.

The Development Rights Agreement 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, or comparable items related to establishing or operating your business under the DRA. However, each site proposed for a PopUp Bagels Shop must satisfy our site-selection criteria and is subject to our written acceptance. Additionally, as otherwise provided in this disclosure document, our form of Franchise Agreement covers these items.

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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	5.A and B of Franchise Agreement 5 of Development Rights Agreement	5, 7, 8, 11, and 12
b. Pre-opening purchases/leases	5.C and D and 8.D and E of Franchise Agreement Not applicable under Development Rights Agreement	7, 8, and 11
c. Site development and other pre-opening requirements	5.C and D of Franchise Agreement 5 of Development Rights Agreement	7, 8, and 11
d. Initial and ongoing training	7 of Franchise Agreement Not applicable under Development Rights Agreement	5, 6, 7, and 11
e. Opening	5.D of Franchise Agreement 1(a), 2(a), and 5 of Development Rights Agreement	11 and 12
f. Fees	4.H and I, 5, 6, 7, 8.C, D, and E, 11, 14, 16, 17.C(1), 17.C(2)(g), 18, 19.C and D, 20.A, B, and G, 21.C, D, and E, and 22.C of Franchise Agreement 4 of Development Rights Agreement	5, 6, 7, and 8
g. Compliance with standards and policies/operating manual	7.G and 8 of Franchise Agreement Not applicable under Development Rights Agreement	8 and 11
h. Trademarks and proprietary information	9, 10, 11, and 12 of Franchise Agreement 3 of Development Rights Agreement	13 and 14
i. Restrictions on products/services offered	8.C and D of Franchise Agreement Not applicable under Development Rights Agreement	8, 11, 12, and 16
j. Warranty and customer service requirements	8.C of Franchise Agreement Not applicable under Development Rights Agreement	Not Applicable

Obligation	Section in agreement	Disclosure document item
k. Territorial development and sales quotas	Not applicable under Franchise Agreement 1(a), 2(a), and 5 of Development Rights Agreement	11 and 12
l. On-going product/service purchases	8.A, C, D, and E of Franchise Agreement Not applicable under Development Rights Agreement	6 and 8
m. Maintenance, appearance and remodeling requirements	8.A and C, 17.C(2)(h), and 18 of Franchise Agreement Not applicable under Development Rights Agreement	8, 11, and 17
n. Insurance	21.D of Franchise Agreement Not applicable under Development Rights Agreement	6, 7, and 8
o. Advertising	14 of Franchise Agreement Not applicable under Development Rights Agreement	5, 6, 7, 8, and 11
p. Indemnification	11 and 21.E of Franchise Agreement 10 and 11 of Development Rights Agreement	6
q. Owner's participation/management/staffing	4.H and I, 7, and 8.C(5) of Franchise Agreement Not applicable under Development Rights Agreement	11 and 15
r. Records and reports	15 of Franchise Agreement Not applicable under Development Rights Agreement	6
s. Inspections and audits	16 of Franchise Agreement Not applicable under Development Rights Agreement	6
t. Transfer	17 of Franchise Agreement 8 of Development Rights Agreement	6 and 17
u. Renewal	18 of Franchise Agreement Not applicable under Development Rights Agreement	6 and 17

Obligation	Section in agreement	Disclosure document item
v. Post-termination obligations	19.C and 20 of Franchise Agreement Not applicable under Development Rights Agreement	6 and 17
w. Non-competition covenants	13, 17.C(1) and (2)(c), and 20.E of Franchise Agreement 11 of Development Rights Agreement	15 and 17
x. Dispute resolution	22.C, F, G, H, I, J, and L of Franchise Agreement 11 of Development Rights Agreement	17
y. Consumer Data and Data Security	11 of Franchise Agreement Not applicable under Development Rights Agreement	14
z. Social Media Restrictions	8.C(14 and 15) of Franchise Agreement Not applicable under Development Rights Agreement	8
aa. Compliance with Customer Loyalty Programs	8.C(13) of Franchise Agreement Not applicable under Development Rights Agreement	6 and 8
bb. Compliance with Customer Complaint Resolution Procedures	8.C(6) of Franchise Agreement Not applicable under Development Rights Agreement	6
cc. Compliance with All Laws	8.B, 11, and 23 of Franchise Agreement Not applicable under Development Rights Agreement	Not Applicable
dd. Owner Guaranty	Owner's Guaranty and Assumption of Obligations and Undertaking of Non-Monetary Obligations (Exhibits B-1 and B-2 to Franchise Agreement) Not applicable under Development Rights Agreement	15

Item 10
FINANCING

We do not offer direct or indirect financing. We do not 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 begin operating the Shop, we will (directly or through an affiliate or other designated third party):

1. Review potential Shop sites that you identify within the Site Selection Area. We will visit the Site Selection Area once (at no additional fee) to review potential Shop sites. We have the right to require you to pay up to \$1,500, plus our travel-related expenses for each site visit after the first visit. We have the right to condition our acceptance of a proposed site, or a proposed site visit, on your first sending us complete site reports and other materials (including photographs and digital recordings) we request. We will give you our then-current criteria for PopUp Bagels Shop sites (including population density and other demographic characteristics, ingress and egress, visibility, traffic flow, competition, accessibility, size, and other physical and commercial characteristics) to help in the site-selection process.

We will use reasonable efforts to review and accept or reject each site you propose within 15 days after we receive all requested information and materials. If we do not accept the site in writing within those 15 days, the site is deemed rejected. We will not unreasonably withhold our acceptance of a site if, in our and our affiliates' experience and based on the factors outlined above, the proposed site is not inconsistent with sites that we and our affiliates regard as favorable or that otherwise have been successful sites in the past for PopUp Bagels Shops. However, we have the absolute right to reject any site not meeting our criteria or to require you to acknowledge in writing that a site you prefer, while acceptable to us, is not recommended due to its incompatibility with certain factors bearing on a site's suitability as a location for a PopUp Bagels Shop. After we accept and you secure a proposed site, we will identify that site as the Shop's address in Exhibit A of the Franchise Agreement. (Franchise Agreement—Section 5.A; DRA—Section 5) We do not own locations for lease to franchisees. Under the DRA, we first must accept each new site you propose for each new PopUp Bagels Shop. Our then-current standards for sites will apply.

If you do not find an acceptable Shop site within three months after the Franchise Agreement's effective date, and then secure that site under an acceptable lease within an additional three months after we accept the site, we have the right to terminate the Franchise Agreement upon written notice to you. The initial franchise fee is not refundable. (Franchise Agreement—Section 5.A)

If we and you (or your affiliate) are parties to a Development Rights Agreement, the negotiated deadlines specified in that Development Rights Agreement will supersede the deadlines specified above. (DRA—Section 2(d))

2. Accept or reject your Shop's lease or sublease. You must send us for review both the proposed terms of the lease or sublease (as they appear in, for example, a landlord letter of intent) and the actual lease or sublease, in each case after receipt from the landlord. We will have 15 days after receiving the proposed lease terms, and another 15 days after receiving the actual lease (these timeframes will not overlap or run concurrently without our prior written approval), to review and either accept or reject what you send us. The lease or sublease must include the Lease Rider attached as Exhibit D to the Franchise Agreement. You may not sign any lease we have not accepted in writing. (Franchise Agreement—Section 5.B)

3. Give you template Plans for the Shop’s development. Our Plans might not reflect the requirements of any federal, state, or local laws, codes, ordinances, or regulations, including those arising under the ADA, or any lease requirements or restrictions. You are solely responsible for complying with all laws and must inform us of any changes to the Shop’s specifications that you believe are necessary to ensure such compliance.

You must ensure that your Adapted Plans for the Shop comply with all laws and lease requirements and restrictions. We reserve the right to pre-approve any architect you intend to use to prepare the Adapted Plans. In all cases, we must pre-approve in writing the Adapted Plans before the Shop’s build-out begins and all revised or “as built” plans prepared during the Shop’s construction and development. You must develop the Shop in compliance with the approved Adapted Plans. We have the right to pre-approve your proposed general contractor. During the Shop’s build-out, we have the right to physically to inspect the Shop or have you send us pictures and images (including recordings) of the Shop’s interior and exterior so we can review your development of the Shop in compliance with our Brand Standards. (Franchise Agreement—Section 5.C) We do not conform the Shop’s premises to local ordinances and building codes or obtain required permits for you.

4. Provide initial training for your Operating Principal, the Shop’s General Manager (Bagel Chef), and 2 assistant managers. We describe this training later in this Item. (Franchise Agreement – Sections 7.A and 7.B)

5. Identify in writing or electronically the Operating Assets, inventory, supplies, and other products and services you must use to develop and operate the Shop, the minimum standards and specifications you must satisfy, and the designated and approved manufacturers, suppliers, and distributors from which you must or may buy or lease items and services (which may include or be limited to us and/or our affiliates). (Franchise Agreement – Sections 5.C, 7.G, 8.C, 8.D, and 8.E) We and our affiliates currently are not involved in delivering or installing fixtures, equipment, or signs, although we will provide direction for you to comply with our Brand Standards.

6. Send an “opening team” to the Shop during its opening phase to help you train your supervisory employees on our philosophy and Brand Standards (but not matters relating to labor relations and employment practices). (Franchise Agreement – Section 7.C)

7. Give you access to our various operations and technical manuals, bulletins, and other materials (collectively, the “Operations Manual”). The Operations Manual may consist of and is defined to include audio, video, computer software, other electronic and digital media, and/or written and other tangible materials. The Operations Manual contains Brand Standards and information on your other obligations under the Franchise Agreement. We have the right to modify the Operations Manual periodically to reflect changes in Brand Standards, but those modifications will not alter your fundamental rights or status under the Franchise Agreement. If there is a dispute over the Operations Manual’s contents, our master version controls. The Operations Manual currently contains the equivalent of approximately 134 total pages; its current table of contents is Exhibit E. (Franchise Agreement – Section 7.G)

8. Consult with you on a customizable public relations and grand opening marketing program for the Shop. You must send us the proposed program for pre-approval at least 30 days before its planned rollout date. If we do not accept the program in writing within 15 days, it is deemed rejected. You must implement the approved program according to Brand Standards and our other requirements. (Franchise Agreement – Section 14.A)

9. Designate a specific number of Shops that you (and your Approved Affiliates) must develop and open at accepted locations within your development Territory and the development deadlines (if we grant you development rights). (DRA – Sections 1, 2, and 5) Proposed Shop sites will be accepted only if they meet our then-current standards for Shop sites.

Opening

While you must open the Shop for business within 12 months after the Franchise Agreement's effective date, we expect that the typical opening timeframe will be 6 to 12 months after you sign the Franchise Agreement. Your opening timetable depends on how quickly you find the Shop's site and finalize its lease; the Shop's condition and upgrading and remodeling requirements; the Shop's construction and build-out schedule; obtaining licenses; the delivery schedule for Operating Assets and supplies; attending and completing training; and complying with local laws and regulations. (Franchise Agreement—Sections 5.C and 5.D) If we and you (or your Approved Affiliate) are parties to a DRA, the DRA will identify the negotiated opening and other deadlines for each Shop you commit to develop. (DRA – Sections 1, 2, and 5 and Exhibit A)

You may not open the Shop for business until: (1) we or our designee inspects and approves the Shop as having been developed in compliance with our specifications and standards; (2) your Operating Principal and Shop General Manager complete initial training to our satisfaction; (3) the Shop has sufficient trained employees to manage and operate the Shop on a day-to-day basis in compliance with our Brand Standards; (4) the Shop's employees are food-safety certified; (5) you have satisfied all state and federal permitting, licensing, and other legal requirements and, at our request, have sent us copies of all required permits, licenses, and insurance policies; and (6) you have paid all amounts owed to, and are not in default under any agreement with, us, our affiliates, and principal suppliers. (Franchise Agreement—Sections 5.C and 5.D)

If you cannot open the Shop for business by the opening deadline despite your diligent efforts, you may request one 30-day extension to open. We will not unreasonably deny your request if the reasons for your request demonstrate your diligence in the Shop development and opening process. You may request a second 30-day extension on the same terms. You may request a third (and final) 30-day extension of the opening deadline, which request we will not unreasonably deny if the reasons for your request demonstrate your diligence in the Shop development and opening process and you pay us a \$5,000 extension fee for that final extension. (Franchise Agreement—Section 5.D; DRA—Exhibit A)

Ongoing Assistance

During your Shop's operation, we will (directly or through an affiliate or other designated third party):

1. Advise you or make recommendations regarding the Shop's operation with respect to standards, specifications, operating procedures, and methods that PopUp Bagels Shops use; purchasing required or recommended Operating Assets and other products, services, supplies, and materials; supervisory-employee training methods and procedures (although you are solely responsible for the employment terms and conditions of all Shop employees); and accounting, advertising, and marketing. We may guide you through our Operations Manual, by electronic media, by telephone, and/or at our office or the Shop. (Franchise Agreement – Section 7.G)

2. Give you, at your request and expense (and our option), additional or special guidance, assistance, and training that we believe you need to address issues specific to your Shop. We have no

obligation to continue providing any specific ongoing training, conventions, advice, or assistance. (Franchise Agreement – Section 7.G)

3. Continue to give you access to our Operations Manual. (Franchise Agreement – Section 7.G)

4. Issue and modify Brand Standards. Changes in Brand Standards may require you to invest additional capital in the Shop and/or incur higher operating costs. You must comply with those obligations within the timeframe we specify. Item 8 describes certain related cost caps. Brand Standards may regulate and establish (to the extent the law allows) price advertising policies and maximum, minimum, or other pricing requirements for products and services the Shop sells, including requirements for promotions, special offers, and discounts in which some or all PopUp Bagels Shops must participate. While we currently do not mandate your Shop’s retail prices, we will suggest or recommend prices your Shop should charge. (Franchise Agreement – Sections 8.A and 8.C)

5. Let you use our Marks. (Franchise Agreement – Section 9)

6. Let you use our confidential information, some of which constitutes trade secrets under applicable law (the “Confidential Information”). (Franchise Agreement – Section 10)

7. Establish and maintain a Brand Fund for advertising, marketing, research and development, public relations, Social-Media management, consumer lead-generation, customer-relationship-management, and technology programs, materials, and activities we deem appropriate to enhance, promote, and protect the PopUp Bagels Shop brand and franchise system. We describe the Brand Fund and other advertising activities below. (Franchise Agreement – Section 14.B)

8. Periodically inspect and monitor the Shop’s operation. (Franchise Agreement – Section 16.A)

9. Periodically offer refresher training courses. (Franchise Agreement – Section 7.D)

10. Review Marketing Materials you want to use. (Franchise Agreement – Sections 14.C and D)

Advertising and Marketing Programs

Grand Opening Marketing Program

You must conduct a Grand Opening Marketing Program to support the initial opening of the Shop. Your Grand Opening Marketing budget must not be less than \$15,000 for the marketing and promotional activities associated with the initial opening. We expect this Program to begin approximately 30 days before and to continue for approximately 60 days after the Shop opens (although we have the right to specify a different timeframe). We will consult with you about the advertising and marketing plan that we believe is most suitable for the market area surrounding your Shop. While it is likely that you will directly pay your vendors for their work in connection with your grand opening program, we reserve the right to require you to pay us for your program’s anticipated costs, which we then will either spend funds on your behalf for marketing and promotional activities in the Shop’s market area or re-pay you as you send us invoices/receipts confirming your commitment with vendors to move forward with the approved plan.

Brand Fund

We have established a Brand Fund to which you and other franchisees must contribute the amounts we periodically specify, not to exceed 3% of your Shop's weekly Gross Sales. We currently charge franchisees 2% of the Shops' weekly Gross Sales.

Until the total number of operational franchised PopUp Bagels Shops equals the total number of operational Company- and affiliate-owned PopUp Bagels Shops, the operational Company- and affiliate-owned PopUp Bagels Shops collectively are only required to match each calendar-week period the total Brand Fund contributions actually made during that calendar-week period by all operational franchised PopUp Bagels Shops. Once the total number of operational franchised PopUp Bagels Shops equals the total number of operational Company- and affiliate-owned PopUp Bagels Shops, each operational Company- and affiliate-owned PopUp Bagels Shop will contribute to the Brand Fund each calendar-week period on the same percentage basis as franchisees, provided, however, that no operational Company- or affiliate-owned PopUp Bagels Shop must contribute to the Brand Fund during any calendar-week period during the franchise term more than the highest-contributing operational franchised PopUp Bagels Shop actually contributed during that calendar-week period.

We will account for the Brand Fund separately from our other funds (although we need not keep Brand Fund contributions in a separate bank account) and not use the Brand Fund for any of our general operating expenses. However, the Brand Fund may reimburse us and our affiliates for the reasonable salaries and benefits of personnel who manage and administer, or otherwise provide assistance or services to, the Brand Fund; the Brand Fund's administrative costs; travel-related expenses of personnel while they are on Brand Fund business; meeting costs; overhead relating to Brand Fund business; and other expenses we and our affiliates incur administering or directing the Brand Fund and its programs, including conducting market research, preparing Marketing Materials, collecting and accounting for Brand Fund contributions, paying taxes due on Brand Fund contributions we receive; and any other costs or expenses we incur operating or as a consequence of the Fund. We will not use the Brand Fund specifically to develop materials and programs to solicit franchisees. However, media, materials, and programs prepared using Brand Fund contributions may describe our franchise program, reference the availability of franchises and related information.

We will direct all programs the Brand Fund finances, with sole control over and ownership of all creative and business aspects of the Fund's activities. The Brand Fund may pay for, among other things, creating, preparing, producing, and/or placing (in media and through other venues) video, audio, written, and other tangible materials, Social Media and other Digital Marketing, and premium samples and giveaways; creating, developing, maintaining, and administering one or more System Websites and other e-commerce strategies (including an Intranet); creating and administering national, regional, multi-regional, local, and multi-local marketing, advertising, and consumer lead-generation programs (which may include spending Brand Fund contributions in specific geographic markets or directing Brand Fund contributions to individual or groups of franchisees to spend on marketing, advertising, and consumer lead-generation programs in their own markets); using advertising, public relations, and marketing agencies and other advisors to provide assistance (including paying retainer and management fees); establishing regional and national promotions (including contests) and partnerships and hiring spokespersons and digital influencers to promote the PopUp Bagels Shop brand; establishing on-line systems and other vehicles for centralized customer interaction; supporting public relations, market research and development, and other advertising, promotion, marketing, and brand-related activities; creating and implementing customer-satisfaction surveys; organizing and hosting franchisee conferences, conventions, and meetings; supporting and hosting charitable or nonprofit events and community-based activities; and funding Loyalty Program Media and Apps. ("Digital Marketing" means any domain name, homepage, electronic address, metatag, or other marketing in connection with any website or other online

presence, including on or through Social Media and display ads. “Social Media” means blogs, common social networks like Facebook and Instagram, professional networks like LinkedIn, live-blogging tools like X (formerly known as Twitter), file, audio, and video-sharing sites, and other similar social-networking media or tools, both existing and developed in the future.) You may not utilize Social Media and/or Digital Marketing without our prior written approval or consent.

The Brand Fund may advertise locally, regionally, and/or nationally in printed and on other tangible materials, on radio or television, and/or on the Internet, as we think best. We and/or an outside regional or national advertising agency will produce all advertising and marketing. The Brand Fund periodically may give you sample Marketing Materials at no cost. We may sell you multiple copies of Marketing Materials at our direct production costs, plus any related shipping, handling, and storage charges. The Brand Fund had no operating history before this disclosure document’s issuance date.

The Brand Fund is not a trust, and we do not owe you fiduciary obligations because we maintain, direct, or administer the Brand Fund or for any other reason.

The Brand Fund may spend in any fiscal year more or less than the total Brand Fund contributions in that year, borrow from us or others (paying reasonable interest) to cover deficits, invest any surplus for future use, and roll over unspent monies to the following year. We have the right to use new Brand Fund contributions to pay Brand Fund deficits incurred during previous years. We will use all interest earned on Brand Fund contributions to pay costs before using the Brand Fund’s other assets. We will prepare an annual, unaudited statement of Brand Fund collections and expenses and share the statement electronically within 60 days after our fiscal-year end or otherwise give you a copy of the statement upon reasonable request. We have the right (but no obligation) to have the Brand Fund audited annually, at the Brand Fund’s expense, by a certified public accountant we designate. We have the right to incorporate the Brand Fund or operate it through a separate entity whenever we deem appropriate. The successor entity will have all of the rights and duties specified here.

The Brand Fund’s principal purposes are to maximize recognition of the Marks, increase patronage of PopUp Bagels Shops, and enhance, promote, and protect the PopUp Bagels Shop brand and franchise system. Although we will try to use the Brand Fund in the aggregate to develop and implement Marketing Materials and programs benefiting all PopUp Bagels Shops, we need not ensure that Brand Fund expenditures in or affecting any geographic area are proportionate or equivalent to Brand Fund contributions by PopUp Bagels Shops operating in that geographic area or that any PopUp Bagels Shop benefits directly or in proportion to its Brand Fund contribution from the development of Marketing Materials or the implementation of programs. (In other words, the Brand Fund need not spend any specific amount in your market area. In addition, we have no separate obligation—apart from the Brand Fund—to spend any amounts to advertise in your market area.) We have the right, but no obligation, to use collection agents and institute legal proceedings at the Brand Fund’s expense to collect unpaid Brand Fund contributions. We also may forgive, waive, settle, and compromise all claims by or against the Brand Fund. We assume no other direct or indirect liability or obligation to you for collecting amounts due to, maintaining, directing, or administering the Brand Fund.

We have the right at any time to defer or reduce the Brand Fund contributions of any PopUp Bagels Shop franchisee and, upon 30 days’ prior written notice to you, reduce or suspend Brand Fund contributions and operations for one or more periods of any length and terminate (and, if terminated, reinstate) the Brand Fund. If we terminate the Brand Fund, we will either (i) spend the remaining Fund balance on permitted programs and expenditures or (ii) distribute all unspent funds to our then-existing franchisees, and to us and our affiliates, in proportion to their and our respective Brand Fund contributions during the preceding 12 months. (Franchise Agreement – Section 14.B)

During fiscal year 2024, there were no Brand Fund expenditures.

Local Marketing

You must spend the amounts we periodically specify, not to exceed 1% of your Shop's monthly Gross Sales (unless a Cooperative votes to spend more), on approved Marketing Materials and advertising, marketing, and promotional programs for the Shop ("Local Marketing Spending Requirement"). Upon commencing operation of the Shop, your Local Marketing Spending Requirement will be ½% of your monthly Gross Sales until such time as we decide to increase the Local Marketing Spending Requirement percentage, as permitted under the Franchise Agreement. You must prepare, or collaborate with us to prepare, a written local marketing plan for the Local Marketing Spending Requirement and send us the plan for review and pre-approval. (Franchise Agreement – Section 14.D) We have the right to determine which expenses count or do not count toward your Local Marketing Spending Requirement. Generally, Brand Fund contributions, price discounts or reductions you provide as a promotion, permanent on-premises signs, lighting, personnel salaries, administrative costs, transportation vehicles (even if they display the Marks), and employee-incentive programs do not count. If you do not spend (or prove that you spent) the Local Marketing Spending Requirement, we have the right to collect the required amounts from you and to deposit them into the Brand Fund.

The marketing activities in which you engage will materially affect your Shop's success or lack of success. The Local Marketing Spending Requirement might be insufficient for you to achieve your business objectives. Subject to the requirements above, you alone are responsible for determining how much to spend on, and the nature of, Marketing Materials and other approved advertising, marketing, and promotional programs for the Shop in order to achieve your business objectives. (Franchise Agreement – Section 14.D)

Approval of Advertising

All promotional, advertising, marketing, and public relations activities you conduct and Marketing Materials you prepare must not be misleading, must conform to our policies, and must comply with all applicable laws. To protect the goodwill that we and our affiliates have accumulated in the PopUp Bagels name and other Marks, you must send us before you intend to use them samples or proofs of (1) all Marketing Materials we have not prepared or already approved, and (2) all Marketing Materials we have prepared or already approved which you propose to change in any way. If we do not approve your Marketing Materials in writing within 15 days after we actually receive them, they will be deemed disapproved for use. While we will not unreasonably withhold our approval, you may not use any Marketing Materials we have not approved or have disapproved. We reserve the right upon 30 days' prior written notice to require you to discontinue using any previously approved Marketing Materials. (Franchise Agreement – Section 14.C)

Advertising Councils

There currently are no franchisee advertising councils advising us on advertising and marketing policies and programs. However, we have the right to form, change, dissolve, or merge any franchisee advertising council. Once we form a franchisee "advisory" council, we expect that council to provide input on advertising and marketing-related issues.

Advertising Cooperatives

We have the right to designate one or more distinct geographic areas or any combination of geographic areas for one or more advertising cooperatives (each, a "Cooperative"). Each Cooperative's

members will be the owners of all PopUp Bagels Shops located and operating in the distinct geographic area or, if combined, the multiple geographic areas (including us and our affiliates, if applicable). The geographic areas comprising a Cooperative, if there is more than one distinct geographic area in a Cooperative, need not be contiguous to one another or be in the same Designated Market Area (DMA). Each Cooperative will be organized and governed in a form and manner, and begin operating on a date, we determine. We have the right to change, dissolve, and merge Cooperatives. Each Cooperative's purpose is, with our approval, to create, implement, and administer advertising, marketing, and promotional programs and develop Marketing Materials for the benefit of the Cooperative's members. If we already have established, or at some point establish, a Cooperative for the geographic area in which your Shop is located, you automatically will become a member of the Cooperative and must participate as its governing documents require. (Franchise Agreement – Section 14.E)

We reserve the right to require you to contribute to the Cooperative up to 1% of the Shop's monthly Gross Sales (the Cooperative's members may vote to increase the required contribution above this 1%, with each member in the Cooperative having one vote without regard to the number of PopUp Bagels Shops it owns and operates in the Cooperative's area). All Cooperative dues you contribute will count toward the Local Marketing Spending Requirement. However, Cooperative dues will not affect your Grand Opening Market program obligations or be credited toward your required Brand Fund contributions. There are no Cooperatives as of this disclosure document's issuance date.

System Website and Electronic Advertising

We or our designees may establish a website or series of websites (with or without restricted access) for the PopUp Bagels Shop network: (1) to advertise, market, identify, and promote PopUp Bagels Shops, the products and services they offer, and/or the PopUp Bagels Shop franchise opportunity; (2) to help us operate the PopUp Bagels Shop network; and/or (3) for any other purposes we deem appropriate for PopUp Bagels Shops or our other business activities (collectively, the "System Website"). The System Website may, but need not, allow you to participate in the System Website. We will own all intellectual property and other rights in the System Website and all information it contains. We will control and may use the Brand Fund's assets to develop, maintain, operate, update, and market the System Website.

All Marketing Materials you develop for the Shop must comply with Brand Standards and contain notices of the System Website's URL as we specify. You may not develop, maintain, or authorize any Social Media or other Digital Marketing mentioning or describing the Shop or displaying any Marks without our prior written approval and, if applicable, without complying with our Brand Standards for such Social Media and other Digital Marketing. Except for the System Website and approved Social Media, other Digital Marketing, and Apps, you may not conduct commerce or directly or indirectly offer or sell any products or services using any Social Media or other Digital Marketing. We have the right to maintain websites other than the System Website and to offer and sell products and services under the Marks from the System Website, another website, or otherwise over the Internet without payment or other obligation to you. (Franchise Agreement – Section 14.F)

Computer System

You must obtain and use the computer hardware and software, point-of-sale system, computer-related accessories and peripheral equipment, tablets, smart phones, on-line, digital, and App ordering systems, and on-line kitchen-management system we periodically specify (the "Computer System"). You must use the Computer System to access the System Website and to input and access information about your sales and operations. The Computer System must permit 24-hours-per-day, 7-days-per-week electronic communications between you and us. (Franchise Agreement – Section 8.E) We will have

continuous, unlimited, independent access to all non-privileged information on the Computer System, whether confidential or not confidential, that relates to the System and/or the Shop, excluding employee or employment-related information, and to the contents of any PopUp Bagels e-mail accounts that we provide to you. There are no contractual limitations on our right to access the information on your Computer System, except that we will not unreasonably interfere with your Shop's operation. We estimate the Computer System's initial cost to range from \$8,700 to \$10,850.

The third parties whose computer-related products you buy have no contractual right or obligation to provide ongoing maintenance, repairs, upgrades, or updates unless you obtain a service contract or a warranty covers the product. We do not currently expect any separate maintenance charges because they are encompassed within the subscription services. We estimate the annual costs for software subscriptions to range from \$225 - \$300. We estimate the annual costs for operational subscriptions (the Toast POS system) to range from \$2,700 - \$3,600. The Computer System generates and maintains sales, menu mix, and other financial information. You must upgrade the Computer System, and/or obtain service and support, as we require or when necessary, because of technological developments, including complying with PCI Data Security Standards. There are no contractual limitations on the frequency and cost of this obligation. We need not reimburse your costs. You may not use any unapproved computer software or security access codes.

You currently must pay us a monthly Technology Fee, the amount of which will not exceed \$750 per month, due and payable at the same time and in the same manner as the Royalty or in such other manner we periodically specify. The Technology Fee is for technology products or services we determine to associate or utilize in connection with the Franchise System and to cover all or certain portions of the corresponding costs. We expect the Technology Fee initially to cover operational-data analytics, learning-management platforms, restaurant management software development, website development, point-of-sale system development, and data input/storage. The Technology Fee does not cover software subscriptions or license fees payable to third parties, meaning that, despite payment of the Technology Fees to us, you must pay third-party vendors for the costs of and support services for your Shop's Computer System. We have no obligation to account to you or other franchisees for our use of Technology Fees or to ensure that you or the Shop benefits directly or pro rata based on your payments of Technology Fees.

We and our affiliates may condition any license to you of required or recommended proprietary software, and/or your use of technology developed or maintained by or for us, on your signing a software license agreement, liability waiver, and/or similar document, or otherwise agreeing to the terms (for example, by acknowledging your consent in a click-through license agreement), that we and our affiliates require to regulate your use of the software or technology. We and our affiliates have the right to charge you upfront and ongoing fees for any required or recommended proprietary software or technology we or our affiliates choose to create, develop, modify, and license to you (to the extent not covered by the Technology Fee) and for other Computer System maintenance and support services and programs provided during the franchise term.

Despite your obligation to buy, use, and maintain the Computer System according to our standards and specifications, you have sole and complete responsibility for: (1) acquiring, operating, maintaining, and upgrading the Computer System; (2) the manner in which your Computer System interfaces with our and any third party's computer system; (3) any and all consequences if the Computer System is not properly operated, maintained, and upgraded; and (4) independently determining what is required for you to comply (and then complying) at all times with the most-current version of the PCI Data Security Standards, and with all laws (including privacy laws) governing the use, disclosure, and protection of Consumer Data and the Computer System, and validating compliance with those standards and laws as periodically required. "Consumer Data" means the names, addresses, telephone numbers,

email addresses, dates of birth, demographic or related information, buying habits, preferences, credit-card information, and other personally-identifiable information of customers.

Computer systems are vulnerable in varying degrees to computer viruses, bugs, power disruptions, communication-line disruptions, Internet access failures, Internet content failures, and attacks by hackers and other unauthorized intruders. It is your responsibility to protect yourself from these problems, which include taking steps to secure your systems (including continually updating firewalls, password protection, and anti-virus systems) and using backup systems.

Training

Initial Training Program

We will furnish through virtual and distance learning and other electronic means and, at our option, at a designated training location of our choice (which may be our corporate headquarters, an operating PopUp Bagels Shop, and/or your Shop), an initial training program (“Initial Training”) on operating a PopUp Bagels Shop. We will train up to four people at no additional charge, including your Operating Principal, the Shop’s General Manager, and two assistant managers. (Franchise Agreement—Section 7.A) You must attend all aspects of the Initial Training that we specify. We expect training (which currently is one week long for your Operating Principal and the Shop’s General Manager and one weeklong for assistant manager) to occur after you sign the Franchise Agreement and while you develop the Shop. Before you open the Shop for business, your Operating Principal and Shop General Manager must complete Initial Training to our satisfaction. The Shop must have on staff at least one trained General Manager and one fully-trained Assistant Manager.

We plan to be flexible in scheduling training to accommodate our personnel, your Operating Principal, and the Shop’s personnel. There currently are no fixed (*i.e.*, monthly or bi-monthly) training schedules. We use manuals, videos, and other hands-on training aids during the training program. Your training attendees must complete training at least 30 days before the Shop’s scheduled opening date. You must pay your employees’ wages, benefits, and travel, hotel, and food expenses while they attend training. Our training program may include a “train the trainer” module so your senior-level personnel can learn how to train your other employees to follow Brand Standards.

The following chart describes our current initial training program:

TRAINING PROGRAM

Column 1	Column 2 Hours of Training		Column 3
Subject	Classroom	On-the-job	Location
History of the Brand	1	0	Designated Training Facility/Virtual/Electronic
Operations Manual	2	0	Designated Training Facility/Virtual/Electronic
Onboarding	1	0	Designated Training Facility/Virtual/Electronic

Column 1	Column 2 Hours of Training		Column 3
Subject	Classroom	On-the-job	Location
Interviewing and Hiring	0.5	0	Designated Training Facility/Virtual/ Electronic Designated Training Facility/Virtual/ Electronic
Pre- Opening Procedures	0	4	Designated Training Facility/Virtual/ Electronic
Receiving Procedure	0	1	Designated Training Facility/Virtual/ Electronic
Accounting /Financial Record Keeping	1	1	Designated Training Facility/Virtual/ Electronic
Customer Service/Interaction	1	4	Designated Training Facility/Virtual/ Electronic
Inventory Management	1	3	Designated Training Facility/Virtual/ Electronic
Quality Assurance	1	12	Designated Training Facility/Virtual/ Electronic
POS System - Toast	0.5	2	Designated Training Facility/Virtual/ Electronic
Prep/Recipe/Back of the House	1	4	Designated Training Facility/Virtual/ Electronic
Advertising and Marketing/Shop Traffic	0	2	Designated Training Facility/Virtual/ Electronic
Cleaning Procedures and Closing	0	3	Designated Training Facility/Virtual/ Electronic
Delivery Procedures	0	4	Designated Training Facility/Virtual/ Electronic
Total	10	40	

Brian Coakley, who has been Vice President, Operations of PUB since February 2024, will administer and supervise franchisee training. Mr. Coakley has significant expertise in the restaurant industry, especially in restaurant management and sales.

The rest of our training team, consisting of restaurant-level general managers (Bagel Chefs) and assistant managers, also assist with hands-on training; all of them have adequate training and appropriate knowledge to facilitate training in the areas they will teach based on their day-to-day involvement with our system.

We will send an “opening team” to the Shop to support the Shop during its opening phase and to help you train your supervisory employees on our philosophy and Brand Standards (but not matters relating to labor relations and employment practices). We expect the opening team to arrive approximately two days before the Shop’s scheduled opening date and to remain on-site for approximately six days after the Shop’s opening date. We will pay our opening team’s wages and travel-related expenses. However, if in our opinion you and/or the Shop needs, or if you request and we agree to provide, special guidance, assistance, or training (excluding training relating to labor relations and employment practices) that extends beyond the period our opening team was scheduled to be at the Shop, you must pay our personnel’s daily charges (including wages) and travel, hotel, and living expenses. We have the right to delay the Shop’s opening until all required training has been satisfactorily completed. (Franchise Agreement—Section 7.C)

Retraining

If your Operating Principal or Shop General Manager fails to complete Initial Training to our satisfaction, or we determine after an inspection that retraining is necessary because the Shop is not operating according to Brand Standards, he or she may attend a retraining session for which we have the right to charge our then-current training fee. You must pay all employee compensation and expenses during retraining. (Franchise Agreement—Section 7.B) Our fee for supplemental and ongoing training ranges up to \$2,000 per person if at our location or up to \$500 per trainer per day, plus certain expenses, if at your Shop. The Shop may commence and continue operation only if there is at least one fully-trained General Manager who intends to be at the Shop daily. You must replace the Operating Principal if he or she cannot complete Initial Training to our satisfaction.

Training for Shop Employees

Your General Manager and the Shop’s assistant managers must properly train all Shop employees to perform the tasks for their respective positions. We may develop and make available training tools and recommendations for you to use in training the Shop’s employees to comply with Brand Standards. We may update these training materials to reflect changes in our training methods and procedures and changes in Brand Standards. (Franchise Agreement—Section 7.F)

Ongoing and Supplemental Training

We have the right to require your Operating Principal, the General Manager, and the Shop’s assistant managers to attend and complete satisfactorily various training courses and programs that we or third parties periodically offer during the franchise term at the times and locations we designate. However, we will not require attendance at these training courses and programs for more than five days total during each calendar year. You must pay their compensation and expenses during training. We have the right to charge our then-current fee for continuing and advanced training. If you request training courses or programs to be provided locally, then subject to our training personnel’s availability, you must pay our then-current training fee and our training personnel’s travel and living expenses. (Franchise Agreement—Section 7.D) Our fee for supplemental and ongoing training ranges up to \$500 per trainer per day plus certain expenses.

Besides attending and/or participating in the various training courses and programs described above, at least one of your representatives (the Operating Principal or another designated representative we approve) must at our request attend an annual meeting of all PopUp Bagels Shop franchisees for up to 3 days at a location we designate. You must pay all costs to attend. You must pay any meeting fee we charge even if your representative does not attend (whether or not we excuse that non-attendance). (Franchise Agreement—Section 7.D)

If you no longer employ the Shop General Manager or become aware that the General Manager intends to leave his or her position, you must immediately seek a Replacement General Manager. The Replacement General Manager must satisfactorily complete Initial Training. You must pay our then-current training fee for all Replacement General Managers hired during the franchise term and also are responsible for their compensation and TRE during training. Our training fee ranges up to \$1,500 plus certain expenses.

Item 12 **TERRITORY**

Franchise Agreement

You will operate the Shop at a specific location that we deem acceptable. (We do not “approve” sites; we “accept” them under the circumstances described in Item 11.) If the Shop’s address is unknown when the Franchise Agreement is signed, you must find an acceptable site for the Shop within three months afterward. We will identify in the Franchise Agreement a non-exclusive Site Selection Area in which you must look for the site. You must secure the Shop’s site under a lease acceptable to us within an additional three months after you find and obtain our written acceptance of the site. We have the right to terminate the Franchise Agreement if the Shop’s site is not found and secured within those six months.

You may operate the Shop only at that site and may not relocate the Shop without our prior written consent, which we have the right to grant or deny as we deem best. Whether or not we will allow relocation depends on circumstances at the time and what is in the Shop’s and our system’s best interests. Factors include, for example, the new site’s market area, its proximity to other Shops in our system, whether you are complying with your Franchise Agreement, and how long it will take you to open at the new site.

Conditions for relocation approval are (1) the new site and its lease are acceptable to us, (2) you pay us a relocation fee equal to 25% of our then-current initial franchise fee for first-time franchisees, (3) you reimburse any costs we incur during the relocation process, (4) you confirm that your original Franchise Agreement remains in effect and governs the Shop’s operation at the new site with no change in the franchise term or, at our option, you sign our then-current form of franchise agreement to govern the Shop’s operation at the new site for a new franchise term, (5) you sign a general release, in a form satisfactory to us, of any and all claims against us and our owners, affiliates, officers, directors, employees, and agents, (6) you continue operating the Shop at its original site until we authorize its closure, and (7) you de-brand and de-identify the Shop’s former premises within the timeframe we specify and at your own expense so it no longer is associated in any manner (in our opinion) with our system and the Marks.

You generally will receive an Area of Protection around your Shop. We will identify and describe the Area of Protection in the Franchise Agreement before you sign it unless the Shop’s site has not yet been found and secured. In that case, we will define the Area of Protection after you find and secure the site within the Site Selection Area. We expect the Area of Protection to encompass a minimum of 15,000 population surrounding the Shop. We will determine the Area of Protection’s precise contours based on zip codes, physical or geographical boundaries, roads, highways, city or county boundaries, or drive-

times. However, in very high-density urban markets such as Manhattan or Chicago having a population above 1 million people, we might not provide any Area of Protection at all or might reduce the Area of Protection to no more than a city block. We have the right to modify the Area of Protection during the franchise term only if the Shop relocates.

The Area of Protection will always be defined and deemed to exclude all Non-Traditional Venues physically located within the Area of Protection. This means there are no restrictions whatsoever on our and our affiliates' activities in or at Non-Traditional Venues physically located within the Area of Protection, including our and our affiliates' right to own and operate and to grant others the right to own and operate PopUp Bagels Shops, and to engage in other foodservice operations and business activities under the Marks, in or at such Non-Traditional Venues. A "Non-Traditional Venue" means a captive-venue location such as a hospital or medical center, airport, airport terminal, train or bus station, sports arena or stadium, university or college campus, corporate campus, food courts in office buildings or company facilities, military base, casino, or similar venue.

Because of the rights we reserve at Non-Traditional Venues in your Area of Protection, you will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control. Nevertheless, during the franchise term, we and our affiliates will not - except with respect to the Non-Traditional Venues physically located within the Area of Protection - own or operate, or allow another franchisee or licensee to own or operate, another PopUp Bagels Shop having its physical location within the Area of Protection.

Except for the PopUp Bagels Shop location restriction above (which is subject to our rights at or in Non-Traditional Venues), we and our affiliates retain all rights with respect to PopUp Bagels Shops, the Marks, the offer and sale of products and services that are similar to, competitive with, or dissimilar from the products and services your Shop offers and sells, and any other activities we and they deem appropriate, whenever and wherever we and they desire, without regard to the competitive impact on your Shop. Our rights will be as broad as possible inside and outside the Area of Protection. Those rights include the following:

(1) to own and operate, and to allow other franchisees and licensees to own and operate, PopUp Bagels Shops at any physical locations (and in any geographic markets) outside the Area of Protection and on any terms and conditions we and they deem appropriate;

(2) to offer and sell and to allow others (including franchisees, licensees, and other distributors) to offer and sell, inside and outside the Area of Protection and on any terms and conditions we and they deem appropriate, products and services that are identical or similar to and/or competitive with those offered and sold by PopUp Bagels Shops, whether such products and services are identified by the Marks or other trademarks or service marks, through any advertising media, distribution channels (including the Internet, grocery stores, and other retailers), and shipping and delivery methods and to any customer, no matter where located;

(3) to establish and operate, and to allow others (including franchisees and licensees) to establish and operate, anywhere (including inside or outside the Area of Protection) any business (whether or not operated at a set physical location) offering identical, similar, and/or competitive products and services under trademarks and service marks other than the Marks;

(4) to acquire the assets or ownership interests of one or more businesses offering and selling products and services similar to those offered and sold at PopUp Bagels Shops (even if such a business operates, franchises, or licenses "Competitive Businesses"), and operate, franchise, license, or create

similar arrangements for those businesses once acquired, wherever those businesses (or the franchisees or licensees of those businesses) are located or operating, including within the Area of Protection;

(5) to be acquired (whether through acquisition of assets, ownership interests, or otherwise, regardless of the transaction form) by a business offering and selling products and services similar to those offered and sold at PopUp Bagels Shops, or by another business, even if such a business operates, franchises, or licenses Competitive Businesses inside or outside the Area of Protection; and

(6) to engage in all other activities the Franchise Agreement does not expressly prohibit.

We and our affiliates have no contractual or other obligation to compensate you if we engage in any of these activities.

Unless you acquire development rights (described below), you have no options, rights of first refusal, or similar rights to acquire additional franchises. Although we have the right to do so (as described above), we and our affiliates have not yet established, and have no current plans to establish or operate, other franchises or company-owned outlets or another distribution channel selling or leasing similar products or services under a different trademark.

Except as described in the Franchise Agreement (and this Item 12), your right to operate the Shop is limited to products you prepare and sell, and services you provide, at the Shop's physical location. Consistent with your E-Commerce Program obligations described below, or unless we otherwise approve in writing, you do not have the right to distribute products for order made on our website and services over the Internet or to engage in other supply or distribution channels away from the Shop's physical location (for example, unapproved Apps, catalog sales, mail-order sales, infomercials, or telemarketing). Your obligation under the Franchise Agreement at all times is to sell products direct to consumers and not to Persons for subsequent resale to consumers (*i.e.*, sales of products to a food service provider or concessionaire or even to a manager of a food court in an office building).

If we approve you and the Shop to provide catering services, you may provide catering services solely within your Area of Protection. We also may, in our sole discretion, permit you to offer catering services in a specified area outside of your Area of Protection (the "Additional Catering Area"). We have the right to modify your catering area periodically as we consider what is best for the PopUp Bagels brand in the Shop's market area and to issue Brand Standards for all event-catering services in which we allow you to engage. We have the right to prohibit you from providing, or to rescind our previous approval allowing you to provide, event-catering services in the Catering area if we determine in our sole judgment that you will not be able to comply or have not complied with Brand Standards for such event-catering services. Without limiting our rights under this paragraph, we may revoke any Additional Catering Area granted to you if we intend to grant franchise rights to a prospective franchisee whose area of protection will include some or all of your Additional Catering Area.

Our grant of a franchise to you includes the right, but also the obligation, to engage in e-commerce through the System Website and other e-commerce platforms approved by us, including third-party delivery platforms (collectively, the "E-Commerce Program"). Under the E-Commerce Program, you must fulfill online orders that consumers place and that require pick-up, delivery, or shipping within your Area of Protection under the terms that we negotiate. You are required to offer delivery on the System Website and other e-commerce platforms approved by us as well as offer delivery for phone and walk-in orders. The Shop selected to fulfill an E-Commerce Program order will be determined solely by us or the third-party platform consistent with algorithms that evaluate a number of different factors. You have no right to object to or contest any decision made by us with respect to the Shop selected to fulfill orders. We have the right to change the products and services offered through any E-Commerce Program

and the suggested retail price for such goods. We may prohibit you from participating in the E-Commerce Program if you are not compliant with the terms of the E-Commerce Program, the Franchise Agreement, the Manual, or any other agreement with us or our affiliates and subsidiaries. We may change the user terms, approved e-commerce platforms, our vendors, and methods and times for payment under the E-Commerce Program at our discretion. If you refuse or fail to fulfill e-commerce orders, fail to offer delivery, fail to deliver goods or services meeting our standards and specifications, or are otherwise not in material compliance with your obligations under the Franchise Agreement, we may allow a Shop outside of your Area of Protection to fulfill your orders without any compensation to you, reimburse the consumer or otherwise remedy the situation, and you will be responsible for our costs in doing so. We may require you to ship products from your Shop to locations outside of your Area of Protection. The E-Commerce Program fees that you must pay are detailed in Item 6.

You may not develop, maintain, or authorize any Social Media or other Digital Marketing mentioning or describing the Shop or displaying any Marks without our prior written approval and, if applicable, without complying with our Brand Standards for such Social Media and other Digital Marketing. Except for the System Website and approved Social Media, Digital Marketing, and Apps, you may not conduct commerce or directly or indirectly offer or sell any products or services using any Social Media or other Digital Marketing.

Development Rights Agreement

You may (if you qualify) develop and operate a number of PopUp Bagels Shops within a specific territory (the “Territory”). We and you will identify the Territory in the Development Rights Agreement before signing it. The Territory typically is a city, cities, counties, or specific zip codes and will be narratively described in, and pictorially identified on a map attached to, the DRA. We base the Territory’s size primarily on the number of PopUp Bagels Shops that you commit to develop, demographics, distinct market areas within the Territory, competitive businesses, and site availability. We will determine the number of Shops that you must develop, and the deadlines for development, to keep your development rights. We and you then will complete the schedule in the DRA before signing it. Each site you propose for a PopUp Bagels Shop to be developed under the DRA must be acceptable to us. After each proposed site is accepted and secured, we will determine the Area of Protection for that Shop. Our then-current standards for sites and Areas of Protection will apply. We have the right to terminate the DRA if you do not satisfy your development obligations. You may not develop or operate PopUp Bagels Shops outside the Territory.

You will not receive an exclusive territory under the DRA. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control. While the DRA is in effect, we (and our affiliates) will not—except with respect to PopUp Bagels Shops proposed to be located at or within “Non-Traditional Venues”—establish and operate, or grant to others the right to establish and operate, PopUp Bagels Shops that have their physical locations within the Territory. There are no other restrictions on our and our affiliates’ activities in the Territory during the DRA’s term.

We (and our affiliates) reserve the right without any restrictions whatsoever to pursue and establish, or franchise or license others to pursue and establish, PopUp Bagels Shops to be located at or within Non-Traditional Venues having their physical locations within the Territory. A “Non-Traditional Venue” is defined to mean a captive-venue location such as a hospital or medical center, airport terminal, train or bus station, sports arena, military base, university or college campus, corporate campus, food court, casino, or similar venue. These rights with respect to Non-Traditional Venues are reserved whether or not you (or your Approved Affiliate) also could have the opportunity (if approved by us) to pursue a PopUp Bagels Shop to be located at or within that Non-Traditional Venue.

Our, our affiliate’s, or another franchisee’s or licensee’s establishment and operation of a PopUp Bagels Shop at or within a Non-Traditional Venue physically located in the Territory will not count toward your compliance with your development obligations. PopUp Bagels Shops that we permit you (or your Approved Affiliates) to establish and operate at or within a Non-Traditional Venue physically located in the Territory likewise do not count toward your compliance with your development obligations.

Except as described above, continuation of your territorial rights does not depend on your achieving a certain sales volume, market penetration, or other contingency, and you have no other options, rights of first refusal, or similar rights to acquire additional franchises. We do not have the right to alter your Territory during the DRA’s term.

Despite the development schedule in the DRA, we have the right to delay your (and your Approved Affiliates’) construction, development, and/or opening of additional PopUp Bagels Shops within the Territory for the time period we consider best if we believe in our sole judgment, when you submit your application for another PopUp Bagels Shop, or after you (or your Approved Affiliate) have constructed and developed but not yet opened a particular PopUp Bagels Shop, that you (or your Approved Affiliate) are not yet operationally, managerially, or otherwise prepared (no matter the reason) to construct, develop, open, and/or operate the additional PopUp Bagels Shop in full compliance with our standards and specifications. We have the right to delay additional development and/or a PopUp Bagels Shop’s opening 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).

Although we have the right to do so, we and our affiliates have not yet established, and have no current plans to establish or operate, other franchises or company-owned outlets or another distribution channel selling or leasing similar products or services under a different trademark.

Item 13
TRADEMARKS

You will obtain the right to use the following Marks in connection with operating your Shop, all of which are registered with the U.S. Patent and Trademark Office (“PTO”) on the Principal Register, and none of which are due for renewal. Our parent company, PUB, currently owns all of the trademarks listed in the table below.

Mark	Registration Number	Registration Date
	7030764	March 17, 2022
NOT FAMOUS BUT KNOWN	7030763	April 18, 2023
	7432494	July 2, 2024
GRIP, RIP AND DIP	7454356	July 24, 2023

PUB has also filed an application to register the following Mark on the Principal Register of the PTO:

Mark	Application Number	Application Date
POPOP BAGELS	98384677	January 31, 2024

At this time, we do not have a registration for the Mark in the table above. Therefore, this Mark does not have as many of the legal benefits and rights as a federally-registered trademark. If your right to use this Mark is challenged, you may have to change to an alternative trademark, which will increase your expenses.

PUB has licensed us the right to use the Marks and to sublicense the use of the Marks to you and other franchisees for the operation of PopUp Bagels Shops under a license agreement dated November 1, 2024 (the “Trademark License Agreement”). The Trademark License Agreement’s term is 10 years, and it automatically renews on a year-to-year basis. We or PUB may terminate the Trademark License Agreement at any time on 30 days’ written notice. If the Trademark License Agreement terminates, we must cease all use of the Marks. However, PopUp Bagels Shop franchisees may continue using the Marks until the franchisee’s franchise agreement and any permitted successor franchise agreement, expires or are terminated, subject to the franchisee’s continued compliance with the applicable franchise agreement. The Trademark License Agreement contains no other limitations. No other agreement significantly limits our rights to use or license the use of the Marks in a manner material to the franchise.

There are no currently effective material determinations of the PTO, the Trademark Trial and Appeal Board, or any state trademark administrator or court, and no pending infringement, opposition, or cancellation proceedings or material litigation, involving the principal 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 where we currently intend to offer franchises.

You must follow our rules and other Brand Standards when using the Marks, including giving proper notices of trademark and service-mark registration and obtaining required fictitious or assumed-name registrations. You may not use any Mark as part of your corporate or legal business name; with modifying words, terms, designs, or symbols (other than logos we license to you); in selling any unauthorized products or services; or in connection with any Social Media and other Digital Marketing without our consent or, if applicable, without complying with our Brand Standards. All of your advertising must prominently display the Marks. All such advertising is subject to our prior written approval. We reserve the right to approve all signs, stationery, business cards, forms, and other materials and supplies bearing the Marks. You may use the Marks including, without limitation, trade dress, color combinations, designs, symbols, and slogans, only in the manner and to the extent specifically permitted by the Franchise Agreement or by our prior written consent.

If we believe at any time that it is advisable for us and/or you to modify, discontinue using, and/or replace any Mark, and/or to use one or more additional or substitute trademarks or service marks, you must comply with our directions within a reasonable time after receiving notice. We need not reimburse your expenses to comply with those directions, any loss of revenue due to any modified or discontinued Mark, or your expenses to promote a modified or substitute trademark or service mark.

You will notify us immediately of any actual or apparent infringement or challenge to your use of any Mark, any person’s claim of any rights in any Mark (or any identical or confusingly similar trademark), or unfair competition relating to any Mark. You may not communicate with any person other

than us or PUB, our respective attorneys, and your attorneys regarding any infringement, challenge, or claim. We or PUB may take the action that we or it considers appropriate (including no action) and control exclusively any litigation, PTO proceeding, or other administrative proceeding or enforcement action arising from any infringement, challenge, or claim or otherwise concerning any Mark. You must sign any documents and take any other reasonable actions that we, PUB, and our or its respective attorneys deem necessary or advisable to protect and maintain our and PUB's interests in any litigation or PTO or other proceeding or enforcement action or otherwise to protect and maintain our and PUB's interests in the Marks.

We will reimburse your damages and expenses incurred in any trademark infringement proceeding disputing your authorized use of any Mark, provided your use has been consistent with the Franchise Agreement, the Operations Manual, and Brand Standards communicated to you and you have timely notified us of, and complied with our directions in responding to, the proceeding. At our option, we and/or our affiliates may defend and control the defense of any proceeding arising from or relating to your use of any Mark.

We may add additional trademarks to our franchise system or discontinue the use of any mark used in connection with our franchise system at any time.

The Development Rights Agreement does not grant you the right to use the Marks. These rights arise only under Franchise Agreements you sign with us.

Item 14 **PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION**

No patents or patent applications are material to the franchise. We and our affiliates claim copyrights in the Operations Manual (containing our trade secrets and Confidential Information), Shop blueprints and other design features, signage, Marketing Materials, our System Website, and similar items used in operating PopUp Bagels Shops. We and our affiliates have not registered these copyrights with the United States Copyright Office but currently need not do so to protect them. You may use copyrighted items only as we specify while operating your Shop (and must stop using them at our direction). You have no other rights under the Franchise Agreement to a copyrighted item if we require you to modify or discontinue using the subject matter covered by the copyright.

There currently are no effective adverse material 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 copyrighted materials.

We do not actually know of any infringing uses of our copyrights that could materially affect your using them in any state. We need not protect or defend copyrights, although we intend to do so if in the system's best interests. We have the right to control any action we choose to bring, even if you voluntarily bring the matter to our attention. You must follow any instructions we give you. We need not participate in your defense of and/or indemnify you for damages or expenses incurred in a copyright proceeding.

Our Operations Manual and other materials contain our and our affiliates' Confidential Information (some of which are trade secrets under applicable law). Confidential Information includes ingredients, recipes, and food-preparation techniques; layouts, designs, and other Plans for PopUp Bagels Shops; methods, formats, specifications, standards, systems, procedures, sales and marketing techniques, and knowledge and experience used in developing and operating PopUp Bagels Shops; marketing research and promotional, marketing, and advertising programs for PopUp Bagels Shops; the standards,

processes, information, and technologies involved in creating, developing, operating, maintaining, and enhancing digital and other sales platforms, Apps, and Loyalty Program Media; strategic plans, including expansion strategies and targeted demographics; knowledge of specifications for and suppliers of, and methods of ordering, certain Operating Assets, products, services, materials, and supplies that PopUp Bagels Shops use and sell; knowledge of operating results and financial performance of PopUp Bagels Shops; customer solicitation, communication, and retention programs, along with data used or generated in connection with those programs; and information generated by, or used or developed in, operating your Shop, including Consumer Data, and any other information contained in the Computer System or that visitors (including you) provide to the System Website.

You must comply with all laws governing the use, protection, and disclosure of Consumer Data. If there is a data security incident at the Shop, you must notify us immediately, specify the extent to which Consumer Data was compromised or disclosed, and comply and cooperate with our instructions for addressing the data security incident in order to protect Consumer Data and the PopUp Bagels Shop brand (including giving us or our designee access to your Computer System, whether remotely or at the Shop).

You may not use Confidential Information in an unauthorized manner. We are the sole owners of the Shop's customer lists ("Customer Lists"), and you may not distribute the Customer Lists to any third party, in any form or manner, without our prior written consent. Despite our ownership of the Customer Lists, you may use the Customer Lists for the Shop's operation and as the Franchise Agreement otherwise permits. During the term of the Franchise Agreement, we and our affiliates reserve the right to communicate with, and provide notifications to, customers appearing on the Customer Lists and to use the Customer Lists for any business purpose we and they consider necessary or appropriate (to the extent allowed by applicable law). Upon expiration or termination of the Franchise Agreement, you and your affiliates may not use the Customer Lists in any form or manner. You must take reasonable steps to prevent its improper disclosure to others and use non-disclosure agreements with those having access to Confidential Information. We have the right to pre-approve your non-disclosure agreements solely to ensure that you adequately protect Confidential Information and the competitiveness of PopUp Bagels Shops. In order to protect our Confidential Information, we may require you and your owners to sign a form of Non-Disclosure Agreement before the Franchise Agreement is signed if you and your owners might have access to our Confidential Information during a "discovery day" or otherwise before we grant you the franchise.

You must promptly disclose to us all ideas, concepts, techniques, or materials relating to a PopUp Bagels Shop ("Innovations"), whether or not protectable intellectual property and whether created by or for you or your owners, employees, or contractors. Innovations belong to and are works made-for-hire for us. If any Innovation does not qualify as a "work made-for-hire" for us, you assign ownership of and all related rights to that Innovation to us and must sign (and cause your owners, employees, and contractors to sign) whatever assignment or other documents we periodically request to evidence our ownership and to help us obtain intellectual property rights in the Innovation. You may not use any Innovation in operating the Shop without our prior written approval.

The Development Rights Agreement does not grant you rights to use any intellectual property. These rights arise only under Franchise Agreements you sign with us.

Item 15
**OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION
OF THE FRANCHISE BUSINESS**

Brand Standards may require adequate staffing levels to operate the Shop in compliance with Brand Standards and may address appearance of Shop personnel and courteous service to customers. However, you have sole responsibility and authority for your labor relations and employment practices.

You must designate one of your individual owners holding at least 10% of your ownership interests to serve as your “Operating Principal.” We must pre-approve the proposed Operating Principal or any replacement Operating Principal. The Operating Principal is responsible for your Shop’s overall management. The Operating Principal will communicate with us directly regarding Shop-related matters and must have sufficient authority to make business decisions for you and the Shop. The Operating Principal’s decisions will be final and will bind you.

The Operating Principal must successfully complete Initial Training before you open the Shop. We have the right to terminate the Franchise Agreement if the Operating Principal fails to do so. Any replacement Operating Principal must be appointed within 30 days after the former Operating Principal’s last day and attend Initial Training within 30 days after we approve him or her.

You must designate an individual, who need not have an ownership interest in you or the Shop, to be the Shop’s “General Manager” (also known as the Bagel Chef), although the Operating Principal also may serve as the General Manager. The General Manager is responsible for the Shop’s overall supervision, management, and operation on a day-to-day basis and must devote her or his full-time efforts to the Shop. The General Manager must successfully complete Initial Training before you open the Shop to the public. If the General Manager fails to complete Initial Training to our satisfaction, you must appoint another individual to serve as the General Manager, and that individual must complete Initial Training to our satisfaction.

If you want or need to change the General Manager, you must appoint the replacement General Manager within 30 days after the former General Manager no longer occupies that position. The replacement General Manager must attend and satisfactorily complete our Initial Training within the timeframe we specify.

The Shop must have on staff at least one fully trained General Manager and one fully trained Assistant Manager (who, like the General Manager, need not have an equity interest in you or the Shop). “Fully trained” means that the person attended and successfully completed the portions of Initial Training appropriate for her or his position. Shop managers and your officers and directors must sign confidentiality and other agreements (including non-compete agreements) we specify or pre-approve (if applicable law allows). Our right to pre-approve your forms is solely to protect Confidential Information and the competitiveness of PopUp Bagels Shops. Under no circumstances will we control the forms or terms of employment agreements you use with Shop employees or otherwise be responsible for your labor relations or employment practices. We do not limit whom your Shop may hire.

Each of your owners holding at least a 10% ownership interest in you, or in an entity directly or indirectly holding at least a 10% ownership interest in you, must personally guarantee all of your obligations under the Franchise Agreement and agree personally to comply with every contractual provision—whether containing monetary or non-monetary obligations—including the covenant not to compete. We have the right to require that owners holding an aggregate of at least 75% of your issued and outstanding ownership interests execute the Guaranty. A spouse of any of your owners need not sign the Guaranty and Assumption of Obligations unless he or she also is an owner.

Each owner not holding at least a 10% ownership interest in you, or in an entity directly or indirectly holding at least a 10% ownership interest in you, must sign an Owner's Undertaking of Non-Monetary Obligations (Exhibit B-2 in the Franchise Agreement) undertaking to be bound personally by specific non-monetary provisions in this Agreement, including the covenant not to compete.

Item 16 **RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL**

Your Shop must offer for sale all products and services we periodically specify. The Shop may not offer, sell, or otherwise distribute on the Shop's premises or another location any products or services that we have not authorized. There are no limits on our right to specify or subsequently modify the products and services that your Shop must or may offer and sell. We have the right to change the products and services from time to time and, under certain circumstances, from market to market. We also have the right to issue and impose (to the extent the federal and state antitrust laws allow) price advertising policies and maximum, minimum, or other pricing requirements for products and services the Shop sells, including requirements for national, regional, and local promotions, special offers, and discounts in which some or all PopUp Bagels Shops must participate.

Except as provided in the Franchise Agreement and this Item 16, your right to operate the Shop is limited to products you prepare and sell, and services you provide, at the Shop's physical location. Consistent with your E-Commerce Program obligations (described below), or unless we otherwise approve in writing, you do not have the right to distribute products and services over the Internet or to engage in other supply or distribution channels away from the Shop's physical location (for example, unapproved mobile apps, catalog sales, mail-order sales, infomercials, or telemarketing). Except as provided in the Franchise Agreement and this Item 16, Your obligation under the Franchise Agreement at all times is to sell products direct to consumers and not to Persons for subsequent resale to consumers (*i.e.*, sales of products to a food service provider or concessionaire or even to a manager of a food court in an office building).

If we approve you and the Shop to provide catering services, you may provide catering services solely within your Area of Protection. We also may, in our sole discretion, grant you an Additional Catering Area in which you may offer catering services. We have the right to modify your catering area periodically as we consider best for the PopUp Bagels brand in the Shop's market area and to issue Brand Standards for all event-catering services in which we allow you to engage. We have the right to prohibit you from providing, or to rescind our previous approval allowing you to provide, event-catering services if we determine in our sole judgment that you will not be able to comply or have not complied with Brand Standards for such event-catering services. Without limiting our rights under this paragraph, we may revoke any Additional Catering Area granted to you if we intend to grant franchise rights to a prospective franchisee whose area of protection will include some or all of your Additional Catering Area.

As stated in Item 12, our grant of a franchise to you includes the right, but also the obligation, to engage in our E-commerce Program. Under the E-Commerce Program, you must fulfill online orders that consumers place and that require pick-up, delivery, or shipping within your Area of Protection under the terms that we negotiate. You are required to offer delivery on the System Website and other e-commerce platforms approved by us as well as offer delivery for phone and walk-in orders. The Shop selected to fulfill an E-Commerce Program order will be determined solely by us or the third-party platform consistent with algorithms that evaluate a number of different factors. You have no right to object to or contest any decision made by us with respect to the Shop selected to fulfill orders. We have the right to change the products and services offered through any E-Commerce Program and the suggested retail price for such goods. We may prohibit you from participating in the E-Commerce Program if you are not compliant with the terms of the E-Commerce Program, the Franchise Agreement, the Manuals or any

other agreement with us or our affiliates and subsidiaries. We may change the user terms, approved e-commerce platforms, our vendors, and methods and times for payment under the E-Commerce Program at our discretion. If you refuse or fail to fulfill e-commerce orders, fail to offer delivery, fail to deliver goods or services meeting our standards and specifications, or are otherwise not in material compliance with your obligations under the Franchise Agreement, we may allow a Shop outside of your Area of Protection to fulfill your orders without any compensation to you, reimburse the consumer or otherwise remedy the situation, and you will be responsible for our costs in doing so. We may require you to ship products from your Shop to locations outside of your Area of Protection. The E-Commerce Program fees that you must pay are detailed in Item 6.

You may communicate with the Shop’s customers only through branded mobile apps, branded email domains, online brand-reputation-management sites, or other channels we expressly designate and only for purposes related to the Shop’s operation.

We have the right to require your Shop to be open seven days a week and at least seven hours per day, although we and you may designate holidays during which the Shop may be closed for observance of those holidays.

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.

Franchise Agreement

Provision	Section in franchise agreement	Summary
a. Length of the franchise term	4.B of Franchise Agreement	Starts on date Franchise Agreement is signed and expires 10 years from the first day of the Shop’s lease term or the date the Shop opens to the public, whichever is later.
b. Renewal or extension of the term	18 of Franchise Agreement	If you are in good standing, you may be able to acquire 2 successor franchises for 5 years each on our then-current terms.
c. Requirements for franchisee to renew or extend	18 of Franchise Agreement	You (i) timely request and conduct a business review, (ii) formally notify us of your desire to acquire a successor franchise at least 3 months before the franchise term ends, (iii) substantially complied with contractual obligations and operated Shop in substantial compliance with Brand Standards, (iv) continue complying substantially with contractual obligations between time you notify us of your desire to acquire a successor franchise and the end of the franchise term, (v) retain right to occupy Shop at its original site, (vi) remodel/upgrade Shop, (vii) sign our then-current form of franchise agreement and

Provision	Section in franchise agreement	Summary
		releases (if applicable state law allows), and (viii) pay successor-franchise fee. Terms of new franchise agreement that you sign for successor franchise may differ materially from any and all terms contained in your original expiring Franchise Agreement (including higher fees but not a modified or smaller Area of Protection).
d. Termination by franchisee	19.A of Franchise Agreement	Subject to state law, if we breach Franchise Agreement and do not cure default within applicable cure period after notice from you; you may not terminate without cause.
e. Termination by franchisor without cause	19.B of Franchise Agreement	We do not have the right to terminate your Franchise Agreement without cause.
f. Termination by franchisor with cause	19.B of Franchise Agreement	We have the right to terminate your Franchise Agreement only if you or your owners commit one of several violations. While termination of the Development Rights Agreement does not impact any then-effective franchise agreements, termination of a franchise agreement entitles us to terminate the Development Rights Agreement.
g. “Cause” defined — curable defaults	19.B of Franchise Agreement	You have 5 days to cure Gross Sales reporting, payment (to us), and insurance defaults; 10 days to satisfy unpaid judgments of at least \$20,000; 30 days to pay suppliers and to cure other defaults not listed in (h) below; and 60 days to vacate attachment, seizure, or levy of Shop or appointment of receiver, trustee, or liquidator. You must immediately begin correcting violations of material law and correct them within time the law specifies. While termination of the Development Rights Agreement does not impact any then-effective franchise agreements, termination of a franchise agreement entitles us to terminate the Development Rights Agreement.
h. “Cause” defined — non-curable defaults	19.B of Franchise Agreement	Non-curable defaults include: material misrepresentation or omission; failure to secure (before anticipated lease-signing date) all financing required to construct, develop, and open your Shop; failure to find and secure acceptable Shop site by deadline; failure to develop and open Shop (with fully-trained staff) by deadline; abandonment of Shop or failure to operate Shop

Provision	Section in franchise agreement	Summary
		<p>for at least 3 consecutive days; unapproved transfer; felony conviction or guilty plea; dishonest, unethical, or immoral conduct adversely impacting our Marks; foreclosure on Shop’s assets; misuse of confidential information; violation of non-compete; material underreporting of Gross Sales; disabling Shop’s computer system; closing bank account from which we debit funds without first setting up new account; failure to pay taxes due; repeated defaults; assignment for benefit of creditors or admission of inability to pay debts when due; violation of anti-terrorism laws; losing right to Shop premises; causing or contributing to a data security incident or failure to comply with requirements to protect Consumer Data; we send notice of termination under another franchise agreement with you or your affiliate; you or your affiliates terminate another franchise agreement with us without cause; or you or your affiliate ceases operating a PopUp Bagels Shop without our approval.</p> <p>Termination of the Development Rights Agreement does not impact any then-effective franchise agreement.</p>
i. Franchisee’s obligations on termination/nonrenewal	19.C and 20 of Franchise Agreement	<p>Obligations include paying outstanding amounts (plus, if applicable, liquidated damages); complete de-identification; returning confidential information; destroying at your own cost all branded materials and proprietary items; assigning telephone numbers and directory listings; and cease using Social Media and other Digital Marketing associating you with us or the Marks (also see (o) and (r) below).</p> <p>We have the right to control de-identification process if you do not voluntarily take required action.</p> <p>We have the right to assume Shop’s management while deciding whether to buy Shop’s assets.</p>
j. Assignment of contract by franchisor	17.A of Franchise Agreement	No restriction on our right to assign; we have the right to assign without your approval.
k. “Transfer” by franchisee — defined	17.B of Franchise Agreement	Includes transfer of (i) Franchise Agreement; (ii) Shop’s physical structure; (iii) Shop’s profits, losses, or capital appreciation; (iv) all or substantially all Operating Assets; or (v)

Provision	Section in franchise agreement	Summary
		ownership interest in you or controlling ownership interest in entity with ownership interest in you. Also includes pledge of Franchise Agreement or ownership interest.
l. Franchisor approval of transfer by franchisee	17.B of Franchise Agreement	We must approve all transfers; no transfer without our prior written consent.
m. Conditions for franchisor approval of transfer	17.C of Franchise Agreement	<p>We will approve transfer of non-controlling ownership interest in you if transferee (and each owner) qualifies and meets our then-applicable standards for non-controlling owners, is not (and has no affiliate) in a competitive business, signs our then-current form of Guaranty (or, if applicable, Owner’s Undertaking of Non-Monetary Obligations), and pays transfer fee.</p> <p>When there is transfer of franchise rights or controlling ownership interest, we will not unreasonably withhold our approval if: transferee (and each owner) qualifies (including, if transferee is an existing franchisee, transferee is in substantial operational compliance under all other franchise agreements for PopUp Bagels Shops) and is not restricted by another agreement from moving forward with the transfer; you have paid us and our affiliates all amounts due, have submitted all reports, and are not then in breach; neither transferee nor its owners and affiliates are in a competitive business; training completed; transfer fee paid; transferee has right to occupy Shop’s site for expected franchise term; transferee (at our option) assumes your Franchise Agreement or signs our then-current form of franchise agreement and other documents for unexpired portion of your original franchise term (then-current form may have materially different terms, except that your original Royalty, Technology Fee, and Brand Fund contribution levels and the definition of Area of Protection will remain the same for unexpired portion of your original franchise term); transferee agrees to repair and upgrade; you (and transferring owners) sign general release (if applicable state law allows); we determine that sales terms and financing will not adversely affect Shop’s operation post-transfer; you subordinate amounts due to you; and you stop using Marks and our other intellectual property (also see (r) below).</p>

Provision	Section in franchise agreement	Summary
n. Franchisor's right of first refusal to acquire franchisee's business	17.G of Franchise Agreement	We have the right to match any offer for your Shop or ownership interest in you or entity that controls you.
o. Franchisor's option to purchase franchisee's business	20.F of Franchise Agreement	We have the right to buy Shop's assets at fair market value and take over site after Franchise Agreement is terminated or expires (without renewal).
p. Death or disability of franchisee	17.E of Franchise Agreement	Must transfer to approved party (which may include immediate family member) within 6 months. We have the right to operate Shop in interim if it is not then managed properly.
q. Non-competition covenants during the term of the franchise	13 of Franchise Agreement	No owning interest in, performing services for, or loaning money or guaranteeing loan to competitive business, wherever located or operating; no diverting business to competitive business; and no solicitation of other franchisees for other commercial purposes. "Competitive Business" means any (a) restaurant or other foodservice business that derives 50% or more of its revenue from selling bagels, or (b) business granting franchises or licenses to others to operate the type of business described in clause (a).
r. Non-competition covenants after the franchise is terminated or expires	20.E of Franchise Agreement	For two years after franchise term, no owning interest in or performing services for Competitive Business located or operating at Shop's site, within five miles of former Shop site, or within five miles of physical location of another PopUp Bagels Shop (same restrictions apply after transfer).
s. Modification of the agreement	22.K of Franchise Agreement	No modifications generally, but we have the right to change Operations Manual and Brand Standards.
t. Integration/merger clause	22.M of Franchise Agreement	Only terms of Franchise Agreement and other related written agreements are binding (subject to applicable state law). Any representations or promises outside of the Franchise Agreement or this franchise disclosure document may not be enforceable. Nothing in the Franchise Agreement or in any other related written agreement is intended to disclaim representations made in this franchise disclosure document.
u. Dispute resolution by arbitration or mediation	22.F of Franchise Agreement	We and you must arbitrate all disputes within 10 miles of where we (or then-current franchisor) have our principal business address when the

Provision	Section in franchise agreement	Summary
		arbitration demand is filed (it currently is in Westport, Connecticut).
v. Choice of forum	22.H of Franchise Agreement and 11 of Non-Disclosure Agreement	Subject to arbitration requirements, litigation must be (with limited exception) in courts closest to where we (or then-current franchisor) have our principal business address when the action is commenced (it currently is in Westport, Connecticut) (subject to applicable state law).
w. Choice of law	22.G of Franchise Agreement and 11 of Non-Disclosure Agreement	Federal law and Connecticut law govern (subject to state law).

This table lists certain important provisions of the Development Rights Agreement. You should read these provisions in the agreement attached to this disclosure document.

Development Rights Agreement

Provision	Section in Development Rights Agreement	Summary
a. Length of the franchise term	6	Term expires on date when final PopUp Bagels Shop under Schedule opens for business (subject to earlier termination).
b. Renewal or extension of the term	Not applicable	You have no right to renew or extend development rights.
c. Requirements for franchisee to renew or extend	Not applicable	You have no right to renew or extend development rights.
d. Termination by franchisee	Not applicable	You have no contractual right to terminate Development Rights Agreement (except as state law allows).
e. Termination by franchisor without cause	Not applicable	We have no right to terminate Development Rights Agreement without cause.
f. Termination by franchisor with cause	7	We have right to terminate Development Rights Agreement if you commit one of several violations.
g. "Cause" defined — curable defaults	Not applicable	No default under the Development Rights Agreement is curable.
h. "Cause" defined — non-curable defaults	7	Non-curable defaults include your failure to satisfy development Schedule, your breach of any other obligation, we terminate any franchise agreement with you or your Approved Affiliate in compliance with its terms, you (or an Approved Affiliate) terminate any franchise agreement with us for any (or no) reason, we deliver formal

Provision	Section in Development Rights Agreement	Summary
		written notice of default to you (or your Approved Affiliate) under a franchise agreement and you (or your Approved Affiliate) fail to cure the default within the required timeframe, or you (or your Approved Affiliate) cease operating any PopUp Bagels Shop without our prior written approval.
i. Franchisee’s obligations on termination/nonrenewal	1 and 7	Upon termination or expiration of Development Rights Agreement, you will lose all rights to develop PopUp Bagels Shop in your Territory.
j. Assignment of contract by franchisor	8	No restriction on our right to sell or transfer Development Rights Agreement or our ownership interests without your approval.
k. “Transfer” by franchisee — defined	8	Includes transfer of Development Rights Agreement or any ownership interest in you or your owner (if that owner is an entity).
l. Franchisor approval of transfer by franchisee	8	No transfers without our prior written consent; development rights are not assignable.
m. Conditions for franchisor approval of transfer	8	Development rights are not assignable; we have the right to grant or withhold consent for any or no reason.
n. Franchisor’s right of first refusal to acquire franchisee’s business	Not applicable	The Development Rights Agreement does not contain this provision.
o. Franchisor’s option to purchase franchisee’s business	Not applicable	The Development Rights Agreement does not contain this provision.
p. Death or disability of franchisee	Not applicable	The Development Rights Agreement does not contain this provision.
q. Non-competition covenants during the term of the franchise	Not applicable	The Development Rights Agreement incorporates, among other things, Section 13 of the Franchise Agreement, as described in the preceding table under row q. (Non-competition covenants during the term of the franchise).
r. Non-competition covenants after the franchise is terminated or expires	Not applicable	The Development Rights Agreement does not contain this provision. You and your owners will be bound by the restrictions under the Franchise Agreement.
s. Modification of the agreement	11	No modifications without signed writing.

Provision	Section in Development Rights Agreement	Summary
t. Integration/merger clause	11	Only terms of Development Rights Agreement and other related written agreements are binding (subject to applicable state law). Any representations or promises outside of the Development Rights Agreement or this franchise disclosure document may not be enforceable. Nothing in the Development Rights Agreement or in any other related written agreement is intended to disclaim representations made in this franchise disclosure document.
u. Dispute resolution by arbitration or mediation	11	We and you must arbitrate all disputes within 10 miles of where we (or then-current franchisor) have our principal business address when the arbitration demand is filed (it currently is in Westport, Connecticut. The provisions above are subject to state law (except to the extent preempted by federal law).
v. Choice of forum	11	Subject to arbitration requirements, litigation must be (with limited exception) in courts closest to where we (or then-current franchisor) have our principal business address when the action is commenced (it currently is in Westport, Connecticut. (subject to applicable state law).
w. Choice of law	11	Federal law and laws of the State of Connecticut apply under Development Rights Agreement (subject to applicable state law).

Item 18
PUBLIC FIGURES

We do not use any public figure to promote our franchise.

Item 19
FINANCIAL PERFORMANCE REPRESENTATIONS

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

We do not make any 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 outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor’s management by contacting Tory Bartlett, Chief Executive Officer of PUB, 1391 Post Road E, #200, Westport, Connecticut 06880, (475) 888-9011 the Federal Trade Commission, and the appropriate state regulatory agencies.

Item 20
OUTLETS AND FRANCHISEE INFORMATION

All figures in the tables below are as of our fiscal year end (for 2024, December 29, 2024). The “Company-Owned” outlets are owned and operated by one or more of our affiliates.

Table No. 1
Systemwide Outlet Summary
For years 2022 to 2024

Column 1 Outlet Type	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets at the End of the Year	Column 5 Net Change
Franchised	2022	0	0	0
	2023	0	0	0
	2024	0	0	0
Company-Owned	2022	1	2	+1
	2023	2	4	+2
	2024	4	9	+5
Total Outlets	2022	1	2	+1
	2023	2	4	+2
	2024	4	9	+5

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Table No. 2

**Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)
For years 2022 to 2024**

Column 1	Column 2	Column 3
State	Year	Number of Transfers
All States	2022	0
	2023	0
	2024	0
Total	2022	0
	2023	0
	2024	0

Table No. 3

**Status of Franchised Outlets
For years 2022 to 2024**

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	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
Totals	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0

Table No. 4

**Status of Company-Owned Outlets
For years 2022 to 2024**

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of the Year	Col. 4 Outlets Opened	Col. 5 Outlets Reacquired From Franchisee	Col. 6 Outlets Closed	Col. 7 Outlets Sold to Franchisee	Col. 8 Outlets at End of the Year
Connecticut	2022	1	1	0	0	0	2
	2023	2	1	0	0	0	3
	2024	3	2	0	0	0	5
New York	2022	0	0	0	0	0	0
	2023	0	1	0	0	0	1
	2024	1	3	0	0	0	4
Totals	2022	1	1	0	0	0	2
	2023	2	2	0	0	0	4
	2024	4	5	0	0	0	9

Table No. 5

Projected Openings as of December 29, 2024

Column 1 State	Column 2 Franchise Agreements Signed But Outlets Not Opened	Column 3 Projected New Franchised Outlets In the Next Fiscal Year	Column 4 Projected New Company-Owned Outlets In the Next Fiscal Year
California	0	2	0
Connecticut	0	1	0
Florida	1	2	4
Georgia	1	1	0
Massachusetts	1	3	0
New York	0	1	5
North Carolina	1	2	0

Column 1	Column 2	Column 3	Column 4
State	Franchise Agreements Signed But Outlets Not Opened	Projected New Franchised Outlets In the Next Fiscal Year	Projected New Company-Owned Outlets In the Next Fiscal Year
Pennsylvania	0	1	0
South Carolina	0	1	0
Tennessee	0	1	0
Total	4	15	9

The names of our franchisees as of December 29, 2024, as well as the addresses and telephone numbers of their PopUp Bagels Shop, are listed in Exhibit D. There were no franchisees that had PopUp Bagels Shops terminated, canceled, or not renewed—or that otherwise voluntarily or involuntarily ceased doing business under our Franchise Agreement or Development Rights Agreement—during our last fiscal year or that 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 three fiscal years, no current or former franchisees signed confidentiality clauses restricting them from discussing with you their experiences as a franchisee in our franchise system. There are no trademark-specific franchisee organizations associated with the PopUp Bagels Shop franchise system.

Item 21 FINANCIAL STATEMENTS

Exhibit C contains our (a) audited balance sheet as of December 29, 2024, and the related statements of operations and change in member’s equity and cash flows from November 21, 2024 (inception) through December 29, 2024 and the related notes to financial statements; and (b) unaudited financial statements for the period December 30, 2024 to March 30, 2025. We were formed on October 17, 2024. Because we have not been in existence for at least three years, we cannot yet include in this disclosure document three full years of audited financial statements.

Item 22 CONTRACTS

The following contracts/documents are exhibits:

1. Franchise Agreement (Exhibit A)
2. Development Rights Agreement (Exhibit B)
3. State-Specific Addenda to FDD and Riders to Franchise Agreement and Development Rights Agreement (Exhibit G)
4. Sample General Release (Exhibit H)
5. Franchisee Disclosure Acknowledgment Statement (Exhibit I)

Item 23
RECEIPTS

Our and your copies of the Franchise Disclosure Document Receipt are located at the last 2 pages of this disclosure document.

EXHIBIT A

FRANCHISE AGREEMENT

PUB FRANCHISOR LLC

FRANCHISE AGREEMENT

FRANCHISEE NAME

SHOP ADDRESS

PopUp Bagels (Issued 5/2025)

16105000182

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EXHIBITS

Exhibit A – Basic Terms

Exhibit B-1 – Guaranty and Assumption of Obligations

Exhibit B-2 – Owner’s Undertaking of Non-Monetary Obligations

Exhibit C – Franchisee and Its Owners

Exhibit D – Lease Rider

Exhibit E – Sample Form of Confidentiality Agreement

PUB FRANCHISOR LLC
FRANCHISE AGREEMENT

This Franchise Agreement (this “**Agreement**”) is made by and between **PUB Franchisor LLC**, a Delaware limited liability company whose principal business address is 1391 Post Road E., #200, Westport, Connecticut 06880 (“**Franchisor**,” “**we**,” “**us**,” or “**our**”), and _____, a(n) _____ (“**Franchisee**,” “**you**” or “**your**”), and is effective as of the date we sign it, which is set forth next to our signature at the end of this Agreement (the “**Effective Date**”).

1. Preambles

(a) We and certain of our affiliates have created, designed, and developed a distinctive bagel shop concept serving up unique flavors of bagels and multiple flavors of schmears. We and such Affiliates currently use, promote, and license certain trademarks, service marks, and other commercial symbols for this bagel shop concept, including “PopUp Bagels” and from time to time may create, use, and license new trademarks, service marks, and commercial symbols (collectively, the “**Marks**”). One of our Affiliates currently owns the Marks, the Confidential Information (defined in Section 10 below), and all aspects of the branded system and licenses that intellectual property to us for use in our franchise program for PopUp Bagels Shops.

(b) We offer and grant franchises to operate a PopUp Bagels Shop using the PopUp Bagels business system, business formats, designs, layouts, methods, procedures, trade dress, brand standards, specifications, and Marks, all of which we and our Affiliates periodically may improve, further develop, and otherwise modify (collectively, the “**Franchise System**”).

(c) You have applied for a franchise to operate a PopUp Bagels Shop, and we are willing to grant you the franchise on the terms and conditions contained in this Agreement.

2. Definitions

Unless otherwise specifically noted in this Agreement, the following terms have the indicated meanings:

Affiliate means our parents, subsidiaries, and affiliates and their respective directors, officers, owners, shareholders, partners, members, representatives, employees, agents, attorneys, contractors, predecessors, successors, heirs and assigns of each of the forgoing (in their corporate and individual capacities). 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. If two or more persons are at any time the owners of the rights under this Agreement and/or the PopUp Bagels Shop, whether as partners or joint venturers, their representations, warranties, obligations, and liabilities to us will be joint and several.

Losses and Expenses means losses, liabilities, claims, penalties, damages (compensatory, exemplary, and punitive), fines, payments, attorneys’ fees, experts’ fees, court costs, costs associated with investigating and defending against claims, settlement amounts, judgments, assessments, compromises, compensation for damages to Franchisor’s reputation and goodwill, and all other costs associated with any of the foregoing losses and expenses.

Marks means the trademarks and trade names together with the related logo(s), including designs, stylized letters, and colors, that Franchisor permits Franchisee to use at the Shop and in marketing for the Shop, including the trade and service mark “PopUp Bagels,” and any other additional or substituted trademarks, trade names, trade dress, service marks or logos that Franchisor later adopts and authorizes Franchisee in writing to use.

Non-Traditional Venue means a captive-venue location such as a hospital or medical center, airport, airport terminal, train or bus station, sports arena or stadium, university or college campus, corporate campus, food courts in office buildings or company facilities, military base, casino, or similar venue.

Owner means any person holding a direct or indirect ownership interest (whether of record, beneficial, or otherwise) or voting rights in you (or your owner or a transferee of this Agreement and the PopUp Bagels Shop or any interest in you), including any person who has a direct or indirect interest in you (or your owner or a transferee), this Agreement, or the PopUp Bagels Shop or any other direct or indirect 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.

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

Shop includes all assets of the PopUp Bagels Shop you operate under this Agreement, including its physical structure and revenue and income.

3. Acknowledgments

You acknowledge that:

(1) Attracting customers for your PopUp Bagels Shop will require you to make consistent marketing efforts in your community, including through permitted media and on-line advertising and social-media marketing and networking which we must pre-approve.

(2) Retaining customers for your Shop will require you to provide high-quality products and services and adhere strictly to the Franchise System and Brand Standards (as defined in Section 7.G below and categorized in Section 8.C below).

(3) You are committed to maintaining Brand Standards.

(4) Our officers, directors, employees, consultants, lawyers, and agents act only in a representative, and not in an individual, capacity when dealing with you, and their business dealings with you because of this Agreement therefore are considered to be only between you and us.

(5) All application and qualification materials you gave us about you and your owners to acquire a PopUp Bagels Shop franchise were accurate and complete.

(6) This Agreement’s terms and covenants are reasonably necessary for us to maintain our high product-quality and service standards (and the uniformity of those standards at each PopUp Bagels Shop) and to protect and preserve the goodwill of the Marks.

(7) We make no commitment about the extent to which we and our Affiliates will continue developing and expanding the PopUp Bagels Shop network.

The acknowledgments in clauses (8) through (13) below apply to all franchisees and franchises except not to any franchisees and franchises that are subject to the state franchise registration/disclosure laws in California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

(8) You independently evaluated and investigated the PopUp Bagels Shop franchise opportunity and relied upon those evaluations and investigation in deciding to sign this Agreement. Furthermore, you recognize that the nature of the Shop's business will likely evolve and change over time.

(9) You understand that investing in a PopUp Bagels Shop involves business risks that could result in your losing a significant portion or all of your investment.

(10) Your business acumen and business abilities and efforts are vital to your success.

(11) Other than disclosures appearing in our franchise disclosure document, if any, you have not received from us or our Affiliates any representations or guarantees, express or implied, of a PopUp Bagels Shop's potential volume, sales, income, or profits.

(12) You had an opportunity to ask questions and to review materials of interest to you concerning the franchise opportunity for a PopUp Bagels Shop.

(13) You had an opportunity, and we encouraged you, to have an attorney, financial advisor or other professional advisor review this Agreement and all other materials we gave or made available to you.

4. Grant of Franchise

A. Grant of Franchise

Subject to this Agreement's terms, we grant you the right, and you commit, to operate a PopUp Bagels Shop at the address identified on Exhibit A (the "**Shop**" or "**Franchised Shop**") using the Franchise System and the Marks. If the Shop's address is unknown as of the Effective Date, the address will be determined as provided in Section 5 and then listed on an amended and restated Exhibit A we will give you. Except as provided in this Agreement, your right to operate the Shop is limited to products you prepare and sell, and services you provide, at the Shop's physical location. Further, consistent with your obligations under Section 4.E or unless we otherwise approve in writing, you do not have the right to distribute products for orders made on our Internet website and services over the Internet or to engage in other supply or distribution channels away from the Shop's physical location (for example, unapproved Apps, catalog sales, mail-order sales, infomercials, or telemarketing). Your obligation hereunder at all times is to sell products direct to consumers and not to Persons for subsequent resale to consumers (i.e. sales of products to a food service provider or concessionaire or even to a manager of a food court in an office building).

Once we approve your right to provide catering services, if at all, you may provide catering services solely within your Area of Protection (as defined below). However, in order to be permitted to offer catering services outside your Area of Protection, you must obtain our prior written approval, which we will determine in our total discretion (the "**Additional Catering Area**"). You acknowledge that we maintain the right to modify the Additional Catering Area periodically, as we deem best, for the PopUp Bagels brand in the Shop's market area and to issue Brand Standards for all event-catering services in which we allow you to engage. We have the right to prohibit you from providing, or to rescind our previous approval allowing you to provide, event-catering services in the Additional Catering Area if we determine in our sole judgment, for any reason, that you will not be able to comply or have not complied with Brand Standards

for such event-catering services. Additionally, you acknowledge and agree that your Additional Catering Area may be revoked if we intend to grant franchise rights to a prospective franchisee whose Area of Protection will include or some of your Additional Catering Area.

B. Term

The franchise term (the “**Term**”) begins on the Effective Date and expires ten (10) years from the first day of the Franchised Shop’s lease term (“**Lease**” is defined in Section 5.B below) or the date the Shop opens to the public, whichever is later, but no later than the timeframe set forth in Section 5.A. The Term is subject to earlier termination under Section 19. You agree to operate the Franchised Shop in compliance with this Agreement for the entire Term unless this Agreement is properly terminated under Section 19.

C. Territorial Rights

During the Term, we and our Affiliates will not, except as provided in this Section 4.C and in Section 4.D below, own or operate, or allow another franchisee or licensee to own or operate, another PopUp Bagels Shop that has its physical location within the geographic area described on Exhibit A (the “**Area of Protection**”). We may modify the Area of Protection only as provided in Exhibit A. If the Shop’s address is unknown as of the Effective Date, we will describe the Area of Protection on an amended and restated Exhibit A that we will send you after we accept and you secure the Shop’s site, as provided in Section 5.A.

The Area of Protection will always be defined and deemed to exclude all Non-Traditional Venues physically located within the Area of Protection. This means there are no restrictions whatsoever on our and our Affiliates’ activities in or at Non-Traditional Venues physically located within the Area of Protection or Additional Catering Area, if any, including, but not limited to, our and our Affiliates’ right to own and operate and to grant others the right to own and operate, PopUp Bagels Shops, and to engage in other foodservice operations and business activities under the Marks, in or at such Non-Traditional Venues.

D. Reservation of Rights

Except for your location exclusivity described in Section 4.C above (which is subject to our and our Affiliates’ rights with respect to Non-Traditional Venues physically located within the Area of Protection or Additional Catering Area, if any), we and our Affiliates retain all rights with respect to PopUp Bagels Shops, the Marks, the offer and sale of products and services that are similar to, competitive with, or dissimilar from the products and services your Franchised Shop offers and sells, and any other activities we and they deem appropriate, whenever and wherever we and they desire, without regard to the competitive impact on your Franchised Shop. We and you agree that our rights will be as broad as possible inside and outside the Area of Protection. Specifically, but without limitation, we and our Affiliates reserve the following rights:

(1) to own and operate, and to allow other franchisees and licensees to own and operate, Shops at any physical locations (and in any geographic markets) outside the Area of Protection and on any terms and conditions we and they deem appropriate;

(2) to offer and sell and to allow others (including franchisees, licensees, and other distributors) to offer and sell, inside and outside the Area of Protection and on any terms and conditions we and they deem appropriate, products and services that are identical or similar to and/or competitive with those offered and sold by PopUp Bagels Shops, whether such products and services are identified by the Marks or other trademarks or service marks, through any advertising media, distribution channels

(including the Internet, grocery stores, and other retailers), and shipping and delivery methods and to any customer, no matter where located;

(3) to establish and operate, and to allow others (including franchisees and licensees) to establish and operate, anywhere (including inside or outside the Area of Protection) any business (whether or not operated at a set physical location) offering identical, similar, and/or competitive products and services under trademarks and service marks other than the Marks;

(4) to acquire the assets or ownership interests of one or more businesses offering and selling products and services similar to those offered and sold at Shops (even if such a business operates, franchises, or licenses Competitive Businesses (defined in Section 12 below)), and operate, franchise, license, or create similar arrangements for those businesses once acquired, wherever those businesses (or the franchisees or licensees of those businesses) are located or operating, including within the Area of Protection;

(5) to be acquired (whether through acquisition of assets, ownership interests, or otherwise, regardless of the transaction form) by a business offering and selling products and services similar to those offered and sold at Shops, or by another business, even if such business operates, franchises, or licenses Competitive Businesses inside or outside the Area of Protection; and

(6) to engage in all other activities this Agreement does not expressly prohibit.

E. E-Commerce Rights

The grant of a franchise to you includes the right, but also the obligation to engage in e-commerce through our website (the “**Website**”) and other e-commerce platforms approved by us including, but not limited to, third-party delivery platforms (collectively, the “**E-Commerce Program**”). Pursuant to the E-Commerce Program, you must fulfill online orders consumers place which require pick-up, delivery, or shipping within your Area of Protection pursuant to the terms we negotiate. You are required to offer delivery on the Website and other e-commerce platforms approved by us as well as offer delivery for phone and walk-in orders. You acknowledge and understand that the Shop selected to fulfill an E-Commerce Program order shall be determined solely by us or the third-party platform in accordance with algorithms that evaluate a number of different factors. You have no right to object or contest any decision made by us with respect to the Shop selected to fulfill orders. All consumer payments will be remitted directly to your designated bank account, net of any vendor’s then-current credit card processing or other vendor fees (the “**Vendor Fee**”) and gateway fees, to administer the platform and process payments, which are subject to change. We have the right to charge the consumer a fee related to technology services, and you agree to remit any such fee to us in the same manner as royalties as set forth in this Agreement. We have the right to change the products and services offered through any E-Commerce Program and the suggested retail price for such goods. We may prohibit you from participating in the E-Commerce Program if you are not compliant with the terms of the E-Commerce Program, this Agreement, the Manuals, or any other agreement with us or our Affiliates and subsidiaries. We may change the user terms, approved e-commerce platforms, our vendors, and methods and times for payment under the E-Commerce Program at our discretion. If you refuse or fail to fulfill e-commerce orders, fail to offer delivery, fail to deliver goods or services meeting our standards and specifications, or are otherwise not in material compliance with your obligations under this Agreement, we may allow a PopUp Bagels Shop outside of your Area of Protection to fulfill your orders without any compensation to you. If it is necessary to reimburse the consumer or to otherwise remedy the situation, you will be responsible for our costs in doing so. You agree to pay us or our designated supplier the then-current E-Commerce Program fees associated with building and maintaining the Website or other platform and fulfilling consumer orders. We may require you to ship products from your Shop to locations outside of your Area of Protection.

F. Guaranty

The Guarantors must fully guarantee all of your financial and other obligations to us under this Agreement or otherwise arising from our franchise relationship with you, and agree personally to comply with this Agreement's terms, by executing the form of Guaranty attached as Exhibit B-1. "**Guarantors**" means each person (as defined in Section) holding at least a ten percent (10%) ownership interest in you or in an entity directly or indirectly holding at least a ten percent (10%) ownership interest in you. Each owner's name and his, her, or its percentage ownership interest in you are set forth in Exhibit C. Subject to our rights and your obligations in this Agreement, you must notify us of any change in the information in Exhibit C within ten (10) days after the change occurs. Each owner not holding at least a ten percent (10%) ownership interest in you, or in an entity directly or indirectly holding at least a ten percent (10%) ownership interest in you, must sign an Owner's Undertaking of Non-Monetary Obligations, in the form attached as Exhibit B-2, undertaking to be bound personally by specific non-monetary provisions in this Agreement. We may require that owners holding an aggregate of at least seventy-five percent (75%) of your issued and outstanding ownership interests execute the Guaranty.

G. Your Form and Structure

As a corporation, limited liability company, or general, limited, or limited liability partnership (each, an "**Entity**"), you agree and represent that:

(1) You 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 exist 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 at our request recite that this Agreement restricts the issuance and transfer of any direct or indirect ownership interests in you, and all certificates and other documents representing ownership interests in you will at our request bear a legend (the wording of which we may prescribe) referring to this Agreement's restrictions;

(3) Your organizational documents, operating agreement, or partnership agreement, as applicable, will at our request contain a provision requiring any dissenting or non-voting interest-holders to execute all documents necessary to effectuate any action that is properly authorized under the organizational documents, operating agreement, or partnership agreement, as applicable;

(4) Exhibit C to this Agreement completely and accurately describes all of your owners and their interests (direct or indirect) in you as of the Effective Date; and

(5) You may not use any Mark (in whole or in part) in, or as part of, your legal business name or email address (unless we have provided you that email address) or use any name that is the same as or similar to, or an acronym or abbreviation of, the "PopUp Bagels" name (although you may register the "assumed name" or "doing business as" name "PopUp Bagels" in the jurisdictions where you are formed and qualify to do business).

You may not be a trust or other special-purpose vehicle without our prior written consent and first satisfying any conditions we specify.

H. Operating Principal

Upon signing this Agreement, you must designate one of your individual owners holding at least a ten percent (10%) ownership interest in you to serve as your operating principal (the “**Operating Principal**”). Your initial Operating Principal, whom we have approved, is identified on Exhibit C. You must always have an approved Operating Principal during the Term. The Operating Principal always must meet the following qualifications and any other standards we set forth from time to time in the Operations Manual or otherwise communicate to you:

(1) We must pre-approve any proposed change in the individual designated as the Operating Principal.

(2) The Operating Principal is responsible for the overall management of your Shop. The Operating Principal must have sufficient authority to make business decisions for you that are essential to the Shop’s effective and efficient operation. The Operating Principal must communicate directly with us regarding any Shop-related matters (excluding matters relating to labor relations and employment practices). Your Operating Principal’s decisions will be final and will bind you, we may rely solely on the Operating Principal’s decisions without discussing the matter with another party, and we will not be liable for actions we take based on your Operating Principal’s decisions or actions.

(3) The Operating Principal must successfully complete Initial Training before you open the Shop to the public (although the Operating Principal must satisfactorily complete Initial Training only one time, regardless of the number of PopUp Bagels Shops that you or your affiliates own and operate). If the Operating Principal fails to complete Initial Training to our satisfaction, we may terminate this Agreement.

(4) If you want or need to change the individual designated as the Operating Principal, you must appoint a new individual (the “**Replacement Operating Principal**”) for that role—in order to protect our brand—within thirty (30) days after the former Operating Principal no longer occupies that position. The Replacement Operating Principal must attend Initial Training within thirty (30) days after we approve the individual. You must pay our then-current Replacement Operating Principal training fee for each Replacement Operating Principal attending Initial Training during the Term and also are responsible for the Replacement Operating Principal’s compensation and travel-related expenses during such Initial Training. As used in this Agreement, “travel-related expenses” include those of our or your personnel, as applicable. In the case of our personnel, travel-related expenses further described in the Operations Manual.

I. General Manager

You must designate an individual, who need not have an ownership interest in you, to be the Shop’s general manager (the “**General Manager**”), although the Operating Principal also may serve as the General Manager. The General Manager (also referred to as the “Bagel Chef”) always must meet the following qualifications and any other standards we set forth from time to time in the Operations Manual or otherwise communicate to you:

(1) The General Manager is responsible for the Shop’s overall supervision, management, and operation on a day-to-day basis and must devote her or his full-time efforts to the Shop.

(2) The General Manager must successfully complete Initial Training before you open the PopUp Bagels Shop to the public. If the General Manager fails to complete Initial Training to our satisfaction, you must appoint another individual to serve as the General Manager, and that individual must complete Initial Training to our satisfaction.

(3) If you want or need to change the individual designated as the General Manager, you must appoint a new individual (the “**Replacement General Manager**”) for that role—in order to protect our brand—within thirty (30) days after the former General Manager no longer occupies that position. The Replacement General Manager must attend and satisfactorily complete our Initial Training within the timeframe we specify. You must pay our then-current Replacement General Manager training fee for each Replacement General Manager attending Initial Training during the Term and also are responsible for the Replacement General Manager’s compensation and travel-related expenses during training.

5. **Site Selection, Lease, and Developing the Shop**

A. **Site Selection and Acceptance**

(1) If the Shop’s address is unknown as of the Effective Date, this Section 5.A will govern the site selection and acceptance process. Within three (3) months after the Effective Date, you must find and obtain our written acceptance of a site within the non-exclusive geographical area described in Exhibit A (the “**Site Selection Area**”) within which to operate your Shop. Within an additional three (3) months after you find and obtain our written acceptance of that proposed Shop site, you must secure the site under a Lease (defined in Section 5.B below) acceptable to us. The timeframes during which you must search for, propose, obtain our written acceptance of, and secure the Franchised Shop’s site within the Site Selection Area (the “**Site Selection Period**”) will expire upon the earliest of (a) our acceptance of the Shop’s site and Lease and giving you an amended and restated Exhibit A, (b) this Agreement’s termination, or (c) six (6) months after the Effective Date. If we and you (or your affiliate) are parties to a Development Rights Agreement to this Agreement, the deadlines specified in that Development Rights Agreement (“**DRA**”) will supersede the deadlines specified in this Section 5.

(2) You must locate, evaluate, and select the Shop’s site. We and our affiliates will not search for or select the site for you. We will review potential Shop sites that you identify within your Site Selection Area and visit the Site Selection Area once at no additional fee. However, we have the right to require you to pay us a fee for each site visit after our initial site visit equal to an amount not to exceed \$1,500 plus our travel-related expenses for not more than two people associated with our Shop development department. We may condition our acceptance of a proposed site, or a proposed site visit, on your first sending us complete site reports and other materials (including, without limitation, photographs and digital recordings) we request. We will give you our then-current criteria for a PopUp Bagels Shop site (including, without limitation, population density and other demographic characteristics, ingress and egress, size, visibility, traffic flow, competition, accessibility, and other physical and commercial characteristics) to help in the site-selection process. However, even if we recommend or give you information regarding a potential site or site criteria, you acknowledge that we have made, and will make, no representations or warranties of any kind, express or implied, about the site’s suitability for a PopUp Bagels Shop or the likelihood that we ultimately will accept that site for the Franchised Shop’s location.

(3) You must submit all information we request when you propose a site, including an abstract specifying the key terms of the proposed Lease or purchase transaction. We will not unreasonably withhold our acceptance of a site if, in our and our affiliates’ experience and based on the factors outlined above, the proposed site is not inconsistent with sites that we and our affiliates regard as favorable or that otherwise have been successful sites in the past for PopUp Bagels Shops. However, we have the absolute right to reject any site not meeting our criteria or to require you to acknowledge in writing that a site you prefer, while acceptable to us, is not recommended due to its incompatibility with certain factors that bear on a site’s suitability as a location for a Shop. We will use reasonable efforts to review and accept or reject each site you propose within fifteen (15) days after we receive all requested information and materials. If we do not accept the site in writing within such fifteen (15) days, the site will be deemed rejected.

(4) Our recommendation or acceptance of a site that you ultimately select for your Shop indicates only that we believe the site is not inconsistent with sites that we regard as favorable or that otherwise have been successful sites in the past for PopUp Bagels Shops. Applying criteria appearing effective with other sites might not accurately reflect the potential of all sites, and demographic or other factors included in or excluded from our criteria could change, altering a site's potential. The uncertainty and instability of these criteria are beyond our control, and we are not responsible if the particular site fails to meet your expectations. Once a proposed site is accepted and secured, we will list the accepted site's location as the Franchised Shop's address in Exhibit A.

(5) If you do not find and then secure an acceptable Shop site within three (3) months and six (6) months, respectively, after the Effective Date, we may terminate this Agreement upon written notice to you. We will not return to you any portion of the Initial Franchise Fee.

(6) You may not relocate the Shop to a new site without our prior written consent, which we may grant or deny as we deem best. We may condition relocation approval on (a) the new site and its lease being acceptable to us, (b) you paying us a relocation fee equal to twenty-five percent of our then-current initial franchise fee for first-time Shop franchisees, (c) you reimbursing any costs we incur during the relocation process, (d) you confirming that this Agreement remains in effect and governs the Shop's operation at the new site with no change in the Term or, at our option, your signing our then-current form of franchise agreement to govern the Shop's operation at the new site for a new franchise term, (e) you signing a general release, in a form satisfactory to us, of any and all claims against us and our owners, affiliates, officers, directors, employees, and agents, (f) you continuing to operate the Shop at its original site until we authorize its closure, and (g) you taking within the timeframe we specify, and at your own expense, all action we require to de-brand and de-identify the Shop's former premises so it no longer is associated in any manner (in our opinion) with the Franchise System and the Marks.

B. Lease Acceptance

(1) You must send us for our review and written acceptance, which we will not unreasonably withhold, both (a) the proposed terms (as they appear in, for example, a landlord letter of intent) of any lease or sublease (and any renewals, amendments, or extensions of the lease or sublease) (collectively, the "**Lease**") that will govern your occupancy and lawful possession of the Shop's site and (b) the actual Lease, in each case after receipt from the landlord. We will have fifteen (15) days after receiving the proposed Lease terms, and an additional fifteen (15) days after receiving the actual Lease (these time periods will not overlap or run concurrently without our prior written approval), to review and either accept or reject what you send us. The Lease must include the Lease Rider substantially in the form attached to this Agreement as Exhibit D. You may not sign any Lease we have not accepted in writing. We may (but have no obligation to) guide or assist you with the leasing process but will not negotiate the Lease for you or provide any legal advice regarding the Lease.

(2) If we do not accept the proposed Lease terms, or the actual Lease, in writing within the applicable fifteen (15) day period after we receive them from you, the Lease terms or the Lease, as applicable, will be deemed rejected. Our guidance, assistance, and written acceptance of the Lease are not a guarantee or warranty, express or implied, of the Shop's success or profitability or of the Lease's suitability for your business purposes. Our acceptance indicates only that we believe the site and the Lease terms adequately protect our interests and/or the interests of other franchisees in the PopUp Bagels Shop system, to the extent those interests are implicated in the Lease. You must have a signed Lease by the end of the Site Selection Period. After your Lease is executed, you must send us prior notice of any revisions to its terms, whether proposed by you or the landlord, and we have the right to accept or reject those proposed revisions before they become effective which we will not unreasonably withhold.

(3) We do not recommend vendors who could assist you in locating an appropriate site for your Shop and/or negotiating your lease. However, we reserve the right to disapprove any of the vendors you select.

C. Development of Shop

(1) Besides the separate deadline above for obtaining site acceptance and signing an accepted Lease, immediately following the Effective Date, you must begin to pursue diligently, and secure before the anticipated Lease-signing date, all financing required to construct, develop, and open the PopUp Bagels Shop. In addition, you must within twelve (12) months after the Effective Date (or, if earlier, on or before the date specified in any DRA to which we and you (or your affiliate) are parties) (the “**Opening Deadline**”), but subject to the potential extensions described below in Section 5.D: (a) obtain all permits and licenses required to construct and operate the PopUp Bagels Shop; (b) construct the Franchised Shop and all required improvements to the site and decorate the Franchised Shop in compliance with our approved plans and specifications; (c) purchase or lease and install all required Operating Assets (defined below); (d) purchase an opening inventory of required, authorized, and approved products, materials, and supplies; (e) complete all required training; and (f) open your Franchised Shop for business in accordance with all requirements of this Agreement.

(2) You must develop the Shop at your expense. You must follow our construction guidelines and mandatory specifications and layouts for a Shop (collectively, “**Plans**”), including requirements for dimensions, design, interior layout, improvements, color scheme, décor, finishes, signage, and Operating Assets. All other decisions regarding the Shop’s development are subject to our review and prior written approval. You acknowledge and agree that our Plans might not reflect the requirements of any federal, state, or local laws, codes, ordinances, or regulations (collectively, “**Laws**”), including those arising under the Americans with Disabilities Act, or any Lease requirements or restrictions. You are solely responsible for complying with all Laws and must inform us of any changes to the Franchised Shop’s specifications that you believe are necessary to ensure such compliance. You (and not us) are responsible for the performance of architects, contractors, and subcontractors you hire to develop and maintain the Franchised Shop and for ensuring that sufficient insurance coverage is in place during and after the construction process. We are not responsible for delays in or losses resulting from the Franchised Shop’s construction, equipping, or decoration, as we have no control over the landlord or architects, contractors, and subcontractors.

(3) You must adapt the Plans for the PopUp Bagels Shop (the “**Adapted Plans**”) and make sure they comply with all Laws and Lease requirements and restrictions. We do not recommend an architect for you to use to prepare the Adapted Plans and you are obligated to locate a qualified architect to prepare the Adapted Plans. However, we reserve the right to pre-approve your architect. Further, we reserve the right to review your architect’s work at any point in the process of developing the Shop including his/her rendering of the Adapted Plans. You acknowledge and agree that we must pre-approve in writing (a) the Adapted Plans before the Franchised Shop’s build-out begins and (b) all revised or “as built” plans and specifications prepared during the Franchised Shop’s construction and development. Our review of the Adapted Plans is limited to reviewing compliance with our Plans. Our review is not intended or designed to assess your compliance with Laws or Lease requirements and restrictions; compliance in those areas is your responsibility. You must develop the Franchised Shop in accordance with the Adapted Plans we have approved. We own the Plans and all Adapted Plans. We have the right to pre-approve your proposed general contractor. During the Shop’s build-out, we may physically inspect the Shop or require you to send us pictures and images (including recordings) of the PopUp Bagels Shop’s interior and exterior so we can review your development of the Franchised Shop in accordance with our Brand Standards.

(4) You agree at your expense to construct, install all trade dress and Operating Assets in, and otherwise develop the Franchised Shop according to our standards, specifications, and directions. The Franchised Shop must contain all Operating Assets, and only those Operating Assets, we specify or pre-approve. You agree to place or display at the Shop (interior and exterior), according to our guidelines, only the signs, emblems, lettering, logos, and display materials we approve from time to time.

You agree to purchase or lease from time to time only approved brands, types, and models of Operating Assets according to our standards and specifications and, at our direction, only from one or more suppliers we designate or approve (which may include or be limited to us and/or certain of our affiliates). “**Operating Assets**” means all required furniture, fixtures, signs, equipment (including components of and required software licenses for the Computer System (defined in Section 8.E)), and branded vehicles we periodically require for the Franchised Shop.

D. Opening

Despite the Opening Deadline, you may not open the Franchised Shop for business until:

(1) we or our designee inspects the Shop and approves it in writing as having been developed in accordance with our specifications and standards. You must give us at least thirty (30) days’ prior written notice of the Shop’s planned opening date and also notify us in writing when the Shop is ready for inspection or review. If we or our designee does not inspect or review the Shop within fifteen (15) days after you deliver notice that the Shop is ready for inspection or review, or if we or our designee does not comment in writing within fifteen (15) days after the inspection or review, then the Shop is deemed approved to open. Inspection and approval, which we have the right to conduct through pictures and images (including recordings) we require you to send us, are limited to considering your compliance with our standards and specifications; our approval is not a representation that the Shop in fact complies with our standards and specifications or a waiver of our right to enforce any provision of this Agreement. Inspection and approval likewise are not intended or designed to assess compliance with Laws; compliance with Laws is your responsibility. We will not unreasonably withhold our approval of the Shop;

(2) Your Operating Principal and General Manager have completed to our satisfaction the Initial Training described in Section 7.A;

(3) The Shop has sufficient trained employees to manage and operate the Shop on a day-to-day basis in compliance with Brand Standards;

(4) The Shop’s employees are food-safety certified;

(5) You have satisfied all state and federal permitting, licensing, and other legal requirements for the Shop’s lawful operation and, upon our request, have sent us copies of all permits, licenses, and insurance policies required by this Agreement;

(6) All amounts due to us, our affiliates, and principal suppliers have been paid; and

(7) You are not in default under any agreement with us, our affiliates, or principal suppliers.

If you cannot open the Shop for business by the Opening Deadline despite your diligent efforts to do so, you may request one thirty (30) day extension to open. We will not unreasonably deny your request if the reasons for your request demonstrate your diligence in the Shop development and opening process. You may request a second thirty (30) day extension on the same terms. You may request a third (and final) thirty

(30) day extension of the Opening Deadline, which request we will not unreasonably deny if the reasons for your request demonstrate your diligence in the Shop development and opening process and you pay us a Five Thousand Dollar (\$5,000) extension fee for that final extension.

E. Grand Opening Marketing Program

You must conduct a Grand Opening Marketing Program to support the initial opening of your Shop. Your Grand Opening Marketing budget must not be less than \$15,000 for the marketing and promotional activities associated with the initial opening. This Program is intended to begin approximately 30 days before and to continue for approximately 60 days after the Shop opens (although we have the right to specify a different timeframe). We will consult with you about the advertising and marketing plan that we believe is most suitable for the market area surrounding your Shop. While it is likely that you will directly pay your vendors for their work in connection with your grand opening program, we reserve the right to require you to pay us for your program's anticipated costs, which we then will either spend funds on your behalf for marketing and promotional activities in the Shop's market area or re-pay you as you send us invoices/receipts confirming your commitment with vendors to move forward with the approved plan.

6. Fees

A. Initial Franchise Fee

You must pay us a Thirty-Five Thousand Dollars (\$35,000) initial franchise fee (the "**Initial Franchise Fee**") when you sign this Agreement. The Initial Franchise Fee is not refundable under any circumstances. This Agreement will not be effective, and you will have no franchise rights, until we receive the Initial Franchise Fee. We will credit toward the Initial Franchise Fee any deposit you (or an affiliate) paid us under a Development Rights Agreement.

B. Royalty

(1) You agree to pay us, on or before Wednesday of each calendar week (the "**Payment Day**"), a royalty ("**Royalty**") equal to six percent (6%) of the Shop's Gross Sales during the preceding calendar week. "**Gross Sales**" means the aggregate amount of all revenue and other consideration received by the Franchised Shop from any source, including, without limitation, from selling products, services, and merchandise (including delivery charges paid for deliveries made by the Shop's employed staff); other types of revenue you receive, including the proceeds of business interruption insurance; and (if barter is permitted by us) the value of products, services, and merchandise bartered in exchange for the Shop's products, services, or merchandise.

(2) All transactions must be entered into the Computer System at the full, standard retail price for purposes of calculating Gross Sales. However, Gross Sales exclude: (a) federal, state, or municipal sales, use, or service taxes collected from customers and paid to the appropriate taxing authority; (b) tips paid to your employees by customers; (c) delivery fees collected from customers for in-house and third-party delivery services; (d) the value of both (i) employee discounts and (ii) with our prior approval, promotional or marketing discounts offered to the public, with (i) and (ii) not exceeding, in the aggregate, two percent (2%) of the Shop's weekly Gross Sales; (e) proceeds from insurance, excluding business interruption insurance; and (f) proceeds from any civil forfeiture, condemnation, or seizure by government entities. In addition, Gross Sales are reduced by the amount of any credits the Shop provides in accordance with the terms and conditions set forth in the Operations Manual.

(3) Each charge or sale upon credit will be treated as a sale for the full price on the day the charge or sale is made, regardless of when you receive payment (whether full or partial, or at all)

on that sale. Revenue from gift/loyalty/stored-value/affinity “cards” and similar items we approve for offer and sale at Shops, whether maintained on an App, on another electronic medium, or in another form (together, “**Loyalty Program Media**”), is included in Gross Sales when the Loyalty Program Media are used to pay for products and services (although we may collect our fees due on that revenue when the Loyalty Program Media are acquired by the customer). Your Shop may not issue or redeem any coupons or Loyalty Program Media unless we first approve in writing their form and content and your proposed issuing and honoring/redemption procedures. We may grant or withhold our approval as we deem best.

(4) We reserve the right to modify our policies and practices regarding revenue recognition, revenue reporting, and the inclusion or exclusion of certain revenue from “Gross Sales” as circumstances, business practices, and technology change.

C. Technology Fee

You must pay us the Technology Fee we periodically specify, not to exceed Seven Hundred Fifty Dollars (\$750) each month, due on the first Wednesday of each month. The Technology Fee is (1) for technology products or services we determine to associate or utilize in connection with the Franchise System and (2) to cover all or certain portions of the corresponding costs. The Technology Fee currently covers operational-data analytics, learning-management platforms, restaurant management software development, website development, point-of-sale system development, and data input/storage. The Technology Fee does not cover software subscriptions or license fees payable to third parties, meaning that, despite payment of the Technology Fees to us, you must pay third-party vendors for the costs of and support services for your Shop’s Computer System. We have no obligation to account to you or other franchisees for our use of Technology Fees or to ensure that you or the Shop’s benefits directly or pro rata based on your payments of Technology Fees.

D. Payment Method and Timing

You agree to authorize us to debit your business checking or other account automatically for the Royalty, Technology Fee, Brand Fund (defined below) contribution, and other amounts due under this Agreement and any related agreement between us (or our affiliates) and you. We will debit your account on or after the Payment Day (or such other day that we specify in the Operations Manual) for the Royalty, Technology Fee, Brand Fund contribution, and other amounts due. Funds must be available in the account by the Payment Day (or such other day that we specify in the Operations Manual) for withdrawal by electronic transfer. You must reimburse any “insufficient funds” charges and related expenses we incur due to your failure to maintain sufficient funds in your bank account. You may not close this account without first establishing, and notifying us of, a new account that we are authorized to debit as provided in this Section.

We have the right, at our sole option upon notice to you, to change from time to time the timing and terms for payment of Royalties, Technology Fees, Brand Fund contributions, and other amounts due to us under this Agreement. You may not subordinate to any other obligation your obligation to pay us Royalties, Technology Fees, Brand Fund contributions, or any other amount due under this Agreement.

E. Administrative Fee and Interest on Late Payments

In addition to our other remedies, including, without limitation, the right to terminate this Agreement under Section 18, if you fail to pay (or make available for withdrawal from your account) when due any amounts you owe us or our affiliates relating to this Agreement or the Shop, those amounts will bear interest, accruing as of their original due dates, at one-and-one-half percent (1.5%) per month or the highest commercial contract interest rate the Law allows, whichever is less. In addition, you must pay us a

Two Hundred Fifty Dollar (\$250) administrative fee for each payment not made to us or our affiliate when due (or for each dishonored payment) to cover the increased costs and expenses incurred due to your failure to pay the amounts when due.

F. Application of Payments and Right of Set-Off

Notwithstanding any designation you make, we may apply any of your payments (whether automatically debited or otherwise) to any of your past due indebtedness to us or our affiliates relating to this Agreement or the Shop. We may set off any amounts you or your owners owe us or our affiliates against any amounts that we or our affiliates owe you or your owners, whether in connection with this Agreement or otherwise.

7. Training, Guidance, and Assistance

A. Initial Training

Before you commence operating the Franchised Shop, we will furnish through virtual and distance learning and other electronic means and, at our option, at a designated training location of our choice (which may be our corporate headquarters, an operating PopUp Bagels Shop, and/or your Shop) an initial training program (“**Initial Training**”) on operating a Shop. We will train up to four (4) people at no additional charge, including your Operating Principal, the General Manager, and two assistant managers. We may charge our then-current training fee for each additional person you desire to send to Initial Training. You must attend all aspects of the Initial Training, as we specify. Excluding aspects relating to labor relations and employment practices, our Initial Training focuses on our Brand Standards, our business philosophy and culture, understanding our products, and the material aspects of operating a Shop.

Before we will allow you to open the Franchised Shop to the public, your Operating Principal and General Manager must complete Initial Training to our satisfaction. Our training program may include a “train the trainer” module so that your senior-level personnel can learn how to train your other employees to follow our Brand Standards. Your Shop must have on staff at least one (1) fully trained General Manager and one (1) fully trained Assistant Manager.

You are responsible for paying all wages, benefits, and travel-related expenses while your personnel attend training. You are responsible for evaluating any information you believe you need to ensure your employees are accurately paid during training. You also are responsible for maintaining workers’ compensation insurance for your employees during training and must send us proof of that insurance before the training program begins. All training attendees must be food-safety certified before they attend.

B. Retraining

If your Operating Principal or General Manager fails to complete Initial Training to our satisfaction, or we determine after an inspection that retraining is necessary because the Shop is not operating according to Brand Standards, he or she may attend a retraining session for which we may charge our then-current training fee. You are responsible for all employee compensation and travel-related expenses during retraining. The Shop may commence and continue operation only if there is at least one (1) fully trained General Manager on staff who intend to be at the Franchised Shop on a daily basis. You must replace the Operating Principal if he or she cannot complete Initial Training to our satisfaction.

You may request additional or repeat training for your Operating Principal, the General Manager, and the Assistant Manager at the end of Initial Training if they do not feel sufficiently trained to operate a

Shop. We and you will jointly determine the duration of any additional training, which is subject to our personnel's availability. You must pay our then-current training fee for additional or repeat training. However, if you do not expressly inform us that your Operating Principal, General Manager, or Assistant Managers do not feel sufficiently trained to operate a Shop, they will be deemed to have been trained sufficiently to operate a Shop.

C. Opening Set-Up and Support

We will send an "opening team" (involving the number of people we determine) to the Franchised Shop in connection with its opening to the public for business in order to help you train your supervisory employees on the PopUp Bagels philosophy and Brand Standards (but not matters relating to labor relations and employment practices). We expect the opening team to arrive approximately two (2) days before the Franchised Shop's scheduled opening date and to remain on-site for approximately six (6) days after the Shop's opening date. We will pay our opening team's wages and travel-related expenses. However, if in our opinion you and/or the Shop's needs, or if you request (and we agree to provide), special guidance, assistance, or training (excluding training relating to labor relations and employment practices) that extends beyond the period our opening team was scheduled to be at the Shop, you must pay our personnel's daily charges (including wages) and travel-related expenses. We may delay the Shop's opening until all required training has been satisfactorily completed.

D. Ongoing and Supplemental Training/Convention

We may require your Operating Principal, the General Manager, and the Shop's Assistant Managers to attend and complete satisfactorily various training courses and programs offered periodically during the Term by us or third parties at the times and locations we designate. However, we will not require attendance at such training courses and programs for more than five (5) days total during each calendar year. You are responsible for their compensation and travel-related expenses during their attendance. We may charge our then-current fee for continuing and advanced training. If you request any training courses and programs to be provided locally, then subject to our training personnel's availability, you must pay our then-current training fee and our training personnel's travel-related expenses.

Besides attending and/or participating in the training courses and programs described in the previous paragraph, at least one of your representatives (the Operating Principal or another designated representative we approve) must at our request (in our sole discretion) attend an annual meeting of all PopUp Bagels Shop franchisees for up to three (3) days at a location we designate. You must pay all travel-related expenses to attend. You must pay any meeting fee we charge even if your representative does not attend (whether or not we excuse that non-attendance).

E. Training For Replacement General Managers

If you no longer employ the General Manager or become aware that the General Manager intends to leave his or her position, you must immediately seek the Replacement General Manager, as provided in Section 4.H above. The Replacement General Manager must satisfactorily complete Initial Training. You must pay our then-current training fee for all Replacement General Managers hired during the Term and also are responsible for their compensation and travel-related expenses during training.

F. Training for Your Employees

Your General Manager and the Shop's Assistant Managers must properly train all employees associated with the Franchised Shop to perform the tasks required of their positions. We may develop and make available training tools and recommendations for you to use in training the Shop's employees to

comply with Brand Standards. We may update these training materials periodically to reflect changes in our training methods and procedures and changes in Brand Standards.

We may periodically and without prior notice review the Shop's performance to determine if the Shop meets Brand Standards. If we determine that the Shop is not operating according to Brand Standards and that your General Manager is not qualified to retrain one or more of your employees, we may, in addition to our other rights under this Agreement, require the General Manager to re-attend, and complete to our satisfaction, Initial Training. We may charge our then-current training fee. You are responsible for all compensation and travel-related expenses of your personnel.

G. General Guidance and the Operations Manual

We periodically will advise you or make recommendations regarding the Shop's operation with respect to: (1) standards, specifications, operating procedures, and methods that PopUp Bagels Shops use; (2) purchasing required or recommended Operating Assets and other products, services, supplies, and materials; (3) supervisory-employee training methods and procedures (although you are solely responsible for the employment terms and conditions of all of your employees); and (4) accounting, advertising, and marketing.

We may guide you through our various operations and technical manuals, bulletins, and other materials (collectively, "**Operations Manual**"), by electronic media, by telephone consultation, at our office or the Shop or by digital images of menu items. If you request and we agree to provide, or we determine that you need, additional or special guidance, assistance, or training, you agree to pay our then-applicable charges, including reasonable training fees and our personnel's daily charges and travel-related expenses. Any specific ongoing training, conventions, advice, or assistance we provide does not obligate us to continue providing such training, conventions, advice, or assistance, all of which we may discontinue and modify at any time.

We will give you online or other access to our Operations Manual. Any passwords or digital identifications necessary to access the Operations Manual are considered part of our Confidential Information. The Operations Manual may consist of and is defined to include audio, video, computer software, other electronic and digital media, and/or written and other tangible materials. The Operations Manual contains mandatory and suggested specifications, standards, operating procedures, and rules we periodically issue for developing and operating a Shop ("**Brand Standards**") and information on your other obligations under this Agreement. We may modify the Operations Manual periodically to reflect changes in Brand Standards, but those modifications will not alter your fundamental rights or status under this Agreement.

You agree to keep current your copy of the Operations Manual (if any materials are delivered in hardcopy) and timely communicate all updates to your employees. You must periodically monitor the System Website and our other communications periodically for updates to the Operations Manual or Brand Standards. You agree to keep secure all parts of the Operations Manual and to restrict access to any passwords for accessing the Operations Manual. If there is a dispute over its contents, our master version of the Operations Manual controls. You agree that the Operations Manual's contents are confidential and not to disclose any part of the Operations Manual to any person other than your employees and others needing access in order to perform their duties, but only if they agree to maintain its confidentiality by signing a form of confidentiality agreement. We have the right to pre-approve the form used (an acceptable sample of which is attached as Exhibit E). You may not at any time copy, duplicate, record, or otherwise reproduce any part of the Operations Manual without our permission.

While we have the right to pre-approve the form of confidentiality agreement you use with your employees and others having access to our Confidential Information in order to protect that Confidential Information, under no circumstances will we control the forms or terms of employment agreements you use with your employees or otherwise be responsible for your labor relations.

In addition, Brand Standards do not include any personnel policies or procedures, or any Shop security-related policies or procedures, we choose to make available to you in the Operations Manual or otherwise for your optional use. You will determine to what extent, if any, these optional policies and procedures might apply to your Shop's operation. You and we agree that we do not dictate or control labor or employment matters for franchisees and your Shop employees. You are solely responsible for obtaining, installing, and maintaining the security and safety procedures, measures, devices, and systems reasonably necessary to protect employees, the public, guests, and customers of your Shop from foreseeable harm during and after business hours.

H. Delegation

We have the right from time to time to delegate the performance of any portion or all of our obligations under this Agreement to third-party designees, whether they are our affiliates, agents, or independent contractors with which we contract to perform such obligations.

8. PopUp Bagels Operation and Brand Standards

A. Condition and Appearance of Shop

(1) You may not use, or allow another to use, any part of the Franchised Shop for any purpose other than operating a PopUp Bagel Shop in compliance with this Agreement. You must place or display at the Shop (interior and exterior), according to our guidelines, only those signs, emblems, designs, artwork, lettering, logos, and display and advertising materials we periodically specify. You agree to maintain the condition and appearance of the Shop, the site, and the Operating Assets in accordance with Brand Standards.

(2) In addition to your obligations in Section 8.A(1) above, we periodically may modify Brand Standards, which may accommodate regional or local variations, and those modifications may obligate you to invest additional capital in the Shop and/or incur higher operating costs. You agree to implement any changes in mandatory Brand Standards within the time period we request as if they were part of this Agreement on the Effective Date. However, except for: (a) changes in the Computer System; (b) changes in signage and logo (i.e., Shop exterior graphics); (c) changes provided in Section 16.C(2)(h) in connection with a transfer; (d) changes required by the Lease or applicable Law; and (e) your obligations related to Section 8.A(1), for all of which the timing and amounts are not limited during the Term, we will not obligate you to make any capital modifications (i.e., any modification that would qualify as a capital expenditure under generally-accepted accounting principles):

- (i) during the first five (5) years after the Shop commences operation; or
- (ii) during the last two (2) years of the Term, unless the proposed capital modifications during those last two (2) years (the amounts for which are not limited) are in connection with Shop upgrades, remodeling, refurbishing, and similar activities for your acquisition of a successor franchise (as provided in Section 18(d)).

This means that, besides the rights we reserve above in clauses (a) through (e), we may as a condition of the renewal and/or extension of this Agreement require you substantially to alter the Shop's appearance,

layout, and/or design, and/or replace a material portion of the Operating Assets, in order to meet our then-current requirements and then-current Brand Standards for new Shops. This could obligate you to make extensive structural changes to, and significantly remodel and renovate, the Shop, and/or to spend substantial amounts for new Operating Assets. You agree to spend any sums required in order to comply with this obligation and our requirements (even if such expenditures cannot be amortized over the remaining Term), provided, however, we will not require you to spend in the aggregate in connection with any remodeling and renovation project, more than Seventy-five Thousand Dollars (\$75,000), with no more than Thirty-three Thousand Dollars (\$33,000) in any one twelve month period. Within sixty (60) days after receiving written notice from us, you must prepare plans according to the standards and specifications we prescribe, using an architect and general contractor we approve, and you must submit those plans to us for written approval. You agree to complete all work according to the plans we approve within the time period we reasonably specify and in accordance with this Agreement.

(3) We also may from time to time require you to participate in certain test programs and consumer surveys for new products, services, and/or Operating Assets. This could obligate you to spend money for new Operating Assets and to incur other operating costs for the Shop. While we need not reimburse those costs, we will not require you to spend unreasonable amounts to participate in test programs and consumer surveys. Alternatively, we have the right to use the Brand Fund to pay for these costs. You agree to maintain and timely send us any records and reports we require related to the test programs. We may discontinue any test programs before their scheduled completion dates and choose not to implement any changes to the Franchise System.

B. Compliance with Applicable Laws and Good Business Practices

You must secure and maintain all licenses, permits, and certificates required for the Shop's operation and operate the Shop in full compliance with all Laws, including government regulations relating to occupational hazards, advertising, health, environment, acquiring, stocking, and dispensing alcoholic beverages, employment, workers' compensation and unemployment insurance, and withholding and payment of federal and state income taxes, social-security taxes, and sales and service taxes. Your advertising and promotion must be completely factual. The Shop 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 may not engage in any practice that could injure our business or the goodwill associated with the Marks, the Franchise System, and other Shops. You must notify us in writing immediately if (1) any legal charge is asserted against you or the Shop (even if there is no formal proceeding), (2) any action, suit, or proceeding is commenced against you or the Shop, (3) you receive any report, citation, or notice regarding the Shop's failure to comply with any licensing, health, cleanliness, or safety Law or standard, or (4) any bankruptcy or insolvency proceeding or an assignment for the benefit of creditors is commenced by or against you, your owners, or the Shop.

C. Compliance with Brand Standards

You agree to comply with all Brand Standards, as we may periodically modify them, as if they were part of this Agreement. You may not offer, sell, or provide at or from the Shop any products or services that are not authorized in the Operations Manual. You must offer, sell, and provide all products and services we prescribe from time to time. We may change such products and services from time to time and from market to market based on numerous considerations. Brand Standards may direct any aspect of the Shop's operation and maintenance that is material to the goodwill associated with the Marks, the Franchise System, and the Shops. While we maintain the right to issue and modify Brand Standards, you alone exercise day-to-day control over the Shop's operation and remain solely responsible for compliance with Brand Standards, which may relate to any one or more of the following:

(1) required and/or authorized food products, ingredients, and recipes; food-handling and preparation procedures; required and/or authorized services; and unauthorized and prohibited food products and services (which the Shop is not allowed to offer and sell under any circumstances). We always have the right to approve or disapprove in advance all products and services to be used at or sold by the Shop, and you must comply with our directions. We may withdraw our approval of previously authorized products and services upon notice to you based on what we think is best for PopUp Bagels Shops;

(2) minimum days and hours of being open for service to customers, which, while it might vary depending on the Shop's location, we have the right to require it to be open for seven (7) days a week and no less than seven (7) hours per day, although Franchisor and Franchisee may designate holidays during which the Shop may be closed for the observance of such holidays;

(3) inventory requirements so the Shop may operate at full capacity;

(4) sales, marketing, advertising, and promotional programs and the materials and media used in those programs, including participating in and complying with the requirements of any special advertising, marketing, and promotional programs we periodically specify;

(5) adequate staffing levels to operate the Shop in compliance with Brand Standards, conducting criminal background checks and due diligence on the Shop's employees (although you alone will review the results and make employment decisions on the basis of those results), appearance of Shop personnel, and courteous service to customers. However, you have sole responsibility and authority for your labor relations and employment practices, including, among other things, employee selection, promotion, termination, hours worked, rates of pay, benefits, work assigned, discipline, adjustment of grievances and complaints, and working conditions. Franchised Shop employees are exclusively under your control at the Shop. You must communicate clearly with your employees in your human resources manuals, written and electronic correspondence, paychecks, and other materials that you (and only you) are their employer and that we, as the franchisor of PopUp Bagels Shops, and our affiliates are not their employer or joint employer and do not engage in any employer-type activities (including those described above) for which only franchisees are responsible. You must obtain an acknowledgment (in the form we specify or approve) from all your employees that you (and not we or our affiliates) are their employer;

(6) standards, procedures, and requirements for responding to customer complaints, including promptly reimbursing our costs if we resolve a customer complaint because you fail to do so as or when required;

(7) price advertising policies and maximum, minimum, or other pricing requirements for products and services the Shop sells, including requirements for national, regional, and local promotions, special offers, and discounts in which some or all Shops must participate, in each case to the maximum extent the Law allows;

(8) use and display of the Marks at the Shop, on delivery/catering vehicles, and on various consumer-facing supplies;

(9) quality-assurance, food-safety-audit, guest-satisfaction, "mystery-shop," consumer-survey, and similar programs, including your using and paying directly (or reimbursing us for) our designated or approved third-party service providers;

(10) storage procedures and techniques;

(11) delivery and catering services, including your obligation to deliver products to customers, to engage with third-party food-ordering and delivery systems, if required by us, to ring up and account for delivery charges not included in the price of products, and to use branded vehicles, if any, only in the manner we permit;

(12) use of mobile or digital ordering and Franchise System applications and other digital channels (“Apps”) for which we or a third-party provider has the right to charge fees;

(13) issuing and honoring/redeeming loyalty program media and administering customer loyalty/affinity and similar programs, if any. You must participate in, and comply with the requirements of, our Loyalty Program Media and customer loyalty/affinity programs (which will include accepting membership points and credits as payment from customers and paying us transaction-processing fees or merchant-services fees or otherwise reimbursing our or a third-party’s costs for transactions through our Loyalty Program Media and customer loyalty/affinity programs). We may draft from your bank account all monies paid to you for Loyalty Program Media and similar customer loyalty initiatives and hold those monies until the Loyalty Program Media and similar customer loyalty initiatives are redeemed at your Shop (or another PopUp Bagels Shop). However, we may keep any prepaid amounts that are not used by customers to the extent allowed by Law;

(14) standards, platforms, and procedures for (a) communications among you, us, and other franchisees, (b) accessing and using various aspects of the System Website (including an intranet), (c) using blogs, common social networks like Facebook and Instagram, professional networks like LinkedIn, live-blogging tools like Twitter, file, audio, and video-sharing sites, and other similar social-networking media or tools (collectively, “**Social Media**”) that in any way reference the Marks or involve the Shop, and (d) using the Marks as part of any domain name, homepage, electronic address, metatag, or otherwise in connection with any website or other online presence, including on or through Social Media and display ads (collectively, “**Digital Marketing**”) (except to the extent our standards or procedures are prohibited under Law);

(15) communicating with the Shop’s customers only through branded mobile Apps, branded email domains, online brand-reputation-management sites, or other channels we expressly designate and only for purposes related to the Shop’s operation;

(16) participation in one or more franchise advisory councils we establish for the Franchise System; and

(17) any other aspects of operating and maintaining the Shop that we determine are useful to preserve or enhance the efficient operation, image, or goodwill of the Marks and PopUp Bagels Shops.

Any information we provide (in the Operations Manual or otherwise) concerning employment-related policies or procedures or relating to employment terms and conditions for your employees, is only a recommendation, and not a requirement, for your optional use.

As described in Section 7.A above, we have the right periodically to modify and supplement Brand Standards, which may require you to invest additional capital in the Shop and incur higher operating costs. Those Brand Standards will constitute legally binding obligations on you when we communicate them. Although we retain the right to establish and modify periodically the Brand Standards you have agreed to follow, you retain complete responsibility and authority for the Shop’s management and operation and for implementing and maintaining Brand Standards at the Shop.

You acknowledge the importance of operating the Shop in full compliance with this Agreement and Brand Standards. You further acknowledge that your deviation from any contractual requirement, including any Brand Standard, is a violation of this Agreement and which could trigger incalculable administrative and management costs for us to address the violation (separate and apart from any damages your violation might cause to the Franchise System, our business opportunities, or the goodwill associated with the Marks). Therefore, you agree to compensate us for our incalculable administrative and management costs by paying us between Two Hundred Dollars (\$200) Dollars for each deviation from a contractual requirement, including any Brand Standard, cited by us (the “**Non-Compliance Fee**”). However, if we discover that same (or a substantially similar) deviation on one or more consecutive, subsequent visits to or inspections of the Shop, the Non-Compliance Fee will at our option be Five-Hundred Dollars (\$500) for the first repeat deviation and One-Thousand Dollars (\$1,000) for the second and each subsequent repeat deviation. The Non-Compliance Fee does not apply to payment defaults for which we may charge late fees and interest under Section 6.E above.)

We and you deem the Non-Compliance Fee to be a reasonable estimate of our administrative and management costs and not a penalty. We may debit your bank account for Non-Compliance Fees or set off monies otherwise due and payable to you to cover the payment of Non-Compliance Fees. We must receive the Non-Compliance Fee within five (5) days after we notify you that we are charging it due to your violation. We need not give you a cure opportunity before charging the Non-Compliance Fee. Charging the Non-Compliance Fee does not prevent us from seeking to recover damages to the Franchise System, our business opportunities, or the goodwill associated with the Marks due to your violation, seeking injunctive relief to restrain any subsequent or continuing violation, and/or formally defaulting you and terminating this Agreement under Section 18.B.

D. Approved Products, Services, and Suppliers

(1) We may periodically designate and approve Brand Standards, manufacturers, suppliers, and/or distributors for the Operating Assets, products, and services we periodically authorize PopUp Bagels Shops to use or sell. You must purchase or lease all Operating Assets, products, and services you use or sell at the Franchised Shop only according to Brand Standards and, if we require, only from manufacturers, suppliers, or distributors we designate or approve (which may include or be limited to us, certain of our affiliates, and/or other restricted sources). We and/or our affiliates may derive revenue—in the form of promotional allowances, volume discounts, commissions, other discounts, performance payments, signing bonuses, rebates, marketing and advertising allowances, free products, and other economic benefits and payments—from suppliers that we designate, approve, or recommend for some or all Shops on account of those suppliers’ prospective or actual dealings with your Shop and other PopUp Bagels Shops. That revenue may or may not be related to services we and our affiliates perform. All amounts received from suppliers, whether or not based on your or other franchisees’ purchases from those suppliers, will be our and our affiliates’ exclusive property, which we and our affiliates may retain and use without restriction for any purposes we and our affiliates deem appropriate. Any products or services that we or our Affiliates sell you directly may be sold to you at prices exceeding our and their costs.

(2) If you want to purchase or lease any Operating Assets, products, or services from a supplier or distributor we have not then approved (if we require you to buy or lease the asset, product, or service only from an approved supplier or distributor), then you must establish to our reasonable satisfaction that the quality and functionality of the item or service are equivalent to those of the item or service it replaces and that the supplier or distributor is, among other things, reputable, financially responsible, and adequately insured for product-liability claims. You must pay upon request either our then-current fee or any actual expenses and travel-related expenses we incur, whichever is greater, to determine whether or not the items, services, suppliers, or distributors meet our requirements and specifications. We may condition our written approval of a supplier or distributor on requirements relating to product taste, quality, and safety;

third-party lab-testing; prices; consistency; warranty; supply-chain reliability and integrity; financial stability; customer relations; frequency, economy, and efficiency of delivery; concentration of purchases; standards of service (including prompt attention to complaints); and other criteria. We have the right to inspect the proposed supplier's or distributor's facilities and to require the proposed supplier or distributor to deliver product samples or items either directly to us or to any third party we designate for testing. If we approve a supplier or distributor you recommend, you agree that we may allow other Shops to purchase or lease the Operating Assets or other products or services from those suppliers or distributors without limitation and without compensation to you. However, if we approve for use by the entire Franchise System of a supplier or distributor you recommend, we will return any amounts we initially charged you to determine whether or not the supplier or distributor met our requirements and specifications.

(3) Despite the foregoing, we may limit the number of approved suppliers and distributors with which you may deal, designate sources you must use, and refuse any of your requests for any reason, including, without limitation, because we have already designated an exclusive source (which might be us or one of our affiliates) for a particular item or service or believe that doing so is in the best interests of PopUp Bagels Shops. It might be disadvantageous from a cost and service basis to have more than one supplier in a given market area, and that we have the right to consider the impact of any supplier approval on our and our franchisees' ability to obtain the lowest distribution costs and best service. However, we make no guaranty, warranty, or promise that we will obtain the best pricing or most advantageous terms for PopUp Bagels Shops. We also do not guaranty the performance of suppliers and distributors to PopUp Bagels Shops. We are not responsible or liable if the products or services provided by a supplier or distributor fail to conform to or perform in compliance with Brand Standards or our contractual terms with the supplier or distributor.

(4) We have the right (without liability) to consult with your suppliers about the status of your account with them and to advise your suppliers and others with whom you, we, our affiliates, and other franchisees deal that you are in default under any agreement with us or our affiliates (but only if we or our affiliate has notified you of such default).

E. Computer System

(1) You agree to obtain and use the computer hardware and software (including back of the House software), point-of-sale system, computer-related accessories and peripheral equipment, tablets, smart-phones, on-line, digital, and App ordering systems, and on-line kitchen-management system we periodically specify (the "**Computer System**"). You must use the Computer System to access the System Website and to input and access information about your sales and operations. The Computer System must operate continuously. We will have continuous, unlimited access to all non-privileged information maintained on the Computer System, whether confidential or not confidential (excluding matters relating to labor relations and employment practices) that relates to the System, your PopUp Bagel franchise and to the content of any PopUp Bagels e-mail accounts we provide you.

(2) We may periodically modify the Computer System's specifications and components. Our modification of Computer System specifications and/or other technological developments or events may require you to purchase, lease, or license new or modified computer components, software, and peripherals 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, you must incur the costs to obtain the computer components, software, and peripherals comprising the Computer System (and additions and modifications) and required service or support. Within a reasonable period of time, not to exceed seventy (70) days after we deliver notice to you, you must obtain the Computer System components we designate and ensure that your Computer System, as modified, is functioning properly.

(3) We and our Affiliates may condition any license to you of required or recommended proprietary software, and/or your use of technology developed or maintained by or for us, on your signing a software license agreement, liability waiver, and/or similar document, or otherwise agreeing to the terms (for example, by acknowledging your consent to and accepting the terms of a click-through license agreement), that we and our affiliates periodically prescribe to regulate your use of, and our (or our affiliates') and your respective rights and responsibilities with respect to, the software or technology. We and our affiliates may charge you upfront and ongoing fees for any required or recommended proprietary software or technology we or our affiliates choose to create, develop, modify, and license to you (to the extent not covered by the Technology Fee) and for other Computer System maintenance and support services and programs provided during the Term.

(4) Despite your obligation to buy, use, and maintain the Computer System according to our standards and specifications, you have sole and complete responsibility for: (a) acquiring, operating, maintaining, and upgrading the Computer System; (b) the manner in which your Computer System interfaces with our and any third party's computer system; (c) any and all consequences if the Computer System is not properly operated, maintained, and upgraded (though we are not responsible for any outages in our proprietary operating software); and (d) independently determining what is required for you to comply (and then complying) at all times with the most current version of the Payment Card Industry Data Security Standards, and with all Laws (including privacy laws) governing the use, disclosure, and protection of Consumer Data (defined in Section 11) and the Computer System, and validating compliance with those standards and Laws as may be periodically required. The Computer System must permit twenty-four (24)-hours-per-day, seven (7)-days-per-week electronic communications between you and us, including access to the Internet and System Website (but excluding privileged and matters relating to your labor relations and employment practices).

9. Marks

A. Ownership and Goodwill of Marks

Your right to use the Marks is derived only from this Agreement and is limited to your operating the Shop according to this Agreement and all mandatory Brand Standards we prescribe during the Term. Your unauthorized use of the Marks is a breach of this Agreement and infringes our (and our licensor's) rights in the Marks. Any use of the Marks relating to the Franchised Shop, and any goodwill that use establishes, are for our (and our licensor's) exclusive benefit. We (and our licensor) may take the action necessary to enforce all trademark-use obligations under this Agreement. This Agreement does not confer any goodwill or other interests in the Marks upon you, other than the right to operate the PopUp Bagels according to this Agreement. All provisions in this Agreement relating to the Marks apply to any additional and substitute trademarks and service marks we periodically authorize you to use. You may not at any time during or after the Term contest or assist any other person to contest the validity, or our (or our licensor's) ownership, of the Marks.

B. Limitations on Use of Marks

You agree to use the Marks as the Franchised Shop's sole identification, subject to the notices of independent ownership we periodically designate. 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 license to you), (3) in selling any unauthorized products or services, (4) in connection with any Social Media and other Digital Marketing without our consent or, if applicable, without complying with our Brand Standards communicated to you, or (5) in any other manner we have not expressly authorized in writing. You may not use any Mark to advertise the transfer, sale, or other disposition of the Shop or an ownership interest in you without our prior written consent, which we will not unreasonably

withhold. You must give the notices of trademark and service mark registrations we periodically specify and obtain any fictitious or assumed-name registrations that applicable Law requires. You may not pledge, hypothecate, or grant a security interest in any property that bears or displays the Marks (unless the Marks are readily removable from such property) and must advise your proposed lenders of this restriction.

C. No Joint Employer

You must notify your employees at the Shop that you are the employer of Shop's employees and that we, as the franchisor of the Shops, and our affiliates are not their employer or joint employer and do not engage in any employer-type activities for which only franchisees are responsible. You also must obtain an acknowledgment (in the form we specify or approve) from all Shop employees that you (and not we or our affiliates) are their employer.

D. Notification of Infringements and Claims

You agree to notify us immediately of any actual or apparent infringement or challenge to your use of any Mark, any person's claim of any rights in any Mark (or any identical or confusingly similar trademark), or unfair competition relating to any Mark. You may not communicate with any person other than us and our licensor, our respective attorneys, and your attorneys regarding any infringement, challenge, or claim. We and our licensor may take the action we deem appropriate (including no action) and control exclusively any litigation, U.S. Patent and Trademark Office proceeding, or other administrative proceeding or enforcement action arising from any infringement, challenge, or claim or otherwise concerning any Mark. You must sign any documents and take any other reasonable actions we, our licensor, and our respective attorneys deem necessary or advisable to protect and maintain our (and our licensor's) interests in any litigation, U.S. Patent and Trademark Office or other proceeding, or enforcement action or otherwise to protect and maintain our (and our licensor's) interests in the Marks.

E. Indemnification for Use of Marks

We agree to reimburse your damages and expenses incurred in any trademark infringement proceeding disputing your authorized use of any Mark under this Agreement, provided your use has been consistent with this Agreement, the Operations Manual, and Brand Standards communicated to you, and you have timely notified us of, and complied with our directions in responding to, the proceeding. At our option, we and/or our affiliate(s) may defend and control the defense of any proceeding arising from or relating to your use of any Mark under this Agreement.

F. Discontinuance of Use of Marks

If we believe at any time that it is advisable for us and/or you to modify, discontinue using, and/or replace any Mark, and/or to use one or more additional or substitute trademarks or service marks, you agree to comply with our directions within a reasonable time after receiving notice. We need not reimburse your expenses to comply with those directions (such as your costs to change signs or to replace supplies for the Shop), any loss of revenue due to any modified or discontinued Mark, or your expenses to promote a modified or substitute trademark or service mark.

10. Confidential Information

We and our affiliates possess (and will continue to develop and acquire) certain confidential information, some of which constitutes trade secrets under applicable Law, relating to developing and operating PopUp Bagels Shops (the "**Confidential Information**"), which includes but is not limited to:

- (1) information in the Operations Manual (including ingredients, recipes, and food-preparation techniques) and Brand Standards;
- (2) methods, formats, specifications, standards, systems, procedures, sales and marketing techniques, and knowledge and experience used in developing and operating PopUp Bagels Shops;
- (3) layouts, designs, and other Plans for PopUp Bagels Shops;
- (4) marketing research and promotional, marketing, and advertising programs for PopUp Bagels Shops;
- (5) the standards, processes, information, and technologies involved in creating, developing, operating, maintaining, and enhancing digital and other sales platforms, Apps, and Loyalty Program Media;
- (6) strategic plans, including expansion strategies and targeted demographics;
- (7) knowledge of specifications for and suppliers of, and methods of ordering, certain Operating Assets, products, services, materials, and supplies that PopUp Bagels Shops use and sell;
- (8) knowledge of the operating results and financial performance of PopUp Bagels Shops;
- (9) customer solicitation, communication, and retention programs, along with Data used or generated in connection with those programs;
- (10) all Data and other information generated by, or used or developed in, operating the Franchised Shop, including Consumer Data, and any other information contained from time to time in the Computer System or that visitors (including you) provide to the System Website; and
- (11) any other information we reasonably designate as confidential or proprietary.

You will not acquire any interest in any Confidential Information, other than the right to use certain Confidential Information as we specify in operating the Shops during the Term according to Brand Standards and this Agreement's other terms and conditions. Using any Confidential Information in another business would constitute an unfair method of competition with us and our affiliates, suppliers, and franchisees. You acknowledge and agree that Confidential Information is proprietary, includes our and our affiliates' trade secrets, and is disclosed to you only on the condition that you, your owners, and your employees agree, and you and they do agree:

- (i) not to use any Confidential Information in another business or capacity and at all times to keep Confidential Information absolutely confidential, both during and after the Term (afterward for as long as the information is not generally known in the restaurant industry);
- (ii) not to make unauthorized copies of any Confidential Information disclosed via electronic medium or in written or other tangible form;
- (iii) to adopt and implement all reasonable procedures we periodically specify to prevent unauthorized use or disclosure of Confidential Information, including disclosing it only to your personnel and others needing to know the Confidential Information in order to operate the Shop and using

confidentiality and non-disclosure agreements with those having access to Confidential Information. We have the right to pre-approve the forms of agreements you use solely to ensure that you adequately protect Confidential Information and the competitiveness of PopUp Bagels Shops.; and

(iv) not to sell, trade, or otherwise profit in any way from the Confidential Information (including by selling or assigning any Consumer Data or related information or Data), except during the Term using methods we have approved.

For purposes of this Section 10, “**Confidential Information**” does not include information, knowledge, or know-how that lawfully is or becomes generally known in the restaurant industry or that you knew from previous business experience before we gave you access to it (directly or indirectly). If we include any matter in Confidential Information, anyone claiming it is not Confidential Information must prove that the exclusion in this paragraph applies.

11. Consumer Data

(a) You must comply with our reasonable instructions regarding the organizational, physical, administrative, and technical measures and security procedures to safeguard the confidentiality and security of the names, addresses, telephone numbers, e-mail addresses, dates of birth, demographic or related information, buying habits, preferences, credit-card information, and other personally-identifiable information of customers (“**Consumer Data**”) and, in any event, employ reasonable means to safeguard the confidentiality and security of Consumer Data. You must comply with all Laws governing the use, protection, and disclosure of Consumer Data.

(b) You acknowledge and agree that we are the sole owners of the Shop’s customer lists (“**Customer Lists**”), and you may not distribute the Customer Lists to any third party, in any form or manner, without our prior written consent. Despite our ownership of the Customer Lists, you may use the Customer Lists in connection with the Shop’s operation and as otherwise permissible under this Agreement. During the Term, we and our affiliates reserve the right to communicate with and provide notifications to customers appearing on the Customer Lists and to use the Customer Lists for any business purpose we and they deem necessary or appropriate (to the extent allowed by applicable Law). Upon expiration (without a successor franchise) or termination of this Agreement, you and your affiliates may not use the Customer Lists in any form or manner.

(c) If there is a Data Security Incident at the Shop, you must notify us immediately after becoming aware of the actual or suspected occurrence, specify the extent to which Consumer Data was compromised or disclosed, and comply and cooperate with our instructions for addressing the Data Security Incident in order to protect Consumer Data and the PopUp Bagels Shop brand (including giving us or our designee access to your Computer System, whether remotely or at the Shop). We (and our designated affiliates) have the right, but no obligation, to take any action or pursue any proceeding or litigation with respect to the Data Security Incident, control the direction and handling of such action, proceeding, or litigation, and control any remediation efforts.

“**Data Security Incident**” means any act that initiates either internally or from outside the Shop’s computers, point-of-sale terminals, and other technology or networked environment and violates the Law or explicit or implied security policies, including attempts (either failed or successful) to gain unauthorized access (or to exceed authorized access) to the Franchise System, PopUp Bagels Shops, or their Data or to view, copy, or use Consumer Data or Confidential Information without authorization or in excess of authorization; unwanted disruption or denial of service; unauthorized use of a system for processing or storage of Data; and changes to system hardware, firmware, or software characteristics without our knowledge, instruction, or consent.

If we determine that any Data Security Incident results from your failure to comply with this Agreement or any requirements for protecting the Computer System and Consumer Data, you must indemnify us under Section 21.E and compensate us for all other damages we incur as a result of your breach of this Agreement.

12. Innovations

All ideas, concepts, techniques, or materials relating to a PopUp Bagels Shop, whether or not protectable intellectual property and whether created by or for you or your owners, employees, or contractors (“**Innovations**”), must be promptly disclosed to us and will be deemed to be our sole and exclusive property and works made-for-hire for us. To the extent any Innovation does not qualify as a “work made-for-hire” for us, by this paragraph you assign ownership of and all related rights to that Innovation to us and agree to sign (and to cause your owners, employees, and contractors to sign) whatever assignment or other documents we periodically request to evidence our ownership and to help us obtain intellectual property rights in the Innovation. You may not use any Innovation in operating the Shop, or otherwise without our prior written approval.

13. Exclusive Relationship

A. **Restrictions**

We granted you the rights under this Agreement in consideration of, and reliance upon, your and your Owners’ agreement to deal exclusively with us with respect to the products and services that PopUp Bagels Shops offer and sell. You therefore agree that, during the Term, neither you, your Owners, nor any members of your or their Immediate Families (defined below) will:

- (1) have any direct or indirect, controlling or non-controlling interest as an owner—whether of record, beneficial, or otherwise—in a Competitive Business (defined below), wherever located or operating, provided that this restriction will not prohibit ownership of shares of a class of securities publicly-traded on a United States stock exchange and representing less than three percent (3%) of the number of shares of that class of securities issued and outstanding;
- (2) perform services as a director, officer, manager, employee, consultant, representative, or agent for a Competitive Business, wherever located or operating;
- (3) directly or indirectly loan any money or other thing of value, or guarantee any other person’s loan, to any Competitive Business or any owner, director, officer, manager, or employee of any Competitive Business, wherever located or operating;
- (4) divert or attempt to divert any actual or potential business or customer of a PopUp Bagels Shop to a Competitive Business; or
- (5) solicit other franchisees, or use available lists of franchisees, for any commercial purpose other than purposes directly related to the Shop’s operation.

The term “**Competitive Business**,” as used in this Agreement, means any (a) restaurant or other foodservice business that derives fifty percent (50%) or more of its revenue from selling bagels, or (b) business granting franchises or licenses to others to operate the type of business described in clause (a), other than a Shop operated under a franchise agreement with us.

The term “**Immediate Family**” includes the named individual, his or her spouse or domestic partner, and all children of the named individual or his or her spouse or domestic partner. You agree to obtain similar covenants from your officers, directors, and other supervisory personnel, to the extent permitted by applicable Law, to the extent their competitive activities would adversely affect your Shop **or your brand**. We may pre-approve the forms of agreements you use solely to ensure that you adequately protect Confidential Information and the competitiveness of PopUp Bagels Shops. Under no circumstances will we control the forms or terms of employment agreements you use with PopUp Bagels Shop employees or otherwise be responsible for your labor relations or employment practices.

B. Directives

If there is a dispute related to this Section 12 or Section 20.E, you and your Owners direct any third party construing this Section or Section 21.E, including any court, arbitrator, mediator, master, or other party acting as trier-of-fact or law:

(1) To presume conclusively that the restrictions set forth in this Section and in Section 20.E are reasonable and necessary in order to protect (a) our legitimate business interests, including the interests of our other franchisees, (b) the confidentiality of Confidential Information, (c) the integrity of the Franchise System, (d) our investment in the Franchise System, (e) the investment of our other franchisees in their franchised PopUp Bagels Shops, and (f) the goodwill associated with the Franchise System;

(2) To presume conclusively that the restrictions set forth in this Section and in Section 20.E will not unduly burden your or your Owners’ ability to earn a livelihood;

(3) To construe this Section and Section 20.E under the Laws governing distribution contracts between commercial entities in an arms-length transaction and not under Laws governing employment contracts; and

(4) To presume conclusively that any violation of the terms of this Section or Section 21.E was accompanied by the misappropriation and inevitable disclosure of Confidential Information and constitutes a deceptive and unfair trade practice and unfair competition.

14. Advertising and Marketing

A. Brand Fund

(1) We have established a fund (“**Brand Fund**” or “**Fund**”) for advertising, marketing, research and development, public relations, Social-Media management, consumer lead-generation, customer-relationship-management, and technology programs, materials, and activities, the purpose of which is to enhance, promote, and protect the PopUp Bagels Shop brand and Franchise System. You agree to contribute to the Brand Fund the amounts we periodically specify, not to exceed three percent (3%) of the Shop’s monthly Gross Sales. Your Brand Fund contribution is due and payable at the same time and in the same manner as the Royalties or in such other manner we periodically specify.

(2) Until the total number of operational franchised PopUp Bagels Shops equals the total number of operational company- and affiliate-owned PopUp Bagels Shops, the operational company- and affiliate-owned PopUp Bagels Shops collectively are only required to match each calendar-week period the total Brand Fund contributions actually made during that calendar-month period by all operational franchised PopUp Bagels Shops. Once the total number of operational franchised PopUp Bagels Shops equals the total number of operational company- and affiliate-owned PopUp Bagels Shops, each operational company- and affiliate-owned PopUp Bagels Shop will contribute to the Brand Fund each calendar-week

period on the same percentage basis as franchisees, provided, however, that no operational company- or affiliate-owned PopUp Bagel Shop must contribute to the Brand Fund during any calendar-week period during the Term more than the highest-contributing operational franchised PopUp Bagel Shop actually contributed during that calendar-week period.

(3) We will account for the Brand Fund separately from our other funds (although we need not keep Brand Fund contributions in a separate bank account) and not use the Brand Fund for any of our general operating expenses. However, the Brand Fund may reimburse us and our affiliates for the reasonable salaries and benefits of personnel who manage and administer, or otherwise provide assistance or services to, the Brand Fund; the Brand Fund's administrative costs; travel-related expenses of our personnel while they are on Brand Fund business; meeting costs; overhead relating to Brand Fund business; and other expenses we and our affiliates incur administering or directing the Brand Fund and its programs, including conducting market research, preparing Marketing Materials, collecting and accounting for Brand Fund contributions, paying taxes due on Brand Fund contributions we receive, and any other costs or expenses we incur operating or as a consequence of the Fund.

(4) We will direct all programs the Brand Fund finances, with sole control over and ownership of all creative and business aspects of the Fund's activities. The Brand Fund may pay for, among other things, creating, preparing, producing, and/or placing (in media and through other venues) video, audio, written, and other tangible materials, Social Media and other Digital Marketing, and premium samples and give-aways; creating, developing, maintaining, and administering one or more System Websites and other e-commerce strategies (including an Intranet); creating and administering national, regional, multi-regional, local, and multi-local marketing, advertising, and consumer lead-generation programs (which may include spending Brand Fund contributions in specific geographic markets or directing Brand Fund contributions to individual or groups of franchisees to spend on marketing, advertising, and consumer lead-generation programs in their own markets); using advertising, public relations, and marketing agencies and other advisors to provide assistance (including paying retainer and management fees); establishing regional and national promotions (including contests) and partnerships and hiring spokespersons and digital influencers to promote the PopUp Bagel Shop brand; establishing on-line systems and other vehicles for centralized customer interaction; supporting public relations, market research and development, and other advertising, promotion, marketing, and brand-related activities; creating and implementing customer-satisfaction surveys; organizing and hosting franchisee conferences, conventions, and meetings; supporting and hosting charitable or nonprofit events and community-based activities; and funding Loyalty Program Media and Apps. The Brand Fund periodically may give you sample advertising, marketing, promotional, and consumer lead-generation formats and materials (collectively, "**Marketing Materials**") at no cost. We may sell you multiple copies of Marketing Materials at our direct cost of producing them, plus any related shipping, handling, and storage charges.

(5) The Brand Fund is not a trust, and we do not owe you fiduciary obligations because we maintain, direct, or administer the Brand Fund or for any other reason.

(6) The Brand Fund may spend in any fiscal year more or less than the total Brand Fund contributions in that year, borrow from us or others (paying reasonable interest) to cover deficits, invest any surplus for future use, and roll over unspent monies to the following year. We may use new Brand Fund contributions to pay Brand Fund deficits incurred during previous years. We will use all interest earned on Brand Fund contributions to pay costs before using the Brand Fund's other assets. We will prepare an annual, unaudited statement of Brand Fund collections and expenses and share the statement electronically within sixty (60) days after our fiscal-year end or otherwise give you a copy of the statement upon reasonable request. We have the right (but not the obligation) to have the Brand Fund audited annually, at the Brand Fund's expense, by a certified public accountant we designate. We may incorporate the Brand

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 Section 14.A.

(7) The Brand Fund's principal purposes are to maximize recognition of the Marks, increase patronage of PopUp Bagels Shops, and enhance, promote, and protect the PopUp Bagels Shop brand and Franchise System. Although we will try to use the Brand Fund in the aggregate to develop and implement Marketing Materials and programs benefiting all PopUp Bagels Shops, we need not ensure that Brand Fund expenditures in or affecting any geographic area are proportionate or equivalent to Brand Fund contributions by PopUp Bagels Shops operating in that geographic area or that any PopUp Bagels Shop benefits directly or in proportion to its Brand Fund contribution from the development of Marketing Materials or the implementation of programs. The Brand Fund will not be used principally to develop materials and programs to solicit franchisees. However, media, materials, and programs (including the System Website) prepared using Brand Fund contributions may describe our franchise program and reference the availability of franchises and related information. We have the right, but no obligation, to use collection agents and institute legal proceedings at the Brand Fund's expense to collect unpaid Brand Fund contributions. We also may forgive, waive, settle, and compromise all claims by or against the Brand Fund. Except as expressly provided in this Section 14.A, we assume no direct or indirect liability or obligation to you for collecting amounts due to, maintaining, directing, or administering the Brand Fund.

(8) We may at any time defer or reduce the Brand Fund contributions of any PopUp Bagels Shop franchisee and, upon thirty (30) days' prior written notice to you, reduce or suspend Brand Fund contributions and operations for one or more periods of any length and terminate (and, if terminated, reinstate) the Brand Fund. If we terminate the Brand Fund, we will either (a) spend the remaining Fund balance on permitted programs and expenditures or (b) distribute all unspent funds to our then-existing franchisees, and to us and our affiliates, in proportion to their and our respective Brand Fund contributions during the preceding twelve (12) month period.

B. Approval of Marketing and Other External Communications

All promotional, advertising, marketing, and public relations activities you conduct and Marketing Materials you prepare must not be misleading, must conform to the policies set forth in the Operations Manual or that we otherwise prescribe from time to time, and must comply with all applicable Laws. To protect the goodwill that we and certain of our affiliates have accumulated in the "PopUp Bagels" name and other Marks, you must send us before you intend to use them samples or proofs of (1) all Marketing Materials we have not prepared or already approved, and (2) all Marketing Materials we have prepared or already approved which you propose to change in any way. However, you need not send us any Marketing Materials in which you have simply completed the missing PopUp Bagels-specific or pricing information based on templates we sent you. If we do not approve your Marketing Materials in writing within fifteen (15) days after we actually receive them, they will be deemed disapproved for use. While we will not unreasonably withhold our approval, you may not use any Marketing Materials we have not approved or have disapproved. We reserve the right upon thirty (30) days' prior written notice to require you to discontinue using any previously approved Marketing Materials.

C. Local Marketing

You agree to spend the amounts we periodically specify, not to exceed one percent (1%) of the Franchised Shop's monthly Gross Sales (unless a Cooperative votes to spend more), on approved Marketing Materials and advertising, marketing, and promotional programs for the PopUp Bagels Shops (the "**Local Marketing Spending Requirement**"). For purposes of you beginning operation of the Shop, we agree to set your Local Marketing Spending Requirement at one-half of one percent (1/2%) of your monthly Gross Sales until such times as we decide to increase the Local Marketing Spending Requirement percentage as

permitted hereunder. You must prepare, or collaborate with us to prepare, a written local marketing plan for the Local Marketing Spending Requirement and send us the plan for review and pre-approval according to our specified process. We will not count any of the following expenditures towards your Local Marketing Spending Requirement: Brand Fund contributions, price discounts or reductions you provide as a promotion, permanent on-premises signs, lighting, personnel salaries, administrative costs, transportation vehicles (even if they display the Marks), employee-incentive programs, and other amounts that we, in our reasonable judgment, deem inappropriate to satisfy the Local Marketing Spending Requirement. We may review your books and records, and require you to submit reports periodically, to determine your advertising, marketing, and promotion expenses. If you fail to spend (or prove that you spent) the Local Marketing Spending Requirement, we have the right to collect the required amounts from you and to deposit them into the Brand Fund for use as provided in Section 14.A above.

You acknowledge that the marketing activities in which you engage will materially affect your Shop's success or lack of success. While you agree to the Local Marketing Spending Requirement above, that amount might be insufficient for you to achieve your business objectives. Subject to the requirements above, you alone are responsible for determining how much to spend on, and the nature of, Marketing Materials and other approved advertising, marketing, and promotional programs for the PopUp Bagels shops in order to achieve your business objectives.

D. Advertising Cooperatives

We may designate one or more distinct geographic areas or any combination of geographic areas for one or more advertising cooperatives (each, a **"Cooperative"**). Each Cooperative's members will be the owners of all PopUp Bagels Shops located and operating in the distinct geographic area or, if combined, the multiple geographic areas (including us and our affiliates, if applicable). The geographic areas comprising a Cooperative, if there is more than one distinct geographic area in a Cooperative, need not be contiguous to one another or be in the same Designated Market Area (DMA). Each Cooperative will be organized and governed in a form and manner, and begin operating on a date, we determine. We may change, dissolve, and merge Cooperatives. Each Cooperative's purpose is, with our approval, to create, implement, and administer advertising, marketing, and promotional programs and develop Marketing Materials for the benefit of the Cooperative's members. If, as of the Effective Date, we have established a Cooperative for the geographic area in which your Shop is located, or if we establish a Cooperative for that area during the Term, you automatically will become a member of the Cooperative and then must participate as its governing documents require.

We reserve the right to require you to contribute to the Cooperative up to one percent (1%) of the Shop's monthly Gross Sales (the Cooperative's members may vote to increase the required contribution above this one percent (1%), with each member in the Cooperative having one vote without regard to the number of Shops it owns and operates in the Cooperative's area). All Cooperative dues you contribute will count toward the Local Marketing Spending Requirement under Section 13.D, provided, however, that Cooperative dues will not (1) affect your grand opening market program or (2) be credited toward your required Brand Fund contributions under Section 14.A.

E. System Website

(1) We or our designees may establish a website or series of websites (with or without restricted access) for the PopUp Bagels Shops network: (a) to advertise, market, identify, and promote PopUp Bagels Shops, the products and services they offer, and/or the PopUp Bagels Shop franchise opportunity; (b) to help us operate the PopUp Bagels Shops network; and/or (c) for any other purposes we deem appropriate for PopUp Bagels Shops or other business activities in which we engage (collectively, the **"System Website"**). The System Website may, but need not, allow to participate in the System Website.

You must give us the information and materials we request for you to participate in the System Website. In doing so, you represent that they are accurate and not misleading and do not infringe another party's rights. We will own all intellectual property and other rights in the System Website and all information it contains, including the domain name or URL, the log of "hits" by visitors, any personal or business data visitors supply, and all information relating to the PopUp Bagels Shop's customers (collectively, the "Data").

(2) We will control and may use Brand Fund contributions to develop, maintain, operate, update, and market the System Website. You must pay our then-current monthly or other fee for the Franchise System Intranet (if, or to the extent, the Brand Fund does not pay for these costs). We have final approval rights over all information on the System Website. We may implement and periodically modify Brand Standards for the System Website.

(3) We will allow you to participate in the System Website only while you are in substantial compliance with this Agreement and all Brand Standards (including those for the System Website). If you are in material default of any obligation under this Agreement or Brand Standards, we may, in addition to our other remedies, temporarily suspend your participation in the System Website until you fully cure the default. We will permanently terminate your access to and participation in the System Website upon this Agreement's expiration or earlier termination.

(4) All Marketing Materials you develop for the PopUp Bagels system must comply with Brand Standards and contain notices of the System Website's URL in the manner we periodically designate. You may not develop, maintain, or authorize any social media or other Digital Marketing mentioning or describing the PopUp Bagels or displaying any Marks without our prior written approval and, if applicable, without complying with our Brand Standards for such Social Media and other Digital Marketing. Except for the System Website and approved Social Media, other Digital Marketing, and Apps, you may not conduct commerce or directly or indirectly offer or sell any products or services using any Social Media or other Digital Marketing.

(5) Nothing in this Section 14 limits our right to maintain websites other than the System Website or to offer and sell products and services under the Marks from the System Website, another website, or otherwise over the Internet without payment or any other obligation to you.

15. Records, Reports, and Financial Statements

In order to ensure consistency and reliability with respect to your various financial-reporting obligations to us, you must establish and maintain at your own expense a bookkeeping, accounting, and recordkeeping system conforming to the requirements and formats (including, at our option, the accounting methods and chart of accounts) we prescribe from time to time. We have the right to specify the restaurant-management accounting software you must use. The records and information contained in any bookkeeping, accounting, and recordkeeping system we require will not include any records or information relating to your employees, as you control exclusively your labor relations and employment practices. We will have independent, unlimited access and retrieval rights to the financial, sales, inventory, and other business-performance information and tools maintained on your Computer System (including Consumer Data) but excluding employee records. To the extent we do not access this information directly from the Computer System, you must give us:

(1) within fifteen (15) days after the end of each of your fiscal months, a profit-and-loss statement of Gross Revenue or your PopUp Bagels business as of the end of the previous fiscal month; and

(2) within fifteen (15) days after our request, exact copies of federal and state income, sales tax, and other tax returns and any other forms, records, books, reports, and other information we periodically require relating to you or the Franchised Shop (other than your employee records).

We may periodically specify the form and content of the reports and financial statements described above. You must verify and sign each report and financial statement in the manner we prescribe. We have the right to disclose data from such reports and statements (and to identify the PopUp Bagels Shop as the source of such reports and statements) for any business purpose we determine in our sole judgment, including the right to identify the PopUp Bagels Shop and disclose its individual financial results in both a financial performance representation appearing in Item 19 of our franchise disclosure document and a supplemental financial performance representation.

You agree to preserve and maintain all records, in the manner we periodically specify, in a secure location for at least seven (7) years after the end of the fiscal year to which such records relate or for any longer time frame the Law requires. If we reasonably determine that any report or financial statement you send us is willfully or recklessly, and materially, inaccurate, we may require you to prepare, at your own expense, audited financial statements annually during the Term until we determine that your reports and statements accurately reflect the PopUp Bagels Shop's business and operations. In addition, if we determine that you do not have readily available accounting service providers or employees who can furnish required reports and other financial information in compliance with our minimum standards, we may require you to use bookkeeping services provided by our designated franchise accounting providers.

16. Inspections and Audits

A. Inspections

(1) To determine whether you and the Shop is complying with this Agreement, including all Brand Standards and food-safety standards, we and our designated representatives and vendors (including "mystery" shoppers) have the right before you open the Franchised Shop for business and afterward from time to time during your regular business hours, and without prior notice to you, to inspect and evaluate the Franchised Shop, observe and record operations (including through electronic monitoring), remove samples of products and supplies, interview and interact with the Shop's supervisory employees and customers, inspect all books and records relating to the Shop, and access all electronic records on your Computer System to the extent necessary to ensure compliance with this Agreement and all Brand Standards (in all cases excluding records relating to labor relations and employment practices, as you control exclusively labor relations and employment practices for your employees). You must cooperate with us and our representatives and vendors in those activities. We will give you a written summary of the evaluation.

Without limiting our other rights and remedies under this Agreement, you must promptly correct at your own expense all deficiencies (i.e., failures to comply with Brand Standards) noted by our evaluators within the time period we specify after you receive notice of those deficiencies (which, depending upon the nature of such deficiency may be as short as one (1) day depending on the deficiency). We then may conduct one or more follow-up evaluations to confirm that you have corrected the deficiencies and otherwise are complying with this Agreement and all Brand Standards. You must pay the actual costs of the first follow-up audit, including our personnel's daily charges (including wages) and travel-related expenses. We may charge an inspection fee of One Thousand Dollar (\$1,000) plus our personnel's travel-related expenses, for the second and each follow-up evaluation we make and for each inspection you specifically request. If you fail to correct a deficiency at the Shop or in its operation after these inspections, we may (short of taking over the Shop's management) take the required action for you, without being guilty of or liable for trespass or tort, in which case you must immediately reimburse all of our costs.

(2) If we find any condition at the Franchised Shop that we consider to be hazardous, unsafe, unhealthy, unsanitary, unclean, or in material disrepair, we have the following rights in addition to all other rights set forth in this Agreement:

(a) we may require you immediately to close and suspend operation of the Franchised Shop or to take any other action we deem necessary whenever we have reason to believe that any products in the Shop are contaminated or the Franchised Shop presents imminent risk to public health and safety. You must notify us immediately of any suspected product contamination or other violation affecting public health or safety and promptly take any action we require. You alone are responsible for all losses, costs, or other expenses incurred in complying with this clause (a); and/or

(b) we may immediately remove or destroy at your expense any product that we believe to be hazardous or contaminated or to present imminent risk to public health or safety.

(3) Because we do not have the right to inspect your employment records, you agree to confirm for us periodically (in the manner specified in Brand Standards) that the Franchised Shop's employees have all certifications required by Law.

B. Our Right to Audit

We and our designated representatives may at any time during your business hours, and without prior notice to you, examine the Franchised Shop's business, bookkeeping, and accounting records, sales and income tax records and returns, and other records (other than your employment records, as you control exclusively your labor relations and employment practices). You must fully cooperate with our representatives and independent accountants conducting any inspection or audit. If any inspection or audit discloses an understatement of the Franchised Shop's Gross Sales, you must pay us, within ten (10) days after receiving the inspection or audit report, the amounts due on the understatement, plus our administrative fee and interest from the date originally due until the date of payment. Further, if an inspection or audit is necessary due to your failure to furnish reports, supporting records, or other information as required or on a timely basis, or if our examination reveals an understatement exceeding two percent (2%) of the amount you actually reported to us for the period examined, you must reimburse our costs for the examination, including, without limitation, legal fees, independent accountants' fees, and compensation and travel-related expenses for our employees. If you fail or refuse to cooperate, or interfere, with the inspection or audit process, we have the right to require you to pay us Two Thousand Five Hundred Dollars (\$2,500). All remedies above are in addition to our other remedies and rights under this Agreement and applicable Law.

17. Transfer

A. Transfer by Us

We may change our ownership or form and/or assign this Agreement and any other agreement to a third party without restriction and without your consent. After we assign this Agreement to a third party that expressly assumes this Agreement's obligations, we no longer will have any performance or other obligations under this Agreement. That assignment will constitute a release and novation with respect to this Agreement, and the new owner-assignee will be liable to you as if it had been an original party to this Agreement. Specifically, and without limiting the foregoing, you agree that we may sell our assets (including this Agreement), the Marks, or the Franchise System to a third party; offer our ownership interests privately or publicly; merge, acquire other business entities, or be acquired by another business entity; and/or undertake a refinancing, recapitalization, leveraged buyout, securitization, or other economic or financial restructuring.

B. Transfer by You and Definition of Transfer

The rights and duties this Agreement creates are personal to you and your owners, and we have granted you the rights under this Agreement in reliance upon our perceptions of your and your owners' character, skill, aptitude, attitude, business ability, and financial capacity. Accordingly, neither: (1) this Agreement or any interest in this Agreement; (2) the Franchised Shop's physical structure; (3) any right to receive all or a portion of the profits, losses, or capital appreciation relating to the Franchised Shop; (4) all or substantially all of the Operating Assets; (5) any ownership interest in you; nor (6) a controlling ownership interest in an Entity with an ownership interest in you, may be transferred without our prior written approval. A transfer of the PopUp Bagels Shop's ownership, possession, or control (including its physical structure), or all or substantially all of the Operating Assets, may be made only with the concurrent transfer (to the same proposed transferee) of the franchise rights (with the transferee assuming this Agreement or signing our then-current form of franchise agreement and related documents, as we may require and about which you may not object). Any transfer without our prior written approval is a breach of this Agreement and has no effect, meaning you and your Owners will continue to be obligated to us for all your obligations under this Agreement.

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

- (1) transfer of record or beneficial ownership of stock or any other ownership interest or the right to receive (directly or indirectly) all or a portion of the profits, losses, or any capital appreciation relating to the PopUp Bagels;
- (2) a merger, consolidation, or exchange of ownership interests, issuance of additional ownership interests or securities representing or potentially representing ownership interests, or a redemption of ownership interests;
- (3) any sale or exchange of voting interests or securities convertible to voting interests, or any management or other agreement granting the right (directly or indirectly) to exercise or control the exercise of any owner's voting rights or to control your (or an Entity with an ownership interest in you) or the PopUp Bagels Shop's operations or affairs;
- (4) transfer in a divorce, insolvency, or Entity-dissolution proceeding or otherwise by operation of law;
- (5) transfer by will, declaration of or transfer in trust, or under the laws of intestate succession; or
- (6) pledge of this Agreement (to someone other than us) or of an ownership interest in you or your owners as security or collateral, foreclosure upon or attachment or seizure of the Shop (including its physical structure), or your transfer, surrender, or loss of the PopUp Bagels Shop's possession, control, or management.

You may grant a security interest (including a purchase-money security interest) in the Shop's assets (including its physical structure but not including this Agreement or the franchise rights) to a lender that finances your acquisition, development, and/or operation of the PopUp Bagels Shop business without having to obtain our prior written approval as long as you give us fifteen (15) days' prior written notice. However, you may not pledge, hypothecate, or grant a security interest in any property that bears or displays the Marks (unless the Marks are readily removable from such property) and must advise your proposed lenders of this restriction. This Agreement and the franchise rights granted to you by this Agreement may

not be pledged as collateral or be the subject of a security interest, lien, levy, attachment, or execution by your creditors or any financial institution. Any security interest that may be created in this Agreement by virtue of Section 9-408 of the Uniform Commercial Code is limited as described in Section 9-408(d) of the Uniform Commercial Code.

C. Conditions for Approval of Transfer

If you and your Owners are in full compliance with this Agreement, then, subject to the other provisions of this Section 17:

(1) We will approve the transfer of a non-controlling ownership interest in you if the proposed transferee and its owners are of good moral character, have no ownership interest in and do not perform services for (and have no affiliates with an ownership interest in or performing services for) a Competitive Business, otherwise meet our then-applicable standards for non-controlling owners of PopUp Bagels Shop franchisees, sign our then-current form of Guaranty and Assumption of Obligations or, if applicable, Owner's Undertaking of Non-Monetary Obligations, and pay us a One-Thousand Dollar (\$1,000) transfer fee. The term "controlling ownership interest" is defined in Section 22.M; or

(2) If the proposed transfer involves the franchise rights granted by this Agreement or a controlling ownership interest in you or in an Entity owning a direct or indirect controlling ownership interest in you, or is one of a series of transfers (regardless of the timeframe over which those transfers take place) in the aggregate transferring the franchise rights granted by this Agreement or a direct and indirect controlling ownership interest in you or in an Entity owning a direct and indirect controlling ownership interest in you, then we will not unreasonably withhold our approval of a proposed transfer meeting all of the following conditions (provided, however, there may be no such transfer until after your PopUp Bagels Shop has opened for business):

(a) on both the date you send us the transfer request and the transfer's proposed effective date: (i) the transferee and its direct and indirect owners have the necessary business experience, aptitude, and financial resources to operate the PopUp Bagels Shop; (ii) the transferee otherwise is qualified under our then-existing standards for the approval of new franchisees or of existing franchisees interested in acquiring additional franchises (including the transferee and its affiliates are in substantial operational compliance, at the time of the application, under all other franchise agreements for PopUp Bagels Shops to which they then are parties with us); and (iii) the transferee and its owners are not restricted by another agreement (whether or not with us) from purchasing your PopUp Bagels Shop or the ownership interest in you or the Entity that owns a controlling ownership interest in you;

(b) on both the date you send us the transfer request and the transfer's proposed effective date, you have paid all required Royalties, Technology Fees, Brand Fund contributions, and other amounts owed to us and our affiliates relating to this Agreement and the PopUp Bagels Shop, have submitted all required reports and statements, and are not in breach of any provision of this Agreement or another agreement with us or our affiliates relating to the PopUp Bagels Shops;

(c) on both the date you send us the transfer request and the transfer's proposed effective date, neither the transferee nor any of its direct or indirect owners or affiliates operates, has an ownership interest in, or performs services for a Competitive Business;

(d) before or after the transfer's proposed effective date (as we determine), the transferee's operating principal, general manager, and other management personnel, if different from your Operating Principal, General Manager, and other management personnel, satisfactorily complete our then-current Initial Training;

(e) the transferee has the right to occupy the PopUp Bagels Shop's site for the expected franchise term;

(f) before the transfer's proposed effective date, the transferee and each of its Owners (if the transfer is of the franchise rights granted by this Agreement), or you and your Owners (if the transfer is of a controlling ownership interest in you or in an Entity owning a controlling ownership interest in you), if we so require, sign our then-current form of franchise agreement and related documents (including a Guaranty and Assumption of Obligations and, if applicable, Owner's Undertaking of Non-Monetary Obligations), any and all of the provisions of which may differ materially from any and all of those contained in this Agreement, provided, however, that (i) the term of the new franchise agreement signed will equal the unexpired portion of the Term, (ii) the Royalty, Technology Fee, and Brand Fund contribution levels specified in this Agreement will be substituted into the then-current form of franchise agreement that you sign for the balance of the initial franchise term (i.e., the unexpired portion of the Term), and (iii) the Area of Protection defined in this Agreement will be substituted into the then-current form of franchise agreement that you sign for the balance of the initial franchise term (i.e., the unexpired portion of the Term).;

(g) before the transfer's proposed effective date, you or the transferee pays us a transfer fee equal to (i) fifty-percent (50%) of our then-current initial franchise fee if the transferee is an existing PopUp Bagels Shop franchisee, an entity that is legally affiliated with an existing PopUp Bagels Shop franchisee, or an owner of an existing PopUp Bagels Shop franchisee, (ii) seventy-five percent (75%) of our then-current initial franchise fee if the transferee is not an existing PopUp Bagels Shop franchisee, not legally affiliated with an existing PopUp Bagels Shop franchisee, or not an owner of an existing PopUp Bagels Shop franchisee, or (iii) one-hundred percent (100%) of our then-current initial franchise fee if a franchise broker that we retained was involved in the transfer process and a broker commission is payable;

(h) before the transfer's proposed effective date, the transferee agrees to repair and/or replace Operating Assets and upgrade the PopUp Bagels Shop (including its physical structure) in accordance with our then-current requirements and specifications for new PopUp Bagels Shops within the timeframe we specify following the transfer's effective date;

(i) before the transfer's proposed effective date, you (and your transferring owners) sign a general release, in a form satisfactory to us, of any and all claims against us and our affiliates and our and their respective owners, officers, directors, employees, representatives, agents, successors, and assigns;

(j) we have determined that the purchase price, payment terms, and required financing will not adversely affect the transferee's operation of the PopUp Bagels Shop franchise;

(k) if you or your owners finance any part of the purchase price, you and they agree before the transfer's proposed effective date that the transferee's obligations under promissory notes, agreements, or security interests reserved in the Operating Assets, the PopUp Bagels Shop (including its physical structure), or ownership interests in you are subordinate to the transferee's (and its owners') obligation to pay Royalties, Technology Fees, Brand Fund contributions, and other amounts due to us and our affiliates and otherwise to comply with this Agreement;

(l) before the transfer's proposed effective date, you and your transferring owners (and members of their Immediate Families) agree, for two (2) years beginning on the transfer's effective date, not to engage in any activity proscribed in Section 20.E below; and

(m) before the transfer’s proposed effective date, you and your transferring owners agree not to directly or indirectly at any time after the transfer or in any manner (except with other PopUp Bagels Shops you or they own or operate) to: (i) identify yourself or themselves in any business as a current or former PopUp Bagels Shop or as one of our franchisees; (ii) use any Mark, any colorable imitation of a Mark, any trademark, service mark, or commercial symbol that is confusingly similar to any Mark, any copyrighted items, or other indicia of a PopUp Bagels Shop for any purpose; or (iii) utilize for any purpose any trade dress, trade name, trademark, service mark, or other commercial symbol suggesting or indicating a connection or association with us.

We have legitimate reasons to evaluate the qualifications of potential transferees and to analyze and critique the terms of their purchase contracts with you. Therefore, our contact with potential transferees to protect our business interests will not constitute improper or unlawful conduct. You expressly authorize us to investigate any potential transferee’s qualifications, to analyze and critique the proposed purchase terms, to communicate candidly and truthfully with the transferee regarding your operation of the PopUp Bagels Shop, and to withhold our consent, as long as our decision is not unreasonable, even if the conditions in clauses (2)a through (2)m above are satisfied. You waive any claim that our decision to withhold approval of a proposed transfer in order to protect our business interests—if that decision was reasonable despite satisfaction of the conditions in clauses (2)a. through (2)m. above—constitutes tortious interference with contractual or business relationships or otherwise violates any Law. We may review all information regarding the PopUp Bagels business you give the proposed transferee, correct any information we believe is inaccurate, and give the proposed transferee copies of any reports you have given us or we have made regarding the PopUp Bagels business.

Notwithstanding anything to the contrary in this Section 17, we need not consider a proposed transfer of a controlling or non-controlling ownership interest in you, or a proposed transfer of this Agreement, until you (or an owner) and the proposed transferee first send us a copy of the bona fide offer to purchase or otherwise acquire the particular interest from you (or the owner). For an offer to be considered “bona fide,” we may require it to include a copy of all proposed agreements between you (or your owner) and the proposed transferee related to the sale, assignment, or transfer.

D. Transfer to a Wholly Owned or Affiliated Entity

Notwithstanding Section 17.C above, if you are in full compliance with this Agreement, you may transfer this Agreement, together with the Operating Assets and all other assets associated with the PopUp Bagels Shop (including its physical structure), to an Entity that will conduct no business other than the PopUp Bagels Shop business and, if applicable, other PopUp Bagels Shops and of which you or your then-existing owners own and control one hundred percent (100%) of the equity and voting power of all issued and outstanding ownership interests, provided that all PopUp Bagels Shop assets are owned, and the PopUp Bagels Shop is operated, only by that single Entity. The Entity must expressly assume all of your obligations under this Agreement, but you will remain personally liable under this Agreement as if the transfer to the Entity did not occur. Transfers of ownership interests in that Entity are subject to the restrictions in Section 17.C.

E. Death or Disability

(1) Transfer Upon Death or Disability

Upon the death or disability of one of your owners, that owner’s executor, administrator, conservator, guardian, or other personal representative (the “**Representative**”) must transfer the owner’s ownership interest in you (or an owner) to a third party, which may include an Immediate Family member. That transfer (including transfer by bequest or inheritance) must occur within a reasonable time, not to

exceed six (6) months from the date of death or disability, and is subject to all terms and conditions in this Section 16. A failure to transfer such interest within this time period is a breach of this Agreement.

(2) **Operation upon Death or Disability**

If, upon the death or disability of your Operating Principal, the Shop's day-to-day operations are not being managed by a trained General Manager, then you or the Representative (as applicable) must within a reasonable time, not to exceed thirty (30) days from the date of death or disability, appoint a Replacement General Manager to operate the PopUp Bagels Shop. The Replacement General Manager must at your expense satisfactorily complete the training we designate within the time period we specify. We have the right to assume the PopUp Bagels Shop's management, as described in Section 19.C, for the time we deem necessary if the Shop is not in our opinion being managed properly after the death or disability of your Operating Principal. Upon the death or disability of your Operating Principal, you also must appoint a new Operating Principal, as provided in Section 4.G(4) above.

F. Effect of Consent to Transfer

Our consent to any transfer is not a representation of the fairness of any contract terms between you (or your owner) and the transferee, a guarantee of the Shop'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 full compliance with this Agreement.

G. Our Right-of-First Refusal

(1) If you, any of your owners, or the owner of a controlling ownership interest in an Entity with an ownership interest in you at any time determines to sell or transfer for money or other consideration (which can be independently valued in dollars) the franchise rights granted by this Agreement and the Shop (including its physical structure and/or all or substantially all of its Operating Assets), a controlling ownership interest in you, or a controlling ownership interest in an Entity with a controlling ownership interest in you (except to or among your current owners or in a transfer under Section 17.D, which are not subject to this Section 17.G), you 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, as noted in Section 17.C above, we may require to include a copy of all proposed agreements related to the sale or transfer). The offer must include details of the proposed sale or transfer's payment terms and the financing sources and terms of the proposed purchase price and provide for an earnest money deposit of at least five percent (5%) of the proposed purchase price. To be a valid, bona fide offer, the proposed purchase price must be a fixed-dollar amount, without any contingent payments of purchase price (such as earn-out payments), and the proposed transaction must relate exclusively to the rights granted by this Agreement and the Shop (including its physical structure and/or all or substantially all of its Operating Assets), a controlling ownership interest in you, or a controlling ownership interest in an Entity with a controlling ownership interest in you. It may not relate to any other interests or assets. We may require you (or your owners) to send us copies of any materials or information you send to the proposed buyer or transferee regarding the possible transaction.

(2) We may, by written notice delivered to you 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: (a) we may substitute cash for any form of consideration proposed in the offer; (b) our credit will be deemed equal to the credit of any proposed buyer; (c) the closing of our purchase will not (unless we agree otherwise) be earlier than sixty (60) days after we notify you of our election to purchase or, if later, the closing date proposed in the offer; (d) you and your owners must sign the general release described in Section 17.C(2)(i) above; and (e)

we must receive, and you and your owners agree to make, all customary representations, warranties, and indemnities given by the seller of the assets of a business or of ownership interests in an Entity, as applicable, including representations and warranties regarding ownership and condition of, and title to, assets and (if applicable) ownership interests; your and your owners' authorization to sell, as applicable, any ownership interests or assets without violating any Law, contract, or requirement of notice or consent; liens and encumbrances on ownership interests and assets; validity of contracts and liabilities, contingent or otherwise, relating to the assets or ownership interests being purchased; and indemnities for all actions, events, and conditions that existed or occurred in connection with the Shop before the closing of our purchase. If the offer is to purchase all of your ownership interests, we may elect instead to purchase all of the Shop's assets (including its physical structure), and not any of your ownership interests, on the condition that the amount we pay you for such assets equals the full value of the transaction as proposed in the offer (i.e., the value of all assets to be sold and of all liabilities to be assumed).

(3) Once you or your owners submit the offer and related information to us triggering the start of the thirty (30) day decision period referenced above, the offer is irrevocable for that thirty (30) day period. This means we have the full thirty (30) days to decide whether to exercise the right-of-first refusal and may choose to do so even if you or your owners change your, his, her, or its mind during that period and prefer after all not to sell the particular interest that is the subject of the offer. You and your owners may not withdraw or revoke the offer for any reason during the thirty (30) days, and we may exercise the right to purchase the particular interest in accordance with this Section's terms.

(4) If we exercise our right-of-first refusal and close the transaction, you and your transferring owners agree that, for two (2) years beginning on the closing date, you and they (and members of your and their Immediate Families) will be bound by the non-competition covenants contained in Section 20.E.

(5) 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 approve the transfer as provided in this Section 17. If you or your owners 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 sale's terms (which you agree to tell us promptly), we will have an additional right-of-first-refusal during the thirty (30) days following either 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 option.

(6) We have the unrestricted right to assign this right-of-first refusal to a third party (including an affiliate), which then will have the rights described in this Section 17.G. (All references in this Section 17.G to "we" or "us" include our assignee if we have exercised our right to assign this right-of-first refusal to a third party.) We waive our right-of-first refusal for sales or transfers to Immediate Family members meeting the criteria in Section 17.C.

18. Expiration of Agreement

When this Agreement expires (unless it is terminated sooner), you will have the right to acquire a first successor franchise to continue operating the Franchised Shop as a PopUp Bagels Shop for five (5) years under our then-current form of franchise agreement, but only if you:

(1) have requested in writing and conducted with us a business review at least six (6) months, but not more than nine (9) months, before the end of the Term and then have formally notified us of your desire to acquire a successor franchise no less than three (3) months before the end of the Term;

(2) have substantially complied with all of your obligations under this Agreement and all other agreements with us or our affiliates related to the Shop, including operated the PopUp Bagels Shop in substantial compliance with Brand Standards, during the Term, as noted in the business review we conduct;

(3) continue complying substantially with all of your obligations under this Agreement and all other agreements with us or our affiliates related to the Franchised Shop between the time you formally notify us of your desire to acquire a successor franchise and the end of the Term; and

(4) retain the right to occupy the PopUp Bagels Shop at its original site, have remodeled and upgraded the Shop, and otherwise have brought the Shop into full compliance with then-applicable specifications and standards for new PopUp Bagels Shops (regardless of cost) before this Agreement expires. We have no obligation to grant you a successor franchise if you wish to relocate the Franchised Shop or no longer have the right to occupy the Franchised Shop at its original site.

To acquire a successor franchise, you and your owners must: (i) sign our then-current form of franchise agreement (and related documents), which may contain terms and conditions differing materially from any and all of those in this Agreement, including higher Royalties, Technology Fees, and Brand Fund contributions (but not a modified or smaller Area of Protection, and will be modified to reflect that it is for a successor franchise; (ii) pay us a successor-franchise fee equal to the greater of Three-Thousand- Dollars (\$3,000) or ten-percent (10%) of our then-current initial franchise fee; and (iii) sign a general release in the form we specify as to any and all claims against us, our affiliates, and our and their respective owners, officers, directors, employees, agents, representatives, successors, and assigns. If you fail to sign and return the documents referenced above, together with the successor-franchise fee, within thirty (30) days after we deliver them to you, that will be deemed your irrevocable election not to acquire a successor franchise.

If you fail to notify us by the deadline specified in clause (a) above of your desire to acquire a successor franchise, or if you (and your owners) are not, both on the date you give us written notice of your election to acquire a successor franchise (at or after the business review) and on the date on which this Agreement expires, in substantial compliance with this Agreement and all other agreements with us or our affiliates related to the Franchised Shop, 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 its Term under Section 19. We may condition our grant of a successor franchise on your completing certain requirements on or before designated deadlines following commencement of the successor-franchise term.

If we grant you a first five (5)-year successor franchise, you will have the right to acquire a second (which will be the final) successor franchise to continue operating the Franchised Shop as a PopUp Bagels Shop, the term of which will commence immediately upon expiration of the first successor-franchise term and expire five (5) years from that date, but only if you have complied as of the end of the first successor-franchise term with the same conditions for a successor-franchise grant as those described in this Section 18 with respect to the first successor-franchise grant. Otherwise, you will have no right to acquire the second successor franchise. In connection with your acquisition of the second successor franchise, you must sign our then-current form of franchise agreement (and related documents), which may contain terms and conditions differing materially from any and all of those in this Agreement and in the franchise agreement you sign for the first successor franchise, including higher Royalties, Technology Fees, and Brand Fund contributions and a modified or smaller Area of Protection. That franchise agreement also will be modified to reflect that it is for a successor franchise (i.e., including that no further successor franchises will be granted).

19. Termination of Agreement

A. Termination by You

You may terminate this Agreement if we materially breach any of our obligations under this Agreement and fail to correct that breach within thirty (30) days after you deliver written notice to us of the breach; provided, however, if we cannot reasonably correct the breach within those thirty (30) days but give you within the thirty (30) days evidence of our effort to correct the breach within a reasonable time period, then the cure period will run through the end of that reasonable time period. Your termination of this Agreement other than according to this Section 19.A will be deemed a termination without cause and your breach of this Agreement.

B. Termination by Us

We may at our option terminate this Agreement, effective immediately upon delivery of written notice of termination to you, upon the occurrence of any one of the following events:

(1) you (or any of your direct or indirect owners) have made or make any material misrepresentation or omission in connection with your application for and acquisition of the franchise or your operation of the Franchised Shop, including, without limitation, by intentionally or through your gross negligence understating the Franchised Shop's Gross Sales for any period;

(2) you do not start immediately following the Effective Date to diligently pursue and secure before the anticipated Lease-signing date, all financing required to construct, develop, and open the PopUp Bagel Shop;

(3) you fail (a) to obtain our written acceptance of a site, to secure an accepted site under a Lease we accept, or otherwise to meet any development obligation identified in Section 5 on or before the required deadline for each such step, or (b) to develop, open, and begin operating the Franchised Shop in compliance with this Agreement, including all Brand Standards (including with a fully-trained staff), on or before the Opening Deadline (unless extended with our approval);

(4) you (a) abandon the Franchised Shop, meaning you have deserted, walked away from, or closed the Franchised Shop under circumstances leading us to conclude that you have no intent to return to the Franchised Shop, regardless of how many days have passed since the apparent abandonment, or (b) fail actively and continuously to operate the Franchised Shop for at least three (3) consecutive business days (except where closure is due to fire, riot, flood, terrorist acts, or natural disaster and you notify us within three (3) days after the particular occurrence to obtain our written approval to remain closed for an agreed-upon amount of time as is necessary under the circumstances before we will require you to re-open);

(5) you, any of your owners, or the owner of a controlling ownership interest in an Entity with an ownership interest in you makes a purported transfer in violation of Section 17;

(6) you (or any of your direct or indirect owners) are or have been convicted by a trial court of, or plead or have pleaded guilty or no contest to, a felony;

(7) you (or any of your direct or indirect owners) engage in any dishonest, unethical, immoral, or similar conduct as a result of which your (or the owner's) association with the Franchised Shop (or the owner's association with you) could, in our reasonable opinion, have a material adverse effect on the goodwill associated with the Marks;

(8) a lender forecloses on its lien on a substantial and material portion of the Franchised Shop's assets;

(9) an entry of judgment against you involving aggregate liability of Twenty Thousand Dollars (\$20,000) or more in excess of your insurance coverage, and the judgment remains unpaid for ten (10) days or more following its entry;

(10) you (or any of your direct or indirect owners) misappropriate any Confidential Information or violate any provisions of Section 13, including, but not limited to, by holding interests in or performing services for a Competitive Business;

(11) you violate any material Law relating to the Shop's development, operation, or marketing and do not (a) begin to correct the noncompliance or violation immediately after delivery of written notice (regardless of by whom sent to you) or (b) completely correct the noncompliance or violation within the time period prescribed by Law, unless, in the case of both (a) and (b), you are in good faith contesting your liability for the violation through appropriate proceedings or, in the case of (b) only, you provide reasonable evidence to us and the relevant authority of your continued efforts to correct the violation within a reasonable time period;

(12) you fail to report the Franchised Shop's Gross Sales or to pay us or any of our affiliates any amounts when due and do not correct the failure within five (5) days after delivery of written notice;

(13) you underreport the Franchised Shop's Gross Sales by two percent (2%) or more on three (3) separate occasions within any twenty-four (24) consecutive-month period or by five percent (5%) or more during any reporting period;

(14) you disable the Franchised Shop's Computer System, close the Shop's business checking or other account from which we debit required payments without complying with Section 6.D, or otherwise intentionally prevent us from debiting required payments;

(15) you fail to maintain the insurance we require for the Shop or to send us satisfactory evidence of such insurance coverage within the required time, or significantly modify your insurance coverage without our written approval, and do not correct the failure within five (5) days after delivery of written notice;

(16) you fail to pay when due any federal or state income, service, sales, employment, or other taxes due on the Shop's operation, unless you are in good faith contesting your liability for such taxes through appropriate proceedings;

(17) you (or any of your direct or indirect owners) (a) fail on three (3) or more separate occasions within any twelve (12)-consecutive-month period to comply with this Agreement (including any Brand Standard), whether or not you correct the failures after our delivery of notice to you (which includes failures identified and reported to you during any inspection we conduct under Section 17.A), 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 (including any Brand Standard), whether or not you correct the failures after our delivery of notice to you (which includes failures identified and reported to you during any inspection we conduct under Section 17.A);

(18) you fail to pay amounts you owe to our designated, approved, or recommended suppliers within thirty (30) days following the due date (unless you are contesting the amount in good faith),

or you default (and fail to cure within the allocated time) under any note, lease, or agreement we deem material relating to the Shop's operation or ownership, and do not correct the failure within five (5) days after delivery of written notice;

(19) 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 a substantial part of your property; the Franchised Shop is attached, seized, or levied upon, unless the attachment, seizure, or levy is vacated within sixty (60) days; or any order appointing a receiver, trustee, or liquidator of you or the Shop is not vacated within sixty (60) days following its entry;

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

(21) you lose the right to occupy the Franchised Shop's premises due to your Lease default (even if you have not yet vacated the Franchised Shop's premises);

(22) you lose the right to occupy the Shop's premises (but not due to your Lease default), or the Shop is damaged to such an extent that you cannot operate the Shop at its existing location over a thirty (30)-day period, and you fail both to relocate the Franchised Shop to a substitute site we accept and to begin operating the Shop at that substitute site within one-hundred-eighty (180) days from the first date on which you could not operate the Shop at its existing location;

(23) you fail to comply with any other obligation under this Agreement or any other agreement between us (or any of our affiliates) and you relating to the Franchised Shop, including, without limitation, any Brand Standard, and do not correct the failure to our satisfaction within thirty (30) days after we deliver written notice;

(24) you cause or contribute to a Data Security Incident or fail to comply with any requirements to protect Consumer Data; or

(25) we send you (or your Affiliate) a notice of termination under another franchise agreement between us and you (or your affiliate) for a PopUp Bagels Shop, you terminate such a franchise agreement without cause (as defined in the franchise agreement), or you (or your affiliate) cease operating a PopUp Bagels Shop without our approval.

C. Assumption of Franchised Shop Management

(1) If you abandon or fail actively to operate the PopUp Bagels Shop for any period, (2) under the circumstances described in Section 17.E and Section 19.D, and (3) after termination or expiration of this Agreement while we are deciding whether to exercise our right to purchase the Shop's Operating Assets under Section 20.F, we or our designee has the right (but not the obligation) to enter the site and assume the management of the Shop for any time period we deem appropriate. The manager will exercise control over the working conditions of the Shop's employees only to the extent such control is related to our legitimate interest in protecting, and is necessary at that time to protect, the quality of our products, services, or brand.

If we assume the management of the Shop, all revenue from the Shop's operation during our management period will (except as provided below) be kept in a separate account, and all Shop expenses will be charged to that account. In addition to the fees and payments owed under this Agreement on account of the Shop's operation, we may charge you a management fee, not to exceed the greater of Five Thousand

Dollars (\$5,000) per month or ten percent (10%) of the Shop's monthly Gross Sales, plus any out-of-pocket expenses incurred in connection with the such management, including salaries and travel-related expenses. We or our designee will have a duty to use only reasonable efforts and, if we or our designee is not grossly negligent and does not commit an act of willful misconduct, will not be liable to you or your owners for any debts, losses, lost or reduced profits, or obligations the Shop incurs, or to any of your creditors for any supplies, products, or other assets or services are purchased for the Shop, while we or our designee manages it. We may require you to sign our then-current form of management agreement, which will govern the terms of our management of the Shop.

If we or our designee assumes management of the Shop due to your abandonment or failure actively to operate the Shop, or after termination or expiration of this Agreement while we are deciding whether to exercise our right to purchase the Shop's Operating Assets under Section 19.F, we or our designee may retain all, and need not pay you or otherwise account to you for any, Gross Sales generated while we or our designee manages the Shop.

D. Other Remedies upon Default

Upon your failure to remedy any noncompliance with any provision of this Agreement, including any Brand Standard, or another default specified in any written notice issued to you under Section 19.B within the time period (if any) we specify in our notice, we have the right, until the failure has been corrected to our satisfaction, to take any one or more of the following actions:

- (1) suspend your right to participate in one or more advertising, marketing, or promotional programs that we or the Brand Fund provides;
- (2) suspend or terminate your participation in any temporary or permanent fee reductions to which we might have agreed (whether as a policy, in an amendment to this Agreement, or otherwise);
- (3) refuse to provide any operational support this Agreement requires; and/or
- (4) assume the Shop's management, as described in Section 19.C, for the time we deem necessary in order to correct the default, for all of which costs you must reimburse us (in addition to the amounts you must pay us under Section 19.C).

Exercising any of these rights will not constitute an actual or constructive termination of this Agreement or be our sole and exclusive remedy for your default. We may at any time after the applicable cure period under the written notice has lapsed (if any) terminate this Agreement without giving you any additional corrective or cure period. During any suspension period, you must continue paying all fees and other amounts due under, and otherwise comply with, this Agreement and all related agreements. Our election to suspend your rights as provided above is not our waiver of any breach of this Agreement. If we rescind any suspension of your rights, you are not entitled to any compensation (including, without limitation, repayment, reimbursement, refunds, or offsets) for any fees, charges, expenses, or losses you might have incurred due to our exercise of any suspension right provided above.

20. Rights and Obligations upon Termination or Expiration of This Agreement

A. Payment of Amounts Owed

You agree to pay us within fifteen (15) days after this Agreement expires or is terminated, or on any later date we determine the amounts due to us, the Royalties, Technology Fees, Brand Fund contributions, late fees and interest, and other amounts owed to us (and our affiliates) that are then unpaid.

B. De-Identification

Upon termination or expiration of this Agreement, you must de-identify the Franchised Shop in compliance with this Section 20.B and as we reasonably require. De-identification includes, but is not limited to, taking the following actions:

(1) beginning immediately upon the effective date of termination or expiration, you and your owners may not directly or indirectly at any time afterward or in any manner (except in connection with other PopUp Bagels Shops you or they own and operate): (a) identify yourself or themselves in any business as a current or former PopUp Bagels Shop franchise or as one of our current or former franchisees; (b) use any Mark, any colorable imitation of a Mark, any trademark, service mark, or commercial symbol that is confusingly similar to any Mark, any copyrighted items, or other indicia of a PopUp Bagels Shop for any purpose; or (c) use for any purpose any trade dress, trade name, trademark, service mark, or other commercial symbol suggesting or indicating a connection or association with us.

(2) immediately upon the effective date of termination or expiration, you must take the action required to cancel all fictitious- or assumed-name or equivalent registrations relating to your use of any Mark;

(3) if we do not exercise the option under Section 20.F below, you must at your own cost, and without any payment from us for such items, destroy all signs, Marketing Materials, forms, and other materials containing any Mark within twenty (20) days after the De-identification Date (defined below). If you fail to do so voluntarily, we and our representatives may enter the Shop at our convenience and remove these items without liability to you, the landlord, or any other third party for trespass or any other claim. You must reimburse our costs of doing so. Notwithstanding the above, you may after the De-identification Date sell these branded items to another PopUp Bagels Shop franchisee.;

(4) if we do not exercise the option under Section 19.F below, you must at your own cost, and without any payment from us for such items, destroy all materials that are proprietary to the PopUp Bagels Shop brand within thirty (30) days after the De-identification Date. If you fail to do so voluntarily when we require, we and our representatives may enter the Shop at our convenience and remove these items without liability to you, the landlord, or any other third party for trespass or any other claim. You must reimburse our costs of doing so. (Notwithstanding the above, you may after the De-identification Date sell these branded items to another PopUp Bagels Shop franchisee.);

(5) if we do not exercise the option under Section 20.F below, you must at your own expense within twenty (20) days after the De-identification Date make the alterations we specify to distinguish the Franchised Shop from its former appearance and from other PopUp Bagels Shops in order to prevent public confusion, including, without limitation, removing PopUp signage, any special custom wallpaper that is associated with a PopUp Bagels Shop, special PopUp Bagels Shop shelving, PopUp Bagels Shop merchandise, bags and cups that hold butter and schmears and any trademarks owned by us or Adam Goldberg. If you fail to do so voluntarily when we require, we and our representatives may enter the Franchised Shop at our convenience and take this action without liability to you, your landlord, or any other

third party for trespass or any other claim. We need not compensate you or the landlord for any alterations. You must reimburse our costs of de-identifying the Franchised Shop;

(6) you must within fifteen (15) days after the De-identification Date notify the telephone company and all telephone directory publishers (both web-based and print) of the termination or expiration of your right to use any telephone or other numbers and telephone directory listings associated with any Mark; authorize, and not interfere with, the transfer of those numbers and directory listings to us or at our direction; and/or 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 must immediately cease using or operating any Social Media and other Digital Marketing related to the PopUp Bagels brand or the Franchised Shop or the Marks, take all action required to disable Social Media accounts and other Digital Marketing, and cancel all rights in and to any accounts for such Social Media and other Digital Marketing (unless we request you to assign them to us).

The “**De-identification Date**” means: (i) if we exercise the option under Section 20.F, the closing date of our (or our designee’s) purchase of the Franchised Shop’s assets; or (ii) if we do not exercise the option under Section 20.F, the date upon which that option expires or we notify you of our decision not to exercise, or to withdraw our previous exercise, of that option, whichever occurs first.

C. Confidential Information

Upon termination or expiration of this Agreement, you and your owners must immediately cease using any of our Confidential Information in any business or otherwise and return to us all copies of the Operations Manual and any other confidential materials to which we gave you access. You may not sell, trade, or otherwise profit in any way from any Consumer Data or other Confidential Information at any time after expiration or termination of this Agreement.

D. Notification to Customers

Upon termination or expiration of this Agreement, we have the right to contact (at our expense) previous, current, and prospective customers to inform them that a PopUp Bagels Shop no longer will operate at the Shop’s location or, if we intend to exercise the option under Section 20.F, that the Franchised Shop will operate under new management. We also have the right to inform them of other nearby PopUp Bagels Shops. Exercising these rights will not constitute interference with your contractual or business relationships with those customers.

E. Covenant Not to Compete

Upon our termination of this Agreement in compliance with its terms, your termination of this Agreement without cause, or expiration of this Agreement (without the grant of a successor franchise), you and your owners agree that neither you, they, nor any member of your or their Immediate Families will:

- (1) have any direct or indirect, controlling or non-controlling interest as an owner—whether of record, beneficial, or otherwise—in any Competitive Business located or operating:
 - (i) at the Franchised Shop’s site; or
 - (ii) within five (5) miles of the former Franchised Shop’s site; or

(iii) within five (5) miles of the physical location of another PopUp Bagels Shop in operation or under construction on the later of the effective date of termination or expiration or the date on which the restricted person begins to comply with this Section 20.E,

(2) provided that this restriction does not prohibit ownership of shares of a class of securities publicly-traded on a United States stock exchange and representing less than three percent (3%) of the number of shares of that class of securities issued and outstanding; or

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

(i) at the Franchised Shop's site; or

(ii) within five (5) miles of the former Franchised Shop's site; or

(iii) within five (5) miles of the physical location of another PopUp Bagels Shop in operation or under construction on the later of the effective date of termination or expiration or the date on which the restricted person begins to comply with this Section 20.E.

You, each owner, and your and their Immediate Families will each be bound by these competitive restrictions for two (2) years beginning on the effective date of this Agreement's termination or expiration. However, if a restricted person does not begin to comply with these competitive restrictions immediately, the two (2)-year restrictive period for that non-compliant person will not start to run until the date on which that person begins to comply with the competitive restrictions (whether or not due to the entry of a court order enforcing this provision). The running of the two (2)-year restrictive period for a restricted person will be suspended whenever that restricted person breaches this Section and will resume when that person resumes compliance. The restrictive period also will be tolled automatically during the pendency of a proceeding in which either party challenges or seeks to enforce these competitive restrictions. These restrictions also apply after a permitted transfer under Section 17 above. You (and your owners) expressly acknowledge that you (and they) possess skills and abilities of a general nature and have other opportunities for exploiting those skills. Consequently, our enforcing the covenants made in this Section 20.E will not deprive you (and them) of personal goodwill or the ability to earn a living. The terms of Section 13.B of this Agreement also apply to the competitive restrictions described in this Section 20.E.

F. Option to Purchase PopUp Bagels Shop

(1) Exercise of Option. Upon our termination of this Agreement in compliance with its terms, your termination of this Agreement without cause, or expiration of this Agreement (without the grant of a successor franchise), we have the option, exercisable by giving you written notice before or within thirty (30) days after the effective date of termination or expiration, to purchase the PopUp Bagels' Operating Assets and other assets associated with the PopUp Bagels' operation that we designate. We have the unrestricted right to assign this purchase option to a third party (including an affiliate), which then will have the rights and, if the purchase option is exercised, obligations described in this Section 20.F. (All references in this Section 20.F to "we" or "us" include our assignee if we have exercised our right to assign this purchase option to a third party.) We are entitled to all customary representations, warranties, and indemnities in our asset purchase, including representations and warranties regarding ownership and condition of, and title to, assets; liens and encumbrances on assets; validity of contracts and liabilities affecting the assets, contingent or otherwise; and indemnities for all actions, events, and conditions that existed or occurred in connection with the PopUp Bagels Shop before the closing of our purchase. While we (or our assignee) are deciding whether to exercise the option to purchase, we (or our assignee) have the right to conduct any investigations to determine: (a) the ownership and condition of the Operating Assets;

(b) liens and encumbrances on the Operating Assets; (c) environmental and hazardous substances at or upon the Shop's site; and (d) the validity of contracts and liabilities inuring to us (or our assignee) or affecting the Assets. You must give us and our representatives access to the Shop at all reasonable times to conduct inspections of the Operating Assets.

If you or one or more of your owners, directly or through another entity, hold title to the underlying real estate on which the Shop's physical structure is located, we (or our assignee) may elect to lease that site from you or your owner (or the entity) for an initial five (5) or ten (10) year term (at our option), with one (1) renewal term of five (5) or ten (10) years (again at our option), on commercially reasonable terms. If you lease the Shop's site from an unaffiliated lessor, you agree (at our option) to assign the Lease to us or to enter into a sublease for the remainder of the Lease term on the same terms (including renewal options) as the Lease.

(2) Purchase Price. If we elect to purchase all or substantially all of the Franchised Shop's Operating Assets and other assets associated with the Shop's operation, the purchase price for those assets will be their fair market value, although fair market value will not include any value for (a) the franchise or any rights granted by this Agreement, (b) goodwill attributable to our Marks, brand image, and other intellectual property, or (c) participation in the network of PopUp Bagels Shops. In all cases, we may exclude from the assets purchased any Operating Assets or other items not reasonably necessary (in function or quality) to the Shop's operation or that we have not approved as meeting Brand Standards; the purchase price will reflect those exclusions. We and you must work together in good faith to agree upon the assets' fair market value within fifteen (15) days after we deliver our notice exercising our right to purchase. If we and you cannot agree on fair market value within this fifteen (15)-day period, fair market value will be determined by the following appraisal process.

Fair market value will be determined by one (1) independent accredited appraiser upon whom we and you agree who, in conducting the appraisal, will be bound by the criteria specified above. We and you agree to select the appraiser within fifteen (15) days after we deliver our purchase notice (if we and you do not agree on fair market value before then). If we and you cannot agree on a mutually acceptable appraiser within the fifteen (15) days, we will send you a list of three (3) independent appraisers, and you must within seven (7) days select one of them to be the designated appraiser to determine the purchase price. Otherwise, we have the right to select the appraiser. We and you will share equally the appraiser's fees and expenses. Within thirty (30) days after delivery of notice invoking the appraisal mechanism, we and you each must send the appraiser our and your respective calculations of the purchase price, with such detail and supporting documents as the appraiser requests and according to the criteria specified above. Within fifteen (15) days after receiving both calculations, the appraiser must decide whether our proposed purchase price or your proposed purchase price most accurately reflects the assets' fair market value. The appraiser has no authority to compromise between the two (2) proposed purchase prices; it is authorized only to choose one or the other. The appraiser's choice will be the purchase price and is final.

(3) Closing. We will pay the purchase price at the closing, which will take place not later than forty-five (45) days after the purchase price is determined. However, we may decide after the purchase price is determined not to complete the purchase and will have no liability to you for choosing not to do so. We may set off against the purchase price, and reduce the purchase price by, any and all amounts you owe us (or our affiliates). At the closing, you agree to deliver instruments transferring to us: (a) good and merchantable title to the assets purchased, free and clear of all liens and encumbrances (other than liens and security interests acceptable to us), with all sales and transfer taxes paid by you; (b) all of the Shop's licenses and permits that may be assigned; and (c) possessory rights to the Franchised Shop's site.

If you cannot deliver clear title to all purchased assets, or if there are other unresolved issues, the sale will be closed through an escrow. You and your owners further agree to sign general releases, in a form

satisfactory to us, of any and all claims against us and our affiliates and our and their respective owners, officers, directors, employees, agents, representatives, successors, and assigns. If we exercise our rights under this Section 20.F, then for two (2) years beginning on the closing date, you and your owners (and members of your and their Immediate Families) will be bound by the non-competition covenants contained in Section 20.E.

You may not under any circumstances sell any of the Franchised Shop's assets until we have exercised or elected not to exercise our right to purchase those assets, as provided in this Section.

G. Liquidated Damages

If we terminate this Agreement for cause under Section 19.B, or if you terminate this Agreement without cause, before the Term's scheduled expiration date, you acknowledge and confirm that we will suffer substantial damages as a result of such termination, including Brand Damages. "Brand Damages" means lost Royalties, lost Brand Fund contributions, lost market penetration and goodwill, loss of PopUp Bagels Shop representation in the Franchised Shop's market area, customer confusion, lost opportunity costs, and expenses that we will incur in developing or finding another franchisee to develop another PopUp Bagels shop in the Franchised Shop's market area. We and you acknowledge that Brand Damages are difficult to estimate accurately, and proof of Brand Damages would be burdensome and costly, although such damages are real and meaningful to us. Therefore, upon termination of this Agreement, as provided above, before the Term's scheduled expiration date, you agree to pay us in a lump sum, within the timeframe we specify, liquidated damages equal to the product of either twenty-four (24) or the number of months that would have remained in the Term (as of the effective date of termination) had it not been terminated, whichever is shorter, multiplied by the average monthly Royalties and Brand Fund contributions that were due and payable to us during the twelve (12) months before the month of termination (or for such lesser period that the Franchised Shop has been open, if less than twelve (12) months).

You agree that the liquidated damages calculated under this Section 20.G represent the best estimate of our Brand Damages arising from any termination of this Agreement before the Term expires. Your payment of the liquidated damages to us will not be considered a penalty but, rather, a reasonable estimate of fair compensation to us for the Brand Damages we will incur because this Agreement did not continue for the Term's full length of time. You acknowledge that your payment of liquidated damages is full compensation to us only for the Brand Damages resulting from the early termination of this Agreement and is in addition to, and not in lieu of, your obligations to pay other amounts due to us under this Agreement as of the effective date of termination and to comply strictly with the de-identification procedures of Section 20.B and your other post-termination obligations. If any valid law or regulation governing this Agreement limits your obligation to pay, and/or our right to receive, the liquidated damages for which you are obligated under this Section, then you will be liable to us for any and all Brand Damages we incur, now or in the future, as a result of your breach of this Agreement.

H. Continuing Obligations

All of our and your (and your owners') obligations expressly surviving expiration or termination of this Agreement will continue in full force and effect after and notwithstanding its expiration or termination and until they are satisfied in full.

21. Relationship of the Parties; Indemnification

A. Independent Contractors

(1) This Agreement does not create a fiduciary relationship between you and us (or any affiliate of ours). You have no authority, express or implied, to act as an agent for us or our affiliates for any purpose. You are, and will remain, an independent contractor responsible for all obligations and liabilities of, and for all losses or damages to, the Shop and its assets, including any personal property, equipment, fixtures, or real property, and for all claims or demands based on damage to or destruction of property or based on injury, illness, or death of any person resulting directly or indirectly from the Shop's operation.

(2) We and you are entering this Agreement with the intent and expectation that we and you are and will be independent contractors. Further, we and you are not and do not intend to be partners, joint venturers, associates, or employees of the other in any way, and we (and our affiliates) will not be construed to be jointly liable for any of your acts or omissions under any circumstances. We (and our affiliates) are not the employer or joint employer of the Shop's employees. Your Operating Principal and General Manager are solely responsible for managing and operating the Shop and supervising the Shop's employees. You agree to identify yourself conspicuously in all dealings with customers, suppliers, public officials, Shop personnel, and others as the Shop's owner, operator, and manager under a franchise we have granted and to place notices of independent ownership at the Shop and on the forms, business cards, stationery, advertising, e-mails, and other materials we require from time to time.

(3) We (and our affiliates) will not exercise direct or indirect control over the working conditions of Shop personnel, except to the extent such indirect control is related to our legitimate interest in protecting the quality of our products, services, or brand. We (and our affiliates) do not share or co-determine the employment terms and conditions of the Shop's employees and do not affect matters relating to the employment relationship between you and the Shop's employees, such as employee selection, promotion, termination, hours worked, rates of pay, other benefits, work assigned, discipline, adjustment of grievances and complaints, and working conditions. To that end, you must notify Shop personnel that you are their employer and that we, as the franchisor of PopUp Bagels Shops, and our affiliates are not their employer or joint employer and do not engage in any employer-type activities for which only franchisees are responsible, such as employee selection, promotion, termination, hours worked, rates of pay, other benefits, work assigned, discipline, adjustment of grievances and complaints, and working conditions. You also must obtain an acknowledgment (in the form we specify or approve) from all Shop employees that you (and not we or our affiliates) are their employer.

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 relationship with you is other than franchisor and franchisee. We will not be obligated for any damages to any person or property directly or indirectly arising from the Shop'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, employment, or other taxes, whether levied upon you or the Shop, due to the business you conduct (except for our own income taxes). You must pay those taxes and reimburse us for any taxes we must pay

to any taxing authority on account of either your Shop's operation or payments you make to us (except for our own income taxes).

D. Insurance

During the Term, you must maintain in force at your sole expense insurance coverage for the Shop in the amounts, and covering the risks, we periodically specify in the Operations Manual. We may require some or all of your insurance policies to provide for waiver of subrogation in favor of us and certain of our affiliates. Your insurance carriers must be licensed to do business in the state in which the Shop is located and be rated A-, VII or higher by A.M. Best and Company, Inc. (or such similar criteria we periodically specify). Insurance policies must be in effect before you begin constructing the Shop. We may periodically increase the amounts of coverage required under those insurance policies and/or require different or additional insurance coverage at any time to reflect inflation, identification of new risks, changes in Law or standards of liability, higher damage awards, or relevant changes in circumstances. Insurance policies must name us and any affiliates we periodically designate as additional insureds and provide for thirty (30) days' prior written notice to us of any policy's material modification, cancellation, or non-renewal and notice to us of any non-payment. You must periodically, including before the Shop opens for business, send us a valid certificate of insurance or duplicate insurance policy evidencing the coverage specified above and the payment of premiums. We may require you to use our designated insurance broker to facilitate your compliance with these insurance requirements. We have the right to obtain insurance coverage for the Shop at your expense if you fail to do so, in which case you must promptly pay our then-current administrative fee. We also have the right to defend claims in our sole discretion.

E. Indemnification

From and after the Effective Date, you and your owners, jointly and severally, shall indemnify us and our affiliates and their respective officers, directors, stockholders, members, managers, partners, employees, agents, attorneys, contractors, legal predecessors, legal successors, and assigns of each of the foregoing entities/individuals (in their corporate and individual capacities) (collectively, all such individuals and entities are referred to herein as the "**Franchisor Indemnitees**") and hold the Franchisor Indemnitees harmless to the fullest extent permitted by Applicable Laws, from any and all Losses and Expenses incurred in connection with any litigation or other form of adjudicatory procedure, claim, demand, investigation, or formal or informal inquiry (regardless of whether it is reduced to judgment) or any settlement thereof which arises directly or indirectly from, or as a result of, a claim of a third party in connection with the selection, development, ownership, operation or closing of the Franchised Shop, including the failure of you to perform any covenant or agreement under this Agreement or any activities of yours on or after the Effective Date, or any claims by any employee of yours arising out of or relating to his or her employment with you (collectively, "**Event**"), and regardless of whether it resulted from any strict or vicarious liability imposed by law on the Franchisor Indemnitees; provided, however, that this indemnity will not apply to any liability arising from a breach of this Agreement by any of the Franchisor Indemnitees or the gross negligence or willful acts of any of the Franchisor Indemnitees (except to the extent that joint liability is involved, in which event the indemnification provided herein will extend to any finding of comparative or contributory negligence attributable to you).

Promptly after the receipt by any Franchisor Indemnitee of notice of the commencement of any action against such Franchisor Indemnitee by a third party (such action, a "**Third-Party Claim**"), the Franchisor Indemnitee will, if a claim with respect thereto is to be made for indemnification pursuant to this Section 21.E give a claim notice to Franchisee with respect to such Third-Party Claim. No delay or failure on the part of the Franchisor Indemnitee in so notifying Franchisee will limit any liability or obligation for indemnification pursuant to this Section 21.E, except to the extent of any material prejudice to you with respect to such claim caused by or arising out of such delay or failure. We will have the right

to assume control of the defense of such Third-Party Claim, and you and your owners will be responsible for the costs incurred in connection with the defense of such Third-Party Claim. You and your owners will furnish us with such information as it may have with respect to such Third-Party Claim (including copies of any summons, complaint or other pleading which may have been served on such party and any written claim, demand, invoice, billing or other document evidencing or asserting the same) and will otherwise cooperate with and assist us in the defense of such Third-Party Claim. The fees and expenses of counsel incurred by us will be considered Losses and Expenses for purposes of this Agreement. We may, as we deem necessary and appropriate, take such actions to take remedial or corrective action with respect thereof as may be, in our reasonable discretion, necessary for the protection of the Franchisor Indemnitees or PopUp Bagels Shops generally. We will not agree to any settlement of, or the entry of any judgment arising from, any Third-Party Claim without your and your owners' prior written consent, which will not be unreasonably withheld, conditioned or delayed. Any settlement or compromise of any Third-Party Claim must include a written release from liability of such claim for all Franchisor Indemnitees.

Your obligations under this Section will continue in full force and effect after 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 losses, in order to maintain and recover fully a claim against you under this Section 21.E. 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 Section 21.F.

22. Enforcement

A. Severability

(1) Except as expressly provided to the contrary in this Agreement, each section, paragraph, term, and provision of this Agreement is severable. If, for any reason, any part is held to be invalid or contrary to or in conflict with any applicable present or future Law in a final, unappealable ruling issued by any court, arbitrator, 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 restricting competitive activity is deemed unenforceable due to 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 reformed to the extent necessary to be reasonable and enforceable, and then enforced to the fullest extent permissible, under the Laws and public policies applied in the jurisdiction whose Laws determine the covenant's validity.

(2) If any applicable and binding Law requires more notice than this Agreement requires of the termination of this Agreement or of our refusal to grant a successor franchise, or if under any applicable and binding Law any provision of this Agreement, including any Brand Standard, is invalid, unenforceable, or unlawful, the notice and/or other action required by the Law will be substituted for the comparable provisions of this Agreement, and we may modify the invalid or unenforceable provision or Brand Standard to the extent required to be valid and enforceable or delete the unlawful provision entirely. 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 and Force Majeure

(1) We and you may in writing unilaterally waive or reduce any contractual obligation or restriction upon the other, effective upon delivery of written notice to the other or another effective date stated in the waiver notice. However, no interpretation, change, termination, or waiver of any provision of this Agreement will bind us unless in writing, signed by one of our officers, and specifically identified as

an amendment to this Agreement. No modification, waiver, termination, discharge, or cancellation of this Agreement affects the right of any party to this Agreement to enforce any claim or right under this Agreement, whether or not liquidated, which occurred before the date of such modification, waiver, termination, discharge, or cancellation. Any waiver granted is without prejudice to any other rights we or you have, is 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.

(2) We and you will not waive or impair any right, power, or option this Agreement reserves (including our right to demand your strict compliance with every term, condition, and covenant or to declare any breach to be a default and to terminate this Agreement before the Term expires) because of any custom or practice varying from 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 your compliance with any Brand Standard; our waiver of or failure to exercise any right, power, or option, whether of the same, similar, or different nature, with other PopUp Bagels Shops; the existence of franchise agreements for other PopUp Bagels Shops containing provisions differing from those contained in this Agreement; or our acceptance of any payments from you after any breach of this Agreement. No special or restrictive legend or endorsement on any payment or similar item given to us will be a waiver, compromise, settlement, or accord and satisfaction. We may remove any legend or endorsement, which will have no effect.

(3) 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 obligations results from: (a) acts of God; (b) fires, strikes, embargoes, war, terrorist acts or similar events, or riot; (c) compliance with the orders, requests, or regulations of any federal, state, or municipal government; or (d) any other similar event or cause. Any delay resulting from these causes will extend performance accordingly or excuse performance, in whole or in part, as may be reasonable. However, these causes will not excuse payment of amounts owed at the time of the occurrence or payment of Royalties, Technology Fees, Brand Fund contributions, and other amounts due afterward. Under no circumstances do any financing delays, difficulties, or shortages excuse your failure to perform or delay in performing your obligations under this Agreement.

C. Costs and Attorneys' Fees

If we incur costs and expenses (internal or external) to enforce our rights or your obligations under this Agreement because you have failed 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 to reimburse all costs and expenses we incur, including, without limitation, reasonable accounting, attorneys', arbitrators', and related fees. Your obligation to reimburse us arises whether or not we begin a formal legal proceeding against you to enforce this Agreement. If we do begin a formal legal proceeding against you, the reimbursement obligation applies to all costs and expenses we incur preparing for, commencing, and prosecuting the legal proceeding and until the proceeding has completely ended (including appeals and settlements).

D. You May Not Withhold Payments

You may not withhold payment of any amounts owed to us or our affiliates due to our alleged nonperformance of our obligations under this Agreement or for any other reason. You specifically waive any right you have at Law or in equity to offset any monies you owe us or our affiliates or to fail or refuse to perform any of your obligations under this Agreement.

E. 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 that we or you are entitled by Law to enforce.

F. Arbitration

All controversies, disputes, or claims between us (and our affiliates and our and their respective owners, officers, directors, agents, and employees, as applicable) and you (and your affiliates and your and their respective owners, officers, and directors, as applicable) arising out of or related to:

- (1) this Agreement or any other agreement between you (or your owner) and us (or our affiliate) relating to the Shop or any provision of any such agreements;
- (2) our relationship with you;
- (3) the validity of this Agreement or any other agreement between you (or your owner) and us (or our affiliate) relating to the Shop, or any provision of any such agreements, and the validity and scope of the arbitration obligation under this Section; or
- (4) any Brand Standard,

must be submitted for arbitration to the American Arbitration Association. Except as otherwise provided in this Agreement, such arbitration proceedings will be heard by one (1) arbitrator in accordance with the then-existing Commercial Arbitration Rules of the American Arbitration Association. All proceedings, including the hearing, will be conducted at a suitable location that is within ten (10) miles of where we have our (or, in the case of a transfer by us, the then-current franchisor has its) principal business address when the arbitration demand is filed. The arbitrator will have no authority to select a different hearing locale other than as described in the prior sentence. All matters within the scope of the Federal Arbitration Act (9 U.S.C. Sections 1 *et seq.*) will be governed by it and not by any state arbitration law.

The arbitrator has the right to award any relief he or she deems proper in the circumstances, including money damages (with interest on unpaid amounts from the date due), specific performance, injunctive relief, and attorneys' fees and costs (in accordance with Section 22.C above), provided that: (i) the arbitrator has no authority to declare any Mark generic or otherwise invalid; and (ii) subject to the exceptions in Section 22.I, we and you waive to the fullest extent the Law permits any right to or claim for any punitive, exemplary, treble, and other forms of multiple damages against the other. The arbitrator's award and decision will be conclusive and bind all parties covered by this Section, and judgment upon the award may be entered in a court specified or permitted in Section 22.H below.

We and you will be bound by any limitation under this Agreement or applicable Law, whichever expires first, on the timeframe in which claims must be brought. We and you further agree that, in connection with any arbitration proceeding, each must submit or file any claim constituting a compulsory counterclaim (as defined by the then-current Rule 13 of the Federal Rules of Civil Procedure) within the same proceeding as the claim to which it relates. Any such claim not submitted or filed in the proceeding will be barred. The arbitrator may not consider any settlement discussions or offers either you or we made. We reserve the right, but have no obligation, to advance your share of the costs of any arbitration proceeding in order for the arbitration proceeding to take place and by doing so do not waive or relinquish our right to seek recovery of those costs in accordance with Section 22.C above.

We and you agree that arbitration will be conducted on an individual basis and not in a class, consolidated, or representative action, that only we (and our affiliates and our and their respective owners, officers, directors, agents, and employees, as applicable) and you (and your affiliates and your and their respective owners, officers, and directors, as applicable) may be the parties to any arbitration proceeding described in this Section, and that no such arbitration proceeding may be consolidated or joined with another arbitration proceeding involving us and/or any other person. Despite the foregoing or anything to the contrary in this Section or Section 22.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 Section 22.F, then we and you agree that this arbitration clause will not apply to that dispute, and such dispute will be resolved in a judicial proceeding in accordance with this Section 22 (excluding this Section 22.F).

This Section's provisions are intended to benefit and bind certain third-party non-signatories and will continue in full force and effect after and notwithstanding expiration or termination of this Agreement.

Despite your and our agreement to arbitrate, each has the right to seek temporary restraining orders and temporary or preliminary injunctive relief from a court of competent jurisdiction, provided, however, each must contemporaneously submit its dispute for arbitration on the merits as provided in this Section.

G. Governing Law

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, all controversies, disputes, or claims arising from or relating to:

- (1) this Agreement or any other agreement between you (or your owners) and us (or our affiliates) relating to the Shop;
- (2) our relationship with you;
- (3) the validity of this Agreement or any other agreement between you (or your owners) and us (or our affiliate) relating to the Shop; or
- (4) any Brand Standard,

will be governed by the Laws of the State of Connecticut, without regard to its conflict of Laws rules. However, the provisions of any Connecticut legislation regulating the offer or sale of franchises, business opportunities, or similar interests, or governing the relationship between a franchisor and a franchisee or any similar relationship, will not apply to the matters in clauses (1) through (4) above under any circumstances unless their jurisdictional requirements and definitional elements are met independently without reference to this Section 22.G, and no exemption to their application exists.

H. Consent to Jurisdiction

Subject to the arbitration obligations in Section 22.F, you and your owners agree that all judicial actions brought by us against you or your owners, or by you or your owners against us, our affiliates, or our or their respective owners, officers, directors, agents, or employees, relating to this Agreement or the Shop must be brought exclusively in the state or federal court of general jurisdiction located closest to where we have our (or, in the case of a transfer by us, the then-current franchisor has its) principal business address when the action is commenced. You and each of your owners irrevocably submit to the jurisdiction of such courts and waive any objection you or they might have to either jurisdiction or venue. Despite the foregoing,

we may bring an action seeking a temporary restraining order or temporary or preliminary injunctive relief, or to enforce an arbitration award, in any federal or state court in the state in which you reside, or the Shop is located.

I. Waiver of Punitive and Exemplary Damages

EXCEPT FOR YOUR INDEMNIFICATION OBLIGATIONS UNDER SECTION 21.E AND CLAIMS BASED ON YOUR UNAUTHORIZED USE OF THE MARKS OR UNAUTHORIZED USE OR DISCLOSURE OF ANY CONFIDENTIAL INFORMATION, WE AND YOU (AND YOUR OWNERS) WAIVE TO THE FULLEST EXTENT THE LAW PERMITS ANY RIGHT TO OR CLAIM FOR ANY PUNITIVE, EXEMPLARY, TREBLE, AND OTHER FORMS OF MULTIPLE DAMAGES AGAINST THE OTHER AND AGREE THAT, IF THERE IS A DISPUTE BETWEEN US AND YOU (AND/OR YOUR OWNERS), THE PARTY MAKING A CLAIM WILL BE LIMITED TO EQUITABLE RELIEF AND TO RECOVERY OF ANY ACTUAL DAMAGES HE, SHE, OR IT SUSTAINS.

J. Waiver of Jury Trial

SUBJECT TO THE ARBITRATION OBLIGATIONS IN SECTION 22.F, WE AND YOU (AND YOUR OWNERS) IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER US OR YOU (OR YOUR OWNERS). WE AND YOU (AND YOUR OWNERS) ACKNOWLEDGE THAT WE AND YOU (AND THEY) MAKE THIS WAIVER KNOWINGLY, VOLUNTARILY, WITHOUT DURESS, AND ONLY AFTER CONSIDERING THIS WAIVER'S RAMIFICATIONS.

K. 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 Brand Standards, this Agreement may not be modified except by a written agreement signed by both you and us that is specifically identified as an amendment to this Agreement.

L. Limitations of Claims.

EXCEPT FOR:

(1) CLAIMS ARISING FROM YOUR NON-PAYMENT OR UNDERPAYMENT OF AMOUNTS YOU OWE US FOR ROYALTY FEES, TECHNOLOGY FEES, BRAND FUND CONTRIBUTIONS, AND ANY OTHER AMOUNTS THAT WOULD ACCRUE FOR AN OPERATING SHOP UNDER THIS AGREEMENT;

(2) OUR (AND CERTAIN OF OUR RELATED PARTIES') RIGHT TO SEEK INDEMNIFICATION FROM YOU FOR THIRD-PARTY CLAIMS AS PROVIDED IN THIS AGREEMENT; AND

(3) OUR RIGHTS IF YOU FAIL TO COMPLY WITH YOUR OBLIGATIONS UNDER A DRA (IF APPLICABLE),

ALL CLAIMS ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE RELATIONSHIP BETWEEN US AND YOU WILL BE BARRED UNLESS AN ARBITRATION OR JUDICIAL PROCEEDING, AS PERMITTED, IS COMMENCED IN THE APPROPRIATE FORUM WITHIN TWO (2) YEARS FROM THE DATE ON WHICH THE VIOLATION, ACT, OR CONDUCT GIVING RISE

TO THE CLAIM OCCURS, REGARDLESS OF WHEN THE PARTY ASSERTING THE CLAIM KNEW OR SHOULD HAVE KNOWN OF THE FACTS GIVING RISE TO THE CLAIM. HOWEVER, IF THE TIME PERIOD FOR BRINGING AN ACTION UNDER ANY APPLICABLE STATE OR FEDERAL STATUTE OF LIMITATIONS IS SHORTER THAN THESE TWO (2) YEARS, WE AND YOU EXPRESSLY ACKNOWLEDGE AND AGREE THAT THE SHORTER STATUTE OF LIMITATIONS WILL APPLY.

M. Construction

(1) The preambles and exhibits are part of this Agreement, which, together with any riders or addenda signed at the same time as this Agreement and together with the Operations Manual and Brand Standards, constitutes our and your entire agreement and supersedes all prior and contemporaneous oral or written agreements and understandings between us and you relating to this Agreement's subject matter. There are no other oral or written representations, warranties, understandings, or agreements between us and you relating to this Agreement's subject matter. Notwithstanding the foregoing, nothing in this Agreement disclaims or requires you to waive reliance on any representation we made in the franchise disclosure document (including its exhibits and amendments) we delivered to you or your representative. Any policies we adopt and implement from time to time to guide our decision-making are subject to change, are not a part of this Agreement, and do not bind us. Except as provided in Section 21.E and Section 22.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.

(2) We and you have negotiated this Agreement's terms and agree that neither may claim the existence of an implied covenant of good faith and fair dealing to contravene or limit any express written term or provision of this Agreement.

(3) Headings of sections and paragraphs in this Agreement are for convenience only and do not define, limit, or construe the contents of those sections or paragraphs.

(4) References in this Agreement to "we," "us," and "our," with respect to all of our rights and all your obligations to us under this Agreement, include any of our affiliates with whom you deal.

(5) References to a "**controlling ownership interest**" in you or one of your owners (if an Entity) mean the percent of voting shares or other voting rights resulting 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, whether a "controlling ownership interest" is involved must be determined 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).

(6) "**Include,**" "**including,**" and words of similar import will be interpreted to mean "including, but not limited to" and "including, without limitation," and the terms following such words will be interpreted as examples, and not an exhaustive list, of the appropriate subject matter.

(7) This Agreement will become valid and enforceable only upon its full execution by you and us, although we and you need not be signatories to the same original, facsimile, or electronically transmitted counterpart of this Agreement. A scanned copy of an originally signed signature page that is sent as a .pdf by email or a signature page bearing an electronically/digitally captured signature and transmitted electronically will be deemed an original.

N. The Exercise of Our Business Judgment

Because complete and detailed uniformity under many varying conditions might not be possible or practical, we specifically reserve the right and privilege, as we deem best according to our business judgment, to vary Brand Standards or other aspects of the Franchise System for any franchisee. You have no right to require us to grant you a similar variation or accommodation.

We have the right to develop, operate, and change the Franchise System in any manner this Agreement does not specifically prohibit. Whenever this Agreement reserves our right to take or withhold an action, or to grant or decline to grant you the right to take or omit an action, we may, except as this Agreement specifically provides, make our decision or exercise our rights based on information then available to us and our judgment of what is best for us, PopUp Bagels Shop franchisees generally, or the Franchise System when we make our decision, whether or not we could have made other reasonable or even arguably preferable alternative decisions and whether or not our decision promotes our financial or other individual interest.

23. 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 Anti-Terrorism Law. “**Anti-Terrorism Laws**” means Executive Order 13224 issued by the President of the United States and all other present and future Laws, 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, constitutes good cause for immediate termination of this Agreement, as provided in Section 19 above.

24. No Recourse

You acknowledge and agree that except as provided under an express statutory liability for such conduct, none of our past, present or future directors, officers, employees, incorporators, members, partners, stockholders, subsidiaries, affiliates, controlling parties, entities under common control, ownership or management, vendors, service providers, agents, attorneys or representatives will have any liability for (a) any of our obligations or liabilities relating to or arising from this Agreement, (b) any claim against us based on, in respect of, or by reason of, the relationship between you and us, or (c) any claim against us based on any of our alleged unlawful act or omission. For the avoidance of doubt, this provision constitutes an express waiver of any claims based on a theory of vicarious liability, unless such vicarious claims are authorized by a guarantee of performance or statutory obligation. It is not meant to bar any direct contractual, statutory or common law claim that would otherwise exist.

25. Notices and Payments

All acceptances, approvals, requests, notices, and reports required or permitted under this Agreement will not be effective unless in writing and delivered to the party entitled to receive them in accordance with this Section 25. All such acceptances, approvals, requests, notices, and reports will be deemed delivered at the time delivered by hand; or one (1) business day after deposit with a nationally-recognized commercial courier service for next business day delivery; or three (3) business days after placement in the United States Mail by Registered or Certified Mail, Return Receipt Requested, postage prepaid; and must be addressed to the party to be notified at its most current principal business address of which the notifying party has been notified and/or, with respect to any approvals and notices we send you

or your owners, at the PopUp Bagels Shop’s address. Payments and certain information and reports you must send us under this Agreement will be deemed delivered on any of the applicable dates described above or, if earlier, when we actually receive them electronically (all payments, information, and reports must be received on or before their due dates in the form and manner specified in this Agreement). As of the Effective Date of this Agreement, notices should be addressed to the following addresses unless and until a different address has been designated by written notice to the other party:

To us: PUB Franchisor LLC
1391 Post Road E, #200
Westport, Connecticut 06880
Attn: President

With a copy to:
Richard G. Greenstein
DLA Piper (US) LLP
1201 W. Peachtree Street
Suite 2800
Atlanta, Georgia 30309

Notices to you and your owners: _____

26. 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 e-mail transmission to you during the Term by us and our employees, vendors, and affiliates (“**Official Senders**”). You further agree that: (a) Official Senders are authorized to send e-mails to your Operating Principal, General Manager, and other supervisory employees whom you occasionally authorize to communicate with us; (b) you will cause your officers, directors, General Manager, and supervisory employees to consent to Official Senders’ transmission of e-mails to them; (c) you will require such persons not to opt out of or otherwise ask to no longer receive e-mails from Official Senders while such persons work for or are associated with you; and (d) you will not opt out of or otherwise ask to no longer receive e-mails from Official Senders during the Term. The consent given in this Section 26 will not apply to the provision of formal notices by either party under Section 25 of this Agreement using e-mail unless the parties otherwise agree in a written document manually signed by both parties.

27. No Waiver or Disclaimer of Reliance in Certain States

The following provision applies only to franchisees and franchises that are subject to the state franchise registration/disclosure laws in California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, or Wisconsin:

No statement, questionnaire, or acknowledgement signed or agreed to by you 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 us, any franchise seller, or any other

person acting on our behalf. This provision supersedes any other term of any document executed in connection with the franchise.

(Signature page follows)

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement, to be effective as of the date set forth next to our signature below.

PUB FRANCHISOR LLC, a Delaware
limited liability company

FRANCHISEE

By: _____
Name: _____
Title: _____
Date: _____, 20__**

**Effective Date

[Name]
By: _____
Name: _____
Title: _____
Date: _____, 20__

EXHIBIT A
TO THE PUB FRANCHISOR LLC
FRANCHISE AGREEMENT

BASIC TERMS

1. The non-exclusive Site Selection Area is described as follows: _____

_____ (see attached map, if applicable). The Site Selection Area is simply the geographical area within which you will look for the PopUp Bagels Shop's site. It will not determine the size or description of the Area of Protection.

2. The PopUp Bagels Shop's physical address is _____.
If you have not found and secured the PopUp Bagels Shop's site as of the Effective Date, we and you will identify the PopUp Bagels Shop's physical address in the blank above after you find and secure the site.

3. The PopUp Bagels Shop's Area of Protection is described as follows:
_____ (see attached map, if applicable). If you have not found and secured the PopUp Bagel Shop's site as of the Effective Date, we and you will define the Area of Protection in the blank above (and, if applicable, on the attached map) after you find and secure the site. If there is a conflict between the narrative description above and the attached map, the narrative description will control. As noted in Section 4.C. of the Franchise Agreement, the Area of Protection is defined and deemed to exclude any and all Non-Traditional Venues physically located within the Area of Protection. (We may modify the Area of Protection during the Franchise Agreement term if, with our prior written permission, which we have no obligation to grant, the PopUp Bagels Shop relocates.)

PUB FRANCHISOR LLC, a Delaware
limited liability company

FRANCHISEE

By: _____
Name: _____
Title: _____
Date: _____, 20__

[Name]
By: _____
Name: _____
Title: _____
Date: _____, 20__

EXHIBIT B-1
TO THE PUB FRANCHISOR LLC
FRANCHISE AGREEMENT

GUARANTY AND ASSUMPTION OF OBLIGATIONS

THIS GUARANTY AND ASSUMPTION OF OBLIGATIONS is given this _____, 20___, by _____.

In consideration of, and as an inducement to, the execution of that certain Franchise Agreement (the “**Agreement**”) on this date by **PUB Franchisor LLC**, a Delaware limited liability company whose principal business address is 1391 Post Road E, #200, Westport, Connecticut 06880 (“**Franchisor**”), each of the undersigned personally and unconditionally (a) guarantees to Franchisor and its successors and assigns, for the term of the Agreement (including, without limitation, any extensions of its term) 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, without limitation, 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, without limitation, any amendments or modifications of the Agreement), including (i) monetary obligations, (ii) obligations to take or refrain from taking specific actions and to engage or refrain from engaging in specific activities, including, but not limited to, the non-competition, confidentiality, and transfer requirements, and (iii) the enforcement and other provisions in Section 22 of the Agreement, including the arbitration provision.

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 Franchisor’s pursuit of any remedies against Franchisee or another person; (4) this liability will not be diminished, relieved, or otherwise affected by any extension of time, credit, or other indulgence Franchisor may from time to time grant to Franchisee or to another person, including, without limitation, the acceptance of any partial payment or performance or the compromise or release of any claims (including, without limitation, any release of other guarantors), none of which will in any way modify or amend this Guaranty, which will continue and be irrevocable during the term of the Agreement (including, without limitation, any extensions of its term) and afterward for so long as any performance is or might be owed under the Agreement by Franchisee or any of its owners and for so long as Franchisor has any cause of action against Franchisee or any of its owners; (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; and (6) any Franchisee indebtedness to the undersigned, for whatever reason, whether currently existing or hereafter arising, will at all times be inferior and subordinate to any indebtedness owed by Franchisee to Franchisor or its affiliates.

Each of the undersigned waives: (i) all rights to payments and claims for reimbursement or subrogation which the undersigned may have against Franchisee arising as a result of the undersigned’s execution of and performance under this Guaranty, for the express purpose that none of the undersigned will be deemed a “creditor” of Franchisee under any applicable bankruptcy law with respect to Franchisee’s obligations to Franchisor; (ii) acceptance and notice of acceptance by Franchisor 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 and legal or equitable defenses

to which he or she may be entitled; and (iii) all rights to assert or plead any statute of limitations or other limitations period as to or relating to this Guaranty. The undersigned expressly acknowledges that the obligations under this Guaranty survive expiration or termination of the Agreement.

If Franchisor seeks to enforce this Guaranty in an arbitration, judicial, or other proceeding and prevails in that proceeding, Franchisor is entitled to recover its reasonable costs and expenses (including, but not limited to, attorneys' fees, arbitrators' fees, expert witness fees, costs of investigation and proof of facts, court costs, other arbitration or litigation expenses, and travel and living expenses) incurred in connection with the proceeding. If Franchisor is required to engage legal counsel in connection with the undersigned's failure to comply with this Guaranty, the undersigned must reimburse Franchisor for any of the above-listed costs and expenses Franchisor incurs, even if Franchisor does not commence a judicial or arbitration proceeding.

Subject to the arbitration obligations set forth in the Agreement 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 Franchisor and the undersigned, must be brought exclusively in the state or federal court of general jurisdiction in the state, and in (or closest to) the city, where Franchisor has its principal business address when the action is commenced, 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 Franchisor 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. **FRANCHISOR AND THE UNDERSIGNED IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY ANY OF THEM. EACH ACKNOWLEDGES THAT THEY MAKE THIS WAIVER KNOWINGLY, VOLUNTARILY, WITHOUT DURESS, AND ONLY AFTER CONSIDERATION OF THIS WAIVER'S RAMIFICATIONS.**

(Signature page follows)

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

GUARANTOR(S)

**PERCENTAGE OF OWNERSHIP IN
FRANCHISEE**

_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %

EXHIBIT B-2
TO THE PUB FRANCHISOR LLC
FRANCHISE AGREEMENT

OWNER'S UNDERTAKING OF NON-MONETARY OBLIGATIONS

THIS OWNER'S UNDERTAKING OF NON-MONETARY OBLIGATIONS is given this _____, 20__, by _____.

In consideration of, and as an inducement to, the execution of that certain Franchise Agreement (the "**Agreement**") on this date by **PUB Franchisor LLC**, a Delaware limited liability company whose principal business address is 1391 Post Road E, #200, Westport, Connecticut 06880 ("**Franchisor**"), with _____, a _____ ("**Franchisee**"), each of the undersigned unconditionally agrees (a) to be personally bound by, and personally liable for his or her own breach of, Sections 4.F, 4.G, 7.G, 8.B, 8.C, 8.E, 9, 10, 11, 12, 13, 14.C, 14.F, 17, 18, 20 (except for Sections 20.A and G), 21.B, 23, 24, 25, and 26 of the Agreement, and (b) to be personally bound by Sections 3, 22.A, 22.B, 22.F, 22.G, 22.H, 22.I, 22.J, 22.K, 22.L, and 22.M of the Agreement. None of the undersigned will be responsible for any of Franchisee's payment obligations under the Agreement.

The undersigned consents and agrees that this liability will not be contingent or conditioned upon Franchisor's pursuit of any remedies against Franchisee or another person and will not be diminished, relieved, or otherwise affected by any extension of time, credit, or other indulgence Franchisor may from time to time grant to Franchisee or to another person, including, without limitation, the acceptance of any partial performance or the compromise or release of any claims, none of which will in any way modify or amend this Undertaking, which will continue and be irrevocable during the term of the Agreement (including, without limitation, any extensions of its term) and afterward for so long as any performance is or might be owed under the Agreement by Franchisee or its owners and for so long as Franchisor has any cause of action against Franchisee or any of its owners. This Undertaking 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 the undersigned waives notice of any and all renewals, extensions, modifications, amendments, or transfers.

Each of the undersigned waives: (i) all rights to payments and claims for reimbursement or subrogation which the undersigned may have against Franchisee arising as a result of the undersigned's execution of and performance under this Undertaking, for the express purpose that none of the undersigned will be deemed a "creditor" of Franchisee under any applicable bankruptcy law with respect to Franchisee's obligations to Franchisor; (ii) acceptance and notice of acceptance by Franchisor of his or her undertakings under this Undertaking, notice of non-performance of any obligations hereby assumed, protest and notice of default to any party with respect to the nonperformance of any obligations hereby assumed, and any other notices and legal or equitable defenses to which he or she may be entitled; and (iii) all rights to assert or plead any statute of limitations or other limitations period as to or relating to this Undertaking. The undersigned expressly acknowledges that the obligations under this Undertaking survive expiration or termination of the Agreement.

If Franchisor seeks to enforce this Undertaking in an arbitration, judicial, or other proceeding and prevails in that proceeding, Franchisor is entitled to recover its reasonable costs and expenses (including, but not limited to, attorneys' fees, arbitrators' fees, expert witness fees, costs of investigation and proof of facts, court costs, other arbitration or litigation expenses, and travel and living expenses) incurred in connection with the proceeding. If Franchisor is required to engage legal counsel in connection with the undersigned's failure to comply with this Undertaking, the undersigned must reimburse Franchisor for any of the above-listed costs and expenses Franchisor incurs, even if Franchisor does not commence a judicial or arbitration proceeding.

Subject to the arbitration obligations set forth in the Agreement and the provisions below, each of the undersigned agrees that all actions arising under this Undertaking or the Agreement, or otherwise as a result of the relationship between Franchisor and the undersigned, must be brought exclusively in the state or federal court of general jurisdiction in the state, and in (or closest to) the city, where Franchisor has its principal business address when the action is commenced, 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 Franchisor may enforce this Undertaking and any arbitration orders and awards in the courts of the state or states in which he or she is domiciled. **FRANCHISOR AND THE UNDERSIGNED IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY ANY OF THEM. EACH ACKNOWLEDGES THAT THEY MAKE THIS WAIVER KNOWINGLY, VOLUNTARILY, WITHOUT DURESS, AND ONLY AFTER CONSIDERATION OF THIS WAIVER'S RAMIFICATIONS.**

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

[Name]

[Signature]

Date: _____

[Name]

[Signature]

Date: _____

EXHIBIT C
TO THE PUB FRANCHISOR LLC
FRANCHISE AGREEMENT

FRANCHISEE AND ITS OWNERS

Effective Date: This Exhibit C is current and complete
as of _____, 20__

Form. Franchisee was incorporated or formed on _____, 20__, under the laws of the State of _____. Franchisee has not conducted business under any name other than Franchisee's corporate, limited liability company, or partnership name and (if applicable) _____. The following is a list of Franchisee's directors or managers (if applicable) and officers as of the effective date shown above:

Name	Position(s) Held
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Owners. The following list includes the full name of each individual or entity that is one of Franchisee's direct or indirect owners and fully describes the nature of each owner's interest. If one or more of Franchisee's owners are entities, please identify each such entity as well as the direct and indirect owners of such entity (attach additional pages if necessary to reflect the complete ownership chain).

<u>Owner's Name</u>	<u>Description of Interest</u>
_____	_____
_____	_____
_____	_____
_____	_____

Operating Principal. Franchisee's Operating Principal is _____. His or her contact information for notice is _____.

PUB FRANCHISOR LLC, a Delaware
limited liability company

FRANCHISEE

By: _____
Name: _____
Title: _____
Date: _____, 20__

[Name]
By: _____
Name: _____
Title: _____
Date: _____, 20__

EXHIBIT D
TO THE PUB FRANCHISOR LLC
FRANCHISE AGREEMENT

LEASE RIDER FOR POPUP BAGELS SHOP FRANCHISES

THIS LEASE RIDER is made and entered into _____ BY AND AMONG
_____ (the “**Landlord**”), _____ (the “**Tenant**”), and PUB Franchisor LLC
 (“**PUB**”)

RECITALS:

- A. This Lease Rider supplements and forms part of the attached Lease Agreement between the Landlord and the Tenant dated _____ (the “**Lease**”) for the premises situated at _____ (the “**Premises**”) to be used by the Tenant as a PopUp Bagels Shop. The term of the lease together with any renewal periods is no less than the initial ten (10) year term under the Franchise Agreement.
- B. This Lease Rider is entered into in connection with PUB’s approval of the location of the Premises as a PopUp Bagels Shop and the grant of a franchise to Tenant pursuant to a Franchise Agreement dated _____ (the “**Franchise Agreement**”).
- C. This Lease Rider is intended to provided PUB the opportunity to reserve the Premises as a PopUp Bagels Shop under the circumstances set out below and to assure the Landlord that PUB exercises the option set out below on the basis that any defaults of the Tenant under the Lease of the Premises on the terms, covenants and conditions contained in this Lease Rider.
- D. The Landlord agrees that PUB shall have the right but not the obligation to assume the Lease of the Premises on the terms, covenants and conditions contained in this Lease Rider.

THE PARTIES HEREBY AGREE:

1. UPON DEFAULT ON TENANT UNDER THE LEASE

The Landlord agrees to send to PUB copies of any Notice of Default that are given to the Tenant concurrently with the giving of such Notices to the Tenant. If the Tenant fails to cure any defaults within the period specified within the Notices, the Landlord shall promptly give to PUB further written Notice specifying the defaults that the Tenant has failed to cure. PUB shall have thirty (30) days following receipt of the second written Notice to exercise its right to enter a new Lease on the same terms as apply to this Lease Rider by written notice to the Landlord and the Tenant and in the event that PUB does exercise such right.

2. UPON TERMINATION OF THE FRANCHISE AGREEMENT

If the Franchise Agreement is terminated for any reason during the term of the Lease or any extension or renewal of the Lease, and if PUB shall desire to assume the Lease, PUB shall promptly give the Landlord written notice to this effect. Within thirty (30) days after receipt of such notice the Landlord shall give PUB written notice specifying any defaults of the Tenant under the Lease and the provisions of clause 4.3 below shall apply.

3. UPON NON-RENEWAL OF THE LEASE TERM

If the Lease contains terms renewal or extension right(s) and if the Tenant allows the term to expire without exercising such right(s), the Landlord shall give PUB written notice to this effect and PUB shall have the option for thirty (30) days following receipt of such notice to exercise the Tenant's renewal or extension right(s) on the same terms and conditions as are contained in this Lease. If PUB elects to exercise such right(s) it shall notify the Landlord in writing whereupon the Landlord and PUB shall promptly execute and exchange an agreement whereby PUB assumes the Lease effective at the date of termination of any holding over period by the Tenant to the effect that such extension or renewal term shall have subtracted from it the number of days constituting such holding over period.

4. ADDITIONAL PROVISIONS

4.1 The Tenant agrees that termination of the Franchise Agreement shall be a default under the Lease. In the event of termination of the Franchise Agreement, or if the Tenant fails to timely cure any defaults under the Lease the Tenant shall within ten (10) days after written demand by PUB, assign all of its right, title and interest in and to the Lease to PUB. If the Tenant fails to do so within the said ten (10) days, the Tenant hereby designates PUB as its agent to execute any and all documents, agreements and to take all action as may be necessary or desirable to effect the assignment of the Lease and the relinquishment of any and all of the Tenant's rights thereunder. The Landlord hereby consents to such assignment subject to PUB executing an assumption of the Lease. The Tenant further agrees to promptly and peaceably vacate the Premises and to remove its personal property at the written request of PUB. Any property not so removed by the Tenant within ten (10) days following receipt of such written request shall be deemed abandoned by the Tenant and immediately and permanently relinquished to PUB.

4.2 The Tenant shall be and remain liable to the Landlord for all of its obligation under the Lease, notwithstanding any assumption of the Lease by PUB.

4.3 PUB may elect not to be bound by the terms of any amendment to the Lease executed by the Tenant without obtaining PUB's prior written approval to such amendment, which approval shall not be unreasonably withheld or delayed.

4.4 After PUB assumes the Tenant's interest under the Lease, PUB may, at any time, sublet the Premises to a PopUp Bagels franchisee approved by PUB without having to obtain the prior written consent of the Landlord.

4.5 Other than as set forth in Section 4.4, after PUB assumes the Tenant's interest under the Lease, PUB, at any time, assign or sublet its interest under the Lease but only with the prior written consent of the Landlord and the usual provisions of the Lease concerning consent shall apply. Upon receipt by the Landlord of an assignment agreement pursuant to which the assignee agrees to assume the Lease and to observe the terms, conditions and agreements on the part of the tenant to be performed under the Lease, PUB shall thereupon be released from all liability as tenant under the Lease from and after the date of assignment, without any need of a written acknowledgment of such release by the Landlord.

4.6 If the Lease or Franchise Agreement is terminated and PUB fails to exercise its option as described above the Tenant agrees upon written demand by PUB to deidentify the Premises as a PopUp Bagels Shop and to promptly remove signs, décor and other items which PUB reasonably request be removed as being distinctive and indicative of a PopUp Bagels Shop. Landlord hereby agrees that PUB may enter upon the Premises without being guilty of trespass or tort to effect de-identification if the Tenant fails to do so within ten (10) days after receipt of written demand from PUB, following termination of the Franchise Agreement

or Lease. If PUB conducts such de-identification, PUB shall warrant the repair and/or cost of any damages caused in removing the items during de-identification.

4.7 BY EXECUTING THIS LEASE RIDER TO THE LEASE, PUB DOES NOT ASSUME ANY LIABILITY WITH RESPECT TO THE PREMISES OR ANY OBLIGATION AS TENANT UNDER THE LEASE UNLESS AND UNTIL PUB EXPRESSLY ASSUMES SUCH LIABILITY AND/OR OBLIGATION AS DESCRIBED ABOVE.

4.8 All notice pursuant to this Lease Rider shall be in writing and shall be personally delivered, sent by registered mail or reputable overnight delivery service or by other mean which afford the sender evidence of delivery or rejected delivery to the addresses described above or to such other address as any party to this Rider may, either by written notice, instruct that notices be given.

(Signature page follows)

EXECUTED by the parties as follows:

SIGNED by:

Name: _____
As Landlord by its Director

In the presence of: _____

Name: _____

SIGNED by:

Name: _____
As Tenant

In the presence of: _____

Name: _____

SIGNED by:

PUB FRANCHISOR LLC

Name: _____
By its duly authorized officer

In the presence of: _____

Name: _____

EXHIBIT E
TO THE PUB FRANCHISOR LLC
FRANCHISE AGREEMENT

SAMPLE FORM OF CONFIDENTIALITY AGREEMENT

In consideration of my employment or contract with and/or interest in _____ (the “**Franchisee**”) and the salary, honorariums, wages, and/or fees paid to me, I acknowledge that **PUP Franchisor LLC**, a Delaware limited liability company whose principal business address is 1391 Post Road E, #200, Westport, Connecticut 06880 (“**Franchisor**”), has imposed the following conditions on the Franchisee, any owner of the Franchisee, and the Franchisee’s officers, directors, and senior personnel. As a condition of performing services for or having an interest in Franchisee, I agree to accept the following conditions without limitation:

1. Without obtaining Franchisor’s prior written consent (which consent Franchisor may withhold in its sole discretion), I will (i) not disclose, publish, or divulge to any other person, firm, or corporation, through any means, any of Franchisor’s Confidential Information either during or after my employment by or association with Franchisee, (ii) not use the Confidential Information for any purposes other than as related to my employment or association with Franchisee, and (iii) not make copies or translations of any documents, data, or compilations containing any or all of the Confidential Information, commingle any portion of the documents, data, or compilations, or otherwise use the documents, data, or compilations containing Confidential Information for my own purpose or benefit. I also agree to surrender any material containing any of Franchisor’s Confidential Information upon request or upon termination of my employment or association with Franchisee. I understand that the Operations Manual is provided by Franchisor to Franchisee for a limited purpose, remains Franchisor’s property, and may not be reproduced, in whole or in part, without Franchisor’s prior written consent.

For purposes of this Agreement, “**Confidential Information**” means certain information, processes, methods, techniques, procedures, and knowledge, including know-how (which includes information that is secret and substantial), manuals, and trade secrets (whether or not judicially recognized as a trade secret), developed or to be developed by Franchisor relating directly or indirectly to the development or operation of a PopUp Bagels Shop. With respect to the definition of know-how, “**secret**” means that the know-how as a body or in its precise configuration is not generally known or easily accessible, and “**substantial**” means information that is important and useful to Franchisee in developing and operating Franchisee’s PopUp Bagel Shop. Without limiting the foregoing, Confidential Information includes, but is not limited to:

- (i) information in the Operations Manual and Brand Standards;
- (ii) layouts, designs, and other plans and specifications for PopUp Bagels Shops;
- (iii) methods, formats, specifications, standards, systems, procedures, sales and marketing techniques, and knowledge and experience used in developing and operating PopUp Bagels Shops;
- (iv) marketing research and promotional, marketing, and advertising programs for PopUp Bagels Shops;
- (v) the standards, processes, information, and technologies involved in creating, developing, operating, maintaining, and enhancing digital and other sales platforms;

- (vi) knowledge of specifications for and suppliers of, and methods of ordering, certain Operating Assets, products, services, materials, and supplies that PopUp Bagels Shops use and sell;
- (vii) knowledge of the operating results and financial performance of PopUp Bagels Shops other than Franchisee's Franchised Shop;
- (viii) customer solicitation, communication, and retention programs, along with Data used or generated in connection with those programs;
- (ix) all Data and all other information generated by, or used or developed in, the PopUp Bagels Shop's operation, including Consumer Data, and any other information contained from time to time in the Computer System or that visitors (including you) provide to the System Website; and
- (x) any other information Franchisor reasonably designates as confidential or proprietary.

2. If there is a dispute or question arising out of the interpretation of this Agreement or any of its terms, the laws of the State of [_____] will govern. *[Insert franchisee's home state.]*

3. I acknowledge receipt of a copy of this Agreement and that I have read and understand this Agreement. This Agreement may not be modified except in writing with the prior approval of an officer of each of Franchisee and Franchisor.

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

Address: _____

Phone/Email: _____

Check the following that apply:

- | | |
|-----------------------------------|---|
| <input type="checkbox"/> Owner | <input type="checkbox"/> Senior Personnel |
| <input type="checkbox"/> Officer | <input type="checkbox"/> Other (please specify) |
| <input type="checkbox"/> Director | |

EXHIBIT B

DEVELOPMENT RIGHTS AGREEMENT

PUB FRANCHISOR LLC DEVELOPMENT RIGHTS AGREEMENT

This Development Rights Agreement (the “DRA”) is made by and between **PUB Franchisor LLC**, a Delaware limited liability company whose principal business address is 1391 Post Road E., #200, Westport, Connecticut 06880 (“we,” “us,” or “our”), and _____, a(n) _____ (“you” or “your”). This DRA is effective as of the date we sign it, which is set forth next to our signature on the Signature Page at the end (the “Effective Date”).

RECITALS

A. We have created, designed, and developed a distinctive bagel shop concept serving up unique flavors of bagels and multiple flavors of schmears.

B. We currently use, promote, and license certain trademarks, service marks, and other commercial symbols for this bagel shop concept, including “**PopUp Bagels**,” and from time to time may create, use, and license new trademarks, service marks, and commercial symbols (collectively, the “**Marks**”).

C. We offer and grant franchises to operate a PopUp Bagels Shop using the PopUp Bagel shop business system, business formats, methods, procedures, designs, layouts, trade dress, standards, specifications, and Marks, all of which we and our affiliates periodically may improve, further develop, and otherwise modify.

D. Simultaneously with signing this DRA, we and you (or your Approved Affiliate, as defined in Section 2 below) also are signing as of the Effective Date a franchise agreement (the “**First Franchise Agreement**”) for the construction, development and operation of the first PopUp Bagels Shop to be developed within the Territory (defined below). We and you are signing this DRA because you want the right to construct, develop, and operate multiple PopUp Bagels Shops within the Territory over a certain time period (besides the PopUp Bagel Shop covered by the First Franchise Agreement), and we are willing to grant you those development rights if you comply with this DRA’s terms.

Now, therefore, in consideration of the mutual covenants, agreements, and obligations set forth in this DRA, we and you agree as follows:

1. Grant of Development Rights.

(a) Subject to your strict compliance with this DRA, we grant you the right (directly or through your Approved Affiliates) to construct, develop, and operate _____ (___) new PopUp Bagels Shops (including the PopUp Bagels Shop covered by the First Franchise Agreement), according to the mandatory development schedule described in Exhibit A to this DRA (the “**Schedule**”), within the geographic area described in Exhibit B (the “**Territory**”).

PopUp Bagels Shops (individually, a “**Shop**” and collectively, the “**Shops**”) that we permit you (or your Approved Affiliates) to construct, develop, and operate at or within “**Non-Traditional Venues**” (defined below) physically located within the Territory do not count toward your compliance with the Schedule.

(b) If you (and your Approved Affiliates, as applicable) are fully complying with all of your (and their) obligations under this DRA, the First Franchise Agreement, and all other franchise agreements then in effect between us and you (and your Approved Affiliates, as applicable) for the construction, development, and operation of PopUp Bagels Shops, then during this DRA’s term only, we

(and our affiliates) will not—except with respect to PopUp Bagels Shops proposed to be located at or within Non-Traditional Venues—establish and operate, or grant to others the right to establish and operate, PopUp Bagels Shops that have their physical locations within the Territory. We (and our affiliates) reserve the right without any restrictions whatsoever to pursue and establish, or franchise or license others to pursue and establish, PopUp Bagels Shops to be located at or within Non-Traditional Venues having their physical locations within the Territory.

A “Non-Traditional Venue” is defined in this DRA to mean a captive-venue location such as a hospital or medical center, airport terminal, train or bus station, sports arena, military base, university or college campus, corporate campus, food court, casino, or similar venue.

These rights with respect to Non-Traditional Venues are reserved whether or not you (or your Approved Affiliate) also could have the opportunity (if approved by us) to pursue a PopUp Bagels Shop to be located at or within that Non-Traditional Venue. Our, our affiliate’s, or another franchisee’s or licensee’s establishment and operation of a PopUp Bagels Shop at or within a Non-Traditional Venue physically located in the Territory will not count toward your compliance with the Schedule. As noted above, PopUp Bagels Shops that we permit you (or your Approved Affiliates) to establish and operate at or within a Non-Traditional Venue physically located in the Territory likewise do not count toward your compliance with the Schedule.

(c) The location exclusivity described in clause (b) above (with the noted exceptions for Non-Traditional Venues) is the only restriction on our (and our affiliates’) activities within the Territory during this DRA’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 and throughout the Territory, including, without limitation, the types of activities in which we and our affiliates reserve the right to engage (in a PopUp Bagels Shop’s “**Area of Protection**”) under Section 4.D of the First Franchise Agreement. After this DRA expires or is terminated (regardless of the reason for termination), we and our affiliates have the right, without any restrictions whatsoever, to:

(i) establish and operate, and grant to others the right to establish and operate, PopUp Bagels Shops having their physical locations within the Territory, subject only to your (or an Approved Affiliate’s) rights within an Area of Protection under a franchise agreement with us then in effect; and

(ii) continue to engage, and grant to others the right to engage, in any other activities we (and our affiliates) desire within and throughout the Territory.

YOU ACKNOWLEDGE AND AGREE THAT TIME IS OF THE ESSENCE UNDER THIS DRA, AND YOUR RIGHTS UNDER THIS DRA ARE SUBJECT TO TERMINATION (WITHOUT ANY CURE OPPORTUNITY) IF YOU DO NOT COMPLY STRICTLY WITH THE DEVELOPMENT OBLIGATIONS PROVIDED IN THE SCHEDULE. WE HAVE THE RIGHT TO ENFORCE THIS DRA STRICTLY.

2. **Development Obligations.**

(a) To maintain your rights under this DRA, you (and/or your Approved Affiliates) must, by the deadlines specified in the Schedule, (i) find an acceptable site for each PopUp Bagels Shop required to be developed within the Territory pursuant to this DRA, (ii) sign an acceptable lease for each such Shop, and then (iii) construct, develop, and open for business each such Shop.

(b) If you or your owners establish a new legal entity to construct, develop, and operate one or more of the PopUp Bagels Shops required to be developed pursuant to this DRA, and either (i) you own 100% of that legal entity or (ii) that legal entity's ownership is completely identical to your ownership, that legal entity automatically will be considered an "Approved Affiliate" under this DRA. However, if you do not own 100% of that new legal entity or that legal entity's ownership is not completely identical to your ownership, you first must seek our approval for that new entity to be permitted to construct, develop, and operate the proposed PopUp Bagels Shop as an Approved Affiliate. We have the right to refuse any such request if you and/or your owners do not (1) own and control at least two-thirds (67%) of the new entity's ownership interests and (2) have the authority to exercise voting and management control of the PopUp Bagels Shop proposed to be owned by the new entity.

(c) You (and/or your Approved Affiliates) will operate each PopUp Bagels Shops under a separate franchise agreement (and related documents) with us. The franchise agreement (and related documents, including Guaranty and Assumption of Obligations) that you and your owners (or your Approved Affiliate and its owners) must sign for each to be constructed and developed pursuant to this DRA will be our then-current form of franchise agreement (and related documents, including Guaranty and Assumption of Obligations), any or all terms of which may differ substantially and materially from any or all terms contained in the First Franchise Agreement. However:

(i) the initial franchise fee will be Thirty-Five Thousand Dollars (\$35,000) for the second and each subsequent PopUp Bagels Shops to be developed pursuant to this DRA; and

(ii) the Royalty, Brand Fund contribution, and Local Marketing Spending Requirement specified under our then-current form of franchise agreement will (if greater than those specified in the First Franchise Agreement) be modified for the initial franchise term of each subsequent to be constructed and developed pursuant to this DRA to be the same as those specified in the First Franchise Agreement, unless you (and your Approved Affiliates) are not then in full compliance with this DRA, the First Franchise Agreement, and all other franchise agreements then in effect between us and you (and your Approved Affiliates) for PopUp Bagels Shops. If you (and your Approved Affiliates) are not then in full compliance with this DRA, the First Franchise Agreement, and all other franchise agreements then in effect between us and you (and your Approved Affiliates) for PopUp Bagels Shops, then the Royalty, Brand Fund contribution, and Local Marketing Spending Requirement specified under our then-current form of franchise agreement will not be modified for the initial franchise term of the new PopUp Bagels Shops to be constructed and developed pursuant to this DRA to be the same as those specified in the First Franchise Agreement.

(d) Despite any contrary provision contained in the First Franchise Agreement or newly-signed franchise agreements, your (and your Approved Affiliates) PopUp Bagels Shops within the Territory must be open and operating by the dates specified in the Schedule. To retain your rights under this DRA, each PopUp Bagels Shop constructed, developed, and opened pursuant to this DRA must operate continuously throughout this DRA's term in full compliance with its franchise agreement.

(e) You acknowledge that the estimated expenses and investment requirements set forth in Items 6 and 7 of our Franchise Disclosure Document are subject to increases over time, and future PopUp Bagels Shops likely will involve greater initial investment and operating-capital requirements than those stated in the Franchise Disclosure Document provided to you before you signed this DRA. You must open all PopUp Bagels Shops in compliance with the Schedule, regardless of (i) the requirement of a greater investment, (ii) the financial condition or performance of your previous PopUp Bagels Shops, or (iii) any other circumstances, financial or otherwise. However, we are not obligated to execute any of the franchise agreements contemplated by this DRA if you have not complied with each and every condition in this DRA or otherwise do not meet our then-current requirements.

3. **Subfranchising and Sublicensing Rights.** This DRA does not give you any right to franchise, license, subfranchise, or sublicense others to construct, develop, and operate PopUp Bagels Shops. Only you (and/or your Approved Affiliates) have the right to construct, develop, open, and operate PopUp Bagels Shops pursuant to this DRA. This DRA also does not give you (or your Approved Affiliates) any independent right to use the PopUp Bagels trademark or the other Marks. The right to use the Marks is granted only under a franchise agreement signed directly with us. This DRA only grants you potential development rights if you fully comply with its terms.

4. **Development Fee.** As consideration for the development rights, we grant you under this DRA, you must pay us a total of _____ Dollars (\$ _____) (the “**Development Fee**”) when you sign this DRA. The Development Fee consists of (a) the Thirty-Five Thousand Dollar (\$35,000) initial franchise fee due under the First Franchise Agreement, plus (b) deposits equaling fifty percent (50%) of the initial franchise fees due for all additional PopUp Bagels Shops you have committed under this DRA to construct, develop, and operate after the first PopUp Bagels Shops. This DRA will not be effective, and you will have no development rights, until we receive the Development Fee. The Development Fee is:

(i) consideration for the rights we grant you in this DRA and for reserving the Territory for you to the exclusion of others (except with respect to Non-Traditional Venues) while you are in compliance with this DRA;

(ii) fully earned by us when we and you sign this DRA; and

(iii) not refundable under any circumstances, even if you do not comply or attempt to comply with the Schedule and we then terminate this DRA for that reason. However, each time you (or your Approved Affiliate) sign a franchise agreement for the next PopUp Bagels Shop to be constructed and developed within the Territory, we will apply the deposit related to that PopUp Bagels Shop (which is part of the Development Fee) toward the initial franchise fee due for that PopUp Bagels Shop (leaving only the balance of the initial franchise fee due at signing).

5. **Grant of Franchises.**

(a) You must send us a separate application for each PopUp Bagels Shop that you (or your Approved Affiliate) desire to construct and develop within the Territory. You must locate, evaluate, and select the Shop’s site. You must give us all information and materials we request to assess each proposed site for the Shop. We will not search for or select the site for you. In granting you development rights under this DRA, we are relying on your knowledge of the real estate market in the Territory and your ability to locate and access sites. We will recommend to you a vendor for site-selection services.

(b) We will give you our then-current criteria for PopUp Bagels Shops sites (including, without limitation, population density and other demographic characteristics, visibility, traffic flow, competition, accessibility, parking, ingress and egress, size, and other physical and commercial characteristics) to help in the site-selection process. We will not unreasonably withhold site acceptance if, in our and our affiliates’ experience and based on the factors identified above, the proposed site is not inconsistent with sites that we and our affiliates regard as favorable or that otherwise have been successful sites in the past for PopUp Bagels Shops. However, we have the absolute right to reject any site not meeting our criteria or to require you to acknowledge in writing that a site you have chosen, while acceptable to us, is not recommended due to its incompatibility with certain factors bearing on a site’s suitability as a location for a PopUp Bagels Shop.

We will review potential Shop sites that you identify within the Territory and visit the Territory once for no additional fee to review potential sites for each PopUp Bagels Shop to be constructed and developed under this DRA. For each site visit after the initial no charge visit, we reserve the right to charge you an additional amount equal to One Thousand Five Hundred Dollars (\$1,500), plus our travel-related out-of-pocket expenses for not more than two people associated with our Shop development department. We have the right to condition our acceptance of a proposed site, or a proposed site visit, on your first sending us complete site reports and other materials (including, without limitation, photographs and digital recordings) we request. We agree to use reasonable efforts to review and accept (or not accept) sites you propose within thirty (30) days after we receive all requested information and materials. You have no right to proceed with a site that we have not approved.

(c) You also must send us, for our written consent, which we will not unreasonably withhold, any lease or sublease that will govern your occupancy and lawful possession of each PopUp Bagels Shop site before you sign it. You have no right to sign any lease or sublease that we have not accepted in writing. We have the right (but not the obligation) to guide you in the leasing process but will not negotiate the lease or sublease for you or provide any legal advice. We may provide you with a list of approved vendors who are able to assist you in locating an appropriate site for your Shop and/or negotiating your lease. You are not obligated to use any of our recommend or approved vendors, although upon our request, you will be required to disclose the names of the vendors you want to use for site selection or lease negotiation. However, we reserve the right to disapprove any of the vendors you retain.

(d) If we accept the proposed site and you (or your Approved Affiliate) have gained lawful possession of the site, but you (or your Approved Affiliate) have not yet signed a franchise agreement for that PopUp Bagels Shop, you agree within the time period we specify to sign (or cause your Approved Affiliate to sign) a separate franchise agreement (and related documents, including Guaranty and Assumption of Obligations) for that PopUp Bagels Shop and to pay us the balance of the initial franchise fee due. If you (or your Approved Affiliate) fail to do so, or cannot obtain lawful possession of the proposed site, we have the right to withdraw our acceptance of the proposed site and exercise any of our other rights under this DRA. After you and your owners (or your Approved Affiliate and its owners) sign the franchise agreement (and related documents), its terms and conditions will control the construction, development, and operation of the particular PopUp Bagels Shop (except that the required opening date is governed exclusively by the Schedule in this DRA, as provided in Section 2(d) above).

(e) In addition to our rights with respect to proposed PopUp Bagels Shop sites, we have the right to delay your (and your Approved Affiliates') construction, development, and/or opening of additional PopUp Bagels Shops within the Territory for the time period we deem best if we believe in our sole judgment, when you submit your application for another PopUp Bagels Shop, or after you (or your Approved Affiliate) have constructed and developed but not yet opened a particular PopUp Bagels Shop, that you (or your Approved Affiliate) are not yet operationally, managerially, or otherwise prepared (no matter the reason) to construct, develop, open, and/or operate the additional PopUp Bagels Shop in full compliance with our standards and specifications. We have the right to delay additional development and/or a PopUp Bagels Shop's opening 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 Schedule (unless we are willing to extend the Schedule proportionately to account for the delay).

6. **Term.** This DRA's term begins on the Effective Date and ends on the date when (a) you (or your Approved Affiliate) open for business the final PopUp Bagels Shop to be constructed and developed under the Schedule, or (b) this DRA otherwise is terminated, but in any event this DRA's term will end no later than <insert date>.

7. **Termination.** We have the right at any time to terminate this DRA and your rights under this DRA to develop PopUp Bagels Shops within the Territory, such termination to be effective upon our delivery to you of written notice of termination, if:

(a) you fail to satisfy either your development obligations under the Schedule or any other obligation under this DRA, which defaults you have no right to cure; or

(b) the First Franchise Agreement or another franchise agreement between us and you (or your Approved Affiliate) for a PopUp Bagels Shop is terminated by us in compliance with its terms or by you (or your Approved Affiliate) for any (or no) reason; or

(c) we have delivered a formal written notice of default to you (or your Approved Affiliate) under the First Franchise Agreement or another franchise agreement between us and you (or your Approved Affiliate) for a PopUp Bagels Shop, and you (or your Approved Affiliate) fail to cure that default within the required timeframe; or

(d) you (or your Approved Affiliate), without our prior written approval, cease operating any PopUp Bagels Shop.

No portion of the Development Fee is refundable upon termination of this DRA or under any other circumstances. If we terminate this DRA solely because you fail to satisfy your development obligations under the Schedule, we will keep the full Development Fee but otherwise will not seek to recover damages from you due solely to such failures.

Termination of this DRA under any of clauses (a), (b), (c), or (d) above is not deemed to be the termination of any franchise rights because this DRA grants you no separate franchise rights. Franchise rights arise only under franchise agreements signed directly with us. While you will lose all further rights to develop PopUp Bagels Shops within the Territory if this DRA is terminated, termination of this DRA does not affect any franchise rights previously-granted under any then-effective individual franchise agreements.

8. **Assignment.**

(a) Your development rights under this DRA are not assignable at all. This means 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 this DRA, a transfer of a controlling ownership interest in you or in an entity with a controlling ownership interest in you, or any other event attempting to assign the development rights. An assignment (direct or indirect) of only a non-controlling ownership interest in you is permitted (and would not be deemed to be a transfer of your development rights). References to a “controlling ownership interest” in you or one of your owners (if an entity) mean the percent of voting shares or other voting rights resulting 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, whether a “controlling ownership interest” is involved must be determined 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).

(b) We have the right to change our ownership or form and/or assign this DRA to a third party without restriction. Specifically and without limiting the foregoing, you agree that we have the right to sell our assets (including this DRA), the Marks, or the PopUp Bagels franchise system to a third party; offer our ownership interests privately or publicly; merge, acquire other business entities, or be

acquired by another business entity; and/or undertake a refinancing, recapitalization, leveraged buyout, securitization, or other economic or financial restructuring.

9. **Representations and Warranties.** You and your owners, jointly and severally, represent, warrant, and covenant to us as of the Effective Date that:

(i) Your execution and delivery of, and performance of your obligations under, this DRA have not violated and will not violate (a) any other agreement or commitment to which you or they are a party or by which you or they are otherwise bound, or (b) the rights of, or duties owed to, any third party.

(ii) This Agreement constitutes their legal, valid and binding obligation, enforceable against them has been duly authorized, executed and delivered by them in accordance with its terms and conditions.

10. **Indemnity.** To the maximum extent permitted by law, you and your owners, jointly and severally, agree to indemnify, defend, and forever hold harmless us and our parent and other affiliated entities, and our and their respective officers, directors, owners, principals, employees, agents, representatives, successors, and assigns (collectively, the “**PopUp Parties**”), against, and to reimburse the PopUp Parties for, any losses, liabilities, expenses, or damages (actual or consequential), including, without limitation, reasonable attorneys’, attorney assistants’, accountants’, and expert witness fees, collection costs, costs of investigation and proof of facts, court costs, and other litigation and travel and living expenses, which the PopUp Parties suffer directly or indirectly arising from or with respect to (a) any breach or alleged breach by you or your owners of any representation or warranty set forth in this DRA, or (b) any claim or allegation by any third party that our signing this DRA with you or granting you the development rights, or any related activities, violate any law or any rights of, or duty owed to, such third party. This indemnification obligation is in addition to the indemnification obligations currently referenced in Section 11 below.

11. **Incorporation of Other Terms.** Sections 10, 13, 21, 22, 25, and 26 of the First Franchise Agreement, entitled “Confidential Information,” “Exclusive Relationship,” “Relationship of the Parties; Indemnification,” “Enforcement,” “Notices and Payments,” and “Electronic Mail,” respectively, including, without limitation, the arbitration obligations under Section 22.F of the First Franchise Agreement, are incorporated by reference in this DRA and will govern all aspects of this DRA and our and your relationship as if fully restated within the text of this DRA (whether or not the First Franchise Agreement is terminated before this DRA expires or is terminated).

This DRA and all exhibits to this DRA constitute the entire agreement between the parties with respect to its subject matter and supersede any and all prior negotiations, understandings, representations, and agreements with respect to its subject matter. Nothing in this or in any related agreement, however, is intended to disclaim the representations we made in the franchise disclosure document that we furnished to you.

12. **No Waiver or Disclaimer of Reliance in Certain States.** The following provision applies only to developers and franchises that are subject to the state franchise registration/disclosure laws in California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, or Wisconsin:

No statement, questionnaire, or acknowledgement signed or agreed to by you 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 us, any franchise seller, or any other person acting on our behalf. This provision supersedes any other term of any document executed in connection with the franchise.

In Witness Whereof, we and you have signed and delivered this DRA, to be effective as of the Effective Date set forth next to our signature below.

PUB FRANCHISOR LLC, a Delaware limited liability company

DEVELOPER

By: _____
Name: _____
Title: _____
Date: _____ **

**Effective Date

[Name]

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

EXHIBIT A

PUB FRANCHISOR LLC
DEVELOPMENT RIGHTS AGREEMENT

DEVELOPMENT SCHEDULE

You agree to construct, develop, and open <____ ()> PopUp Bagels Shops in the Territory, including the PopUp Bagels Shop that is the subject of the First Franchise Agreement, according to the following Schedule:

Restaurant Number	Date by which You Must Identify an Acceptable Shop Site (Deadline)	Date by which You Must Sign Lease for the Acceptable Shop Site (Deadline)	Date by which Shop Must Open for Business at Acceptable Site (Opening Deadline)	Minimum Cumulative Number of Franchised PopUp Bagels Shops to be Open and Operating in Territory No Later Than the Opening Deadline
1				
2				
3				
4				
5				

If you cannot open for business a specific Shop by the Opening Deadline for that Shop despite your diligent efforts to do so, you may request one thirty (30)-day extension to open. We will not unreasonably deny your request if the reasons for your request demonstrate your diligence in the Shop development and opening process. You may request a second thirty (30)-day extension on the same terms. You may request a third (and final) thirty (30)-day extension of the Opening Deadline, which request we will not unreasonably deny if the reasons for your request demonstrate your diligence in the Restaurant development and opening process and you pay us a _____ Thousand Dollar (\$__,000) extension fee for that final extension. Any extensions we grant you (or your Approved Affiliate) will apply only to the PopUp Bagels Shops for which you (or your Approved Affiliate) obtained the extension. That extension will not extend, delay, or otherwise impact any other deadline under the Schedule.

PUB FRANCHISOR LLC, a Delaware limited liability company

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

DEVELOPER

[Name]

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

EXHIBIT B

PUP FRANCHISOR LLC
DEVELOPMENT RIGHTS AGREEMENT

DESCRIPTION AND MAP OF TERRITORY (attached, if applicable)

(If there is any inconsistency between a narrative description and a pictorial identification of the Territory, the narrative description of the Territory will prevail.)

PUB FRANCHISOR LLC, a Delaware limited liability company

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

DEVELOPER

[Name]

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

EXHIBIT C
PUB FRANCHISOR LLC
DEVELOPMENT RIGHTS AGREEMENT

DEVELOPER AND ITS OWNERS

Effective Date: This Exhibit C is current and complete as of _____, 20__

Form. Developer was incorporated or formed on _____, 20__, under the laws of the State of _____. Developer has not conducted business under any name other than its corporate, limited liability company, or partnership name and (if applicable) _____. The following lists Developer's directors or managers (if applicable) and officers as of the effective date shown above:

<u>Name</u>	<u>Position(s) Held</u>
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Owners. The following lists the full name of every person who or entity that is, as of the effective date shown above, one of Developer's direct or indirect owners and fully describes the nature of each owner's interest (attach additional pages if necessary):

<u>Owner's Name</u>	<u>Description of Interest</u>
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

[Signature Page Follows]

PUB FRANCHISOR LLC, a Delaware limited liability company

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

DEVELOPER

[Name]

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

EXHIBIT C
FINANCIAL STATEMENTS

**PUB Franchisor LLC
(A Limited Liability Company)**

**Financial Statements
and Independent Auditor's Report**

December 29, 2024

CohnReznick 

**PUB Franchisor LLC
(A Limited Liability Company)**

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Independent Auditor's Report

To the Member
PUB Franchisor LLC

Opinion

We have audited the accompanying financial statements of PUB Franchisor LLC, which comprise the balance sheet as of December 29, 2024, and the related statements of operations and change in member's equity and cash flows for the period from November 21, 2024 (inception) through December 29, 2024 and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of PUB Franchisor LLC as of December 29, 2024, and the results of its operations and changes in cash flows for the period from November 21, 2024 (inception) through December 29, 2024, in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of PUB Franchisor LLC 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 Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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

CohnReznick LLP

Melville, New York
May 22, 2025

**PUB Franchisor LLC
 (A Limited Liability Company)**

**Balance Sheet
 December 29, 2024**

Assets

Current assets	
Cash	\$ 400,000
Total assets	<u>\$ 400,000</u>

Liabilities and Member's Equity

Current liabilities	
Accounts payable	\$ 1,950
Due to member	<u>158,257</u>
Total liabilities	160,207
Commitments and contingencies	
Member's equity	<u>239,793</u>
Total liabilities and member's equity	<u>\$ 400,000</u>

See Notes to Financial Statements.

**PUB Franchisor LLC
 (A Limited Liability Company)**

**Statement of Operations and Change in Member's Equity
 For the Period Ended November 21, 2024 (Inception) through December 29, 2024**

Revenue	\$ -
Total revenue	<u>-</u>
Cost of sales	<u>-</u>
Gross profit	<u>-</u>
Operating expenses	
General and administrative expenses	<u>160,207</u>
Total operating expenses	<u>160,207</u>
Net loss	(160,207)
Member's equity, beginning	400,000
Contributions	-
Distributions	<u>-</u>
Member's equity, ending	<u><u>\$ 239,793</u></u>

See Notes to Financial Statements.

**PUB Franchisor LLC
 (A Limited Liability Company)**

**Statement of Cash Flows
 For the Period Ended November 21, 2024 (Inception) through December 29, 2024**

Cash flows from operating activities	
Net loss	\$ (160,207)
Changes in operating assets and liabilities	
Accounts payable	1,950
Due to member	158,257
	<hr/>
Net cash provided by operating activities	-
	<hr/>
Net increase in cash	-
Cash, beginning	400,000
	<hr/>
Cash, end	\$ 400,000
	<hr/> <hr/>

See Notes to Financial Statements.

**PUB Franchisor LLC
(A Limited Liability Company)**

**Notes to Financial Statements
December 29, 2024**

Note 1 - Organization and description of business

Business

PUB Franchisor LLC (the "Company") was formed on October 17, 2024 in the State of Delaware and is governed by its Operating Agreement. The Company was funded with a \$400,000 capital contribution on November 21, 2024 by its parent, PopUp Bagels Inc., for purposes of licensing rights to sell PopUp Bagels franchises.

The Company is a limited liability company ("LLC") which will continue in existence subject to the terms and conditions of its Operating Agreement. The obligations of the member are limited to its capital contributions.

Note 2 - Summary of significant accounting policies

Basis of preparation

The financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Cash

The Company maintains cash balances in one financial institution. The balances are insured by the Federal Deposit Insurance Corporation up to \$250,000, per institution. As of December 29, 2024, the Company's uninsured bank balances totaled \$150,000.

Due to member

The Company's Due to member balance as of December 29, 2024 represents amounts due to its parent, PopUp Bagels Inc. for operating expenses paid on the Company's behalf.

Income taxes

The Company elected income tax status as an LLC. Under this election, the Company is not subject to federal income taxes and all taxes and all taxable income are passed through to the member.

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the balance sheet. Actual results could differ from those estimates and the differences could be material.

Note 3 – Commitments and contingencies

The Company is subject to legal proceedings, claims, and litigation arising in the ordinary course of business. As of December 29, 2024, the Company does not have any outstanding legal proceedings or claims.

As of December 29, 2024, the Company has no lease obligations.

Note 4 - Subsequent events

As of the date of the financial statements, the Company entered into nine development agreements and four franchise agreements with franchisees.



Independent Member of Nexia

cohnreznick.com

THE FOLLOWING FINANCIAL STATEMENTS ARE PREPARED WITHOUT AN AUDIT. PROSPECTIVE FRANCHISEES SHOULD BE ADVISED THAT NO CERTIFIED PUBLIC ACCOUNTANT HAS AUDITED THESE FIGURES OR EXPRESSED AN OPINION WITH REGARD TO THE CONTENT OR FORM.

Balance Sheet (unaudited)

As of 3/30/2025

PUB FRANCHISOR LLC

	PUB FRANCHISOR LLC
ASSETS	
Current Asset	
Cash	716,064
Prepaid Expenses	17,732
Due to/from Member	1,204,121
Total Current Asset	1,937,917
Fixed Assets	16,515
Total ASSETS	1,954,432
LIABILITIES & EQUITY	
Liabilities	
Current Liability	
Franchise Deferred Revenue	1,671,500
Accounts Payable	25,642
Total Liabilities	1,697,142
Members Equity	257,291
Total LIABILITIES & EQUITY	1,954,432

Profit & Loss (unaudited)

YTD Period Ending 03/30/2025

	PUB FRANCHISOR LLC
Revenue	52,872
Cost of sales	-
Gross Profit	52,872
Total Operating Expense	35,374
Net Profit	17,498

Cash Flow Statement (unaudited)

YTD 3/30/2025

Legal Ent(s): PUB FRANCHISOR LLC

Cash Flows from Operating Activities

Net Income	17,498
Changes in operating assets and liabilities	1,115,082
Total Cash Flow From Operating Activities	1,132,579
Total Cash Flow From Investing Activities	(16,515)
Total Cash Flow From Financing Activities	-
Cash Net Change	1,116,064
Cash Beginning Balance	400,000
Calculated Cash Ending Balance	716,064

EXHIBIT D

LIST OF FRANCHISEES

Franchisees Who Have Opened PopUp Bagels Shops (as of December 29, 2024):

None

Franchisees Who Have Signed Agreements But Not Yet Opened PopUp Bagels Shops (as of December 29, 2024):

BBP SPI I, LLC*
122 Seaport Blvd.
Boston, Massachusetts 02210
Telephone: N/A

MPZ Pop, LLC*
TBD
Telephone: N/A

Jip Dip Inc.*
661 Auburn Ave. NE
Atlanta, Georgia 30312
Telephone: N/A

Pop Cotswold, Inc.*
Suite A1-4 at The Bowl at Ballantyne
Charlotte, North Carolina 28277
Telephone: N/A

* Each of these franchisees has also entered into a development agreement with us.

EXHIBIT E

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EXHIBIT F

**LIST OF STATE FRANCHISE ADMINISTRATORS/
AGENTS FOR SERVICE OF PROCESS**

(see attached)

**STATE AGENCIES/AGENTS
FOR SERVICE OF PROCESS**

Listed here are the names, addresses and telephone numbers of the state agencies having responsibility for the franchising disclosure/registration laws. We may not yet be registered to sell franchises in any or all of these states.

If a state is not listed, we have not appointed an agent for service of process in that state in connection with the requirements of the franchise laws. There may be states in addition to those listed below in which we have appointed an agent for service of process.

There also may be additional agents appointed in some of the states listed.

CALIFORNIA

Commissioner of Department of Financial
Protection & Innovation
Department of Financial Protection & Innovation
Toll Free: 1 (866) 275-2677
www.dfpi.ca.gov
Ask.DFPI@dfpi.ca.gov

Los Angeles

Suite 750
320 West 4th Street
Los Angeles, California 90013-2344
(213) 576-7500

Sacramento

651 Bannon Street, Suite 300
Sacramento, California 95811
(866) 275-2677

San Diego

1455 Frazee Road, Suite 315
San Diego, California 92108
(619) 525-4233

San Francisco

One Sansome Street, Suite 600
San Francisco, California 94104-4428
(415) 972-8559

HAWAII

(for service of process)

Commissioner of Securities
Department of Commerce
and Consumer Affairs
Business Registration Division
335 Merchant Street, Room 203
Honolulu, Hawaii 96813
(808) 586-2722

(for other matters)

Commissioner of Securities
Department of Commerce
and Consumer Affairs
Business Registration Division
335 Merchant Street, Room 205
Honolulu, Hawaii 96813
(808) 586-2722

ILLINOIS

Illinois Attorney General
500 South Second Street
Springfield, Illinois 62706
(217) 782-4465

INDIANA

(for service of process)

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

(state agency)

Indiana Secretary of State
Securities Division, Room E-111
302 West Washington Street
Indianapolis, Indiana 46204
(317) 232-6681

MARYLAND

(for service of process)

Maryland Securities Commissioner
at the Office of Attorney General-
Securities Division
200 St. Paul Place
Baltimore, Maryland 21202-2024
(410) 576-6360

(state agency)

Office of the Attorney General-
Securities Division
200 St. Paul Place
Baltimore, Maryland 21202-2024
(410) 576-6360

MICHIGAN

Michigan Attorney General's Office
Consumer Protection Division
Attn: Franchise Section
G. Mennen Williams Building, 1st Floor
525 West Ottawa Street
Lansing, Michigan 48933
(517) 335-7567

MINNESOTA

Commissioner of Commerce
Department of Commerce
85 7th Place East, Suite 280
St. Paul, Minnesota 55101
(651) 539-1500

NEW YORK

(for service of process)

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

(Administrator)

NYS Department of Law
Investor Protection Bureau
28 Liberty Street, 21st Floor
New York, New York 10005
(212) 416-8236

NORTH DAKOTA

(for service of process)

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

(state agency)

North Dakota Securities Department
600 East Boulevard Avenue
State Capitol, Fourteenth Floor, Dept. 414
Bismarck, North Dakota 58505
(701) 328-2910

OREGON

Oregon Division of Financial Regulation
350 Winter Street NE, Suite 410
Salem, Oregon 97301
(503) 378-4140

RHODE ISLAND

Securities Division
Department of Business Regulations
1511 Pontiac Avenue
John O. Pastore Complex-Building 69-1
Cranston, Rhode Island 02920
(401) 462-9500

SOUTH DAKOTA

Division of Insurance
Securities Regulation
124 S. Euclid, Suite 104
Pierre, South Dakota 57501
(605) 773-3563

VIRGINIA

(for service of process)

Clerk, State Corporation Commission
1300 East Main Street
First Floor
Richmond, Virginia 23219
(804) 371-9733

(for other matters)

State Corporation Commission
Division of Securities and Retail Franchising
Tyler Building, 9th Floor
1300 East Main Street
Richmond, Virginia 23219
(804) 371-9051

WASHINGTON

(for service of process)

Director Department of Financial Institutions
Securities Division
150 Israel Road SW
Tumwater, Washington 98501
(362) 902-8760

(for other matters)

Department of Financial Institutions
Securities Division
P. O. Box 41200
Olympia, Washington 98504-1200
(362) 902-8760

WISCONSIN

(for service of process)

Administrator, Division of Securities
Department of Financial Institutions
4822 Madison Yards Way, North Tower
Madison, Wisconsin 53705
(608) 266-2139

(state administrator)

Division of Securities
Department of Financial Institutions
4822 Madison Yards Way, North Tower
Madison, Wisconsin 53705
(608) 2669555

EXHIBIT G

**STATE-SPECIFIC ADDENDA TO FDD AND RIDERS TO FRANCHISE AGREEMENT AND
DEVELOPMENT RIGHTS AGREEMENT**

(see attached)

G-1

POPUP BAGELS FDD (5/2025)

1619499703.5

**ADDENDA TO
PUB FRANCHISOR LLC
FRANCHISE DISCLOSURE DOCUMENT**

The following are additional disclosures for the PUB Franchisor LLC Franchise Disclosure Document required by various state franchise laws. Each provision of these additional disclosures will not apply unless, with respect to that provision, the jurisdictional requirements of the applicable state franchise registration and disclosure law are met independently without reference to these additional disclosures.

NO WAIVER OR DISCLAIMER OF RELIANCE IN CERTAIN STATES

The following provision applies only to franchisees and franchises that are subject to the state franchise registration/disclosure laws in California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, or Wisconsin:

No statement, questionnaire, or acknowledgement signed or agreed to by you 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 us, any franchise seller, or any other person acting on our behalf. This provision supersedes any other term of any document executed in connection with the franchise.

CALIFORNIA

The registration of this franchise offering by the California Department of Financial Protection and Innovation does not constitute approval, recommendation, or endorsement by the commissioner.

THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT 14 DAYS PRIOR TO THE EXECUTION OF ANY AGREEMENT.

Neither the franchisor nor any person in Item 2 of the Disclosure Document is subject to any currently effective order of any national securities association or exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling such person from membership in such association or exchange.

OUR WEBSITE, www.popupbagels.com, HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION & INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THE WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION & INNOVATION AT www.dfpi.ca.gov.

California's Franchise Investment Law (Corporations Code sections 31512 and 31512.1) states that any provision of a franchise agreement or related document requiring the franchisee to waive specific provisions of the law is contrary to public policy and is void and unenforceable. The law also prohibits a franchisor from disclaiming or denying (i) representations it, its employees, or its agents make to you, (ii) your ability to rely on any representations it makes to you, or (iii) any violation of the law.

The following language is added to the end of Item 1 of the Franchise Disclosure Document:

Franchisees located in California are required to comply with all applicable California labor laws, including labor laws that may apply to certain fast food restaurant industry employees. Specifically, California franchisees operating certain fast food restaurants must comply with Part 4.5.5 (commencing with Section 1474) of Division 2 of the California Labor Code (codifying Assembly Bill No. 1228), which established the California Fast Food Council ("CFFC"), which has the authority to increase the hourly minimum wage subject to certain limitations, and to set forth requirements, limitations, and procedures for adopting and reviewing fast food restaurant health, safety, and employment standards in California.

The following language is added to the "Remarks" column of the line-item titled "Interest" in Item 6 of the Franchise Disclosure Document:

The highest interest rate allowed under California law is 10% annually.

The following paragraphs are added to the end of Item 17 of the Franchise Disclosure Document:

California Law Regarding Termination and Nonrenewal. California Business and Professions Code Sections 20000 through 20043 provide rights to franchisees concerning transfer, termination, or non-renewal of a franchise. If the Franchise Agreement or the

Development Rights Agreement contains a provision that is inconsistent with the law, then the law will control.

Post-Termination Noncompetition Covenants. The Franchise Agreement and Development Rights Agreement contain a covenant not to compete that extends beyond termination of the franchise. This provision might not be enforceable under California law.

Applicable Law. The Franchise Agreement and Development Rights Agreement require application of the laws of the State of Connecticut. This provision might not be enforceable under California law.

Bankruptcy. The Franchise Agreement and Development Rights Agreement provide for termination upon insolvency. This provision might not be enforceable under federal bankruptcy law (11 U.S.C.A. Sections 101 et seq.).

Material Modification. Section 31125 of the Franchise Investment Law requires us to give you a disclosure document approved by the Commissioner of Financial Protection & Innovation before we ask you to consider a material modification of your franchise agreement.

Release. You must sign a general release of claims if you renew or transfer your franchise. California Corporations Code section 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code Sections 31000 through 31516). Business and Professions Code Section 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 through 20043).

Arbitration. The Franchise Agreement and Development Rights Agreement require binding arbitration, with limited exception. Arbitration will occur at a suitable location within 10 miles of our principal business address when the arbitration demand is filed (it currently is in Westport, Connecticut), with each party bearing its own costs. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

Acknowledgments. No statement, questionnaire, or acknowledgement signed or agreed to by you 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 us, any franchise seller, or any other person acting on our behalf. This provision supersedes any other term of any document executed in connection with the franchise.

HAWAII

THESE FRANCHISES WILL BE/HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF REGULATORY AGENCIES OR A FINDING BY THE DIRECTOR OF REGULATORY AGENCIES THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND

NOT MISLEADING. THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, OR SUBFRANCHISOR, AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE, OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THE OFFERING CIRCULAR, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE. THIS OFFERING CIRCULAR CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

Item 1 The following paragraph is added to the end of Item 17 of the Franchise Disclosure Document:

No statement, questionnaire, or acknowledgement signed or agreed to by you 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 us, any franchise seller, or any other person acting on our behalf. This provision supersedes any other term of any document executed in connection with the franchise.

Item 2 Exhibit I (Franchisee Disclosure Acknowledgment Statement) to the Franchise Disclosure Document is hereby deleted in its entirety.

ILLINOIS

Item 1 The following statements are added to the end of Item 17 of the Franchise Disclosure Document:

Except to the extent governed by the Federal Arbitration Act, the United States Trademark Act of 1946, or other federal law, Illinois law governs the Franchise Agreement and Development Rights Agreement.

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.

Franchisees' rights upon termination and non-renewal are set forth in Sections 19 and 20 of the Illinois Franchise Disclosure Act.

In conformance with Section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

MARYLAND

Item 1 The “Summary” sections of Items 17(c) and (m) in the Franchise Agreement chart in the Franchise Disclosure Document, captioned, respectively, “Requirements for you to renew or extend” and “Conditions for our approval of transfer,” are amended by adding the following to the end of each of those Items:

Any release required as a condition of renewal, sale, and/or assignment/transfer will not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

Item 2 The “Summary” section of Item 17(h) in the Franchise Agreement chart in the Franchise Disclosure Document, captioned “‘Cause’ defined – non-curable defaults,” is amended by adding the following to the end of that Item:

Termination upon insolvency might not be enforceable under federal bankruptcy law (11 U.S.C. Section 101 *et seq.*), but we will enforce it to the extent enforceable.

Item 3 The “Summary” section of Item 17(v) in both the Franchise Agreement and Development Rights Agreement charts in the Franchise Disclosure Document, captioned “Choice of forum,” is amended to read as follows:

Subject to arbitration requirements, litigation generally must be (with limited exception) in courts located closest to where we (or then-current franchisor) have our principal business address when the action is commenced (it currently is in Westport, Connecticut), although you may, subject to your arbitration obligations, commence a lawsuit against us in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

Item 4 The “Summary” section of Item 17(w) in both the Franchise Agreement and Development Rights Agreement charts in the Franchise Disclosure Document, captioned “Choice of law,” is amended to read as follows:

Except to the extent governed by the Federal Arbitration Act, the United States Trademark Act of 1946, or other federal law, and except for claims arising under the Maryland Franchise Registration and Disclosure Law, Connecticut law applies.

Item 5 The following paragraphs are added to the end of Item 17 of the Franchise Disclosure Document:

You must bring any claims arising under the Maryland Franchise Registration and Disclosure Law within 3 years after the grant of the franchise.

No statement, questionnaire, or acknowledgement signed or agreed to by you 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 us, any franchise seller, or any other person acting on our behalf. This provision supersedes any other term of any document executed in connection with the franchise.

MINNESOTA

Item 1 The following paragraphs are added to the end of Item 17 of the Franchise Disclosure Document:

With respect to franchises governed by Minnesota law, we will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4, and 5, which require, except in certain specified cases, that you be given 90 days' notice of termination (with 60 days to cure) of the Franchise Agreement and 180 days' notice for non-renewal of the Franchise Agreement.

Minn. Stat. Sec. 80C.21 and Minn. Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring you to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the disclosure document or Franchise Agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes 1984, Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

Any release required as a condition of renewal, sale and/or transfer/assignment will not apply to the extent prohibited by applicable law with respect to claims arising under Minn. Rule 2860.4400D.

No statement, questionnaire, or acknowledgement signed or agreed to by you 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 us, any franchise seller, or any other person acting on our behalf. This provision supersedes any other term of any document executed in connection with the franchise.

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 F OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, BUREAU OF INVESTOR PROTECTION AND SECURITIES, 28 LIBERTY STREET, 21ST FLOOR, NEW YORK, NEW YORK 10005. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS THAT ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

2. The “**Special Risks to Consider About *This Franchise***” page is revised to include the following risk factor:

3. **Financial Condition.** The Franchisor’s financial condition, as reflected in its financial statements (see Item 21), calls into question the Franchisor’s financial ability to provide services and support to you.

3. The following is added to the end of Item 3 of the Franchise Disclosure Document:

Except as provided above (if applicable), with regard to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor’s principal trademark:

- A. No such party has an administrative, criminal, or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable civil or misdemeanor allegations.
- B. No such party has pending actions, other than routine litigation incidental to the business, that are significant in the context of the number of franchisees and the size, nature, or financial condition of the franchise system or its business operations.
- C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10 year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud, or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.
- D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

4. The following is added to the end of Item 4 of the Franchise Disclosure Document:

Neither the franchisor, its affiliate, its predecessor, officers, or general partner during the 10-year period immediately before the date of the offering circular: (a) filed as debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; (b) obtained a discharge of its debts under the bankruptcy code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code or that

obtained a discharge of its debts under the U.S. Bankruptcy Code during or within 1 year after that officer or general partner of the franchisor held this position in the company or partnership.

5. The following is added to the end of Item 5 of the Franchise Disclosure Document:

The initial franchise fee constitutes part of our general operating funds and will be used as such in our discretion.

6. The following is added to the end of the “Summary” sections of Item 17(c), titled “Requirements for franchisee to renew or extend,” and Item 17(m), titled “Conditions for franchisor approval of transfer,” in the Franchise Agreement chart in the Franchise Disclosure Document:

However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687.4 and 687.5 be satisfied.

7. The following language replaces the “Summary” section of Item 17(d) in the Franchise Agreement chart in the Franchise Disclosure Document, titled “Termination by franchisee”:

You may terminate the agreement on any grounds available by law.

8. The following is added to the end of the “Summary” section of Item 17(j) in the Franchise Agreement chart in the Franchise Disclosure Document, titled “Assignment of contract by franchisor”:

However, no assignment will be made except to an assignee who in good faith and judgment of the franchisor, is willing and financially able to assume the franchisor’s obligations under the Franchise Agreement.

9. 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” in both the Franchise Agreement and Development Rights Agreement charts in the Franchise Disclosure Document:

The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or upon the franchisee by Article 33 of the General Business Law of the State of New York.

NORTH DAKOTA

1. The “Summary” sections of Items 17(c) and 17(m) in the Franchise Agreement chart in the Franchise Disclosure Document are amended by adding the following to the end of each of those Items:

However, any release required as a condition of renewal and/or assignment/transfer will not apply to the extent prohibited by the North Dakota Franchise Investment Law.

2. The “Summary” section of Item 17(i) in the Franchise Agreement chart in the Franchise Disclosure Document is amended by adding the following to the end of that Item:

The Commissioner has determined termination or liquidated damages to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. However, we and you agree to enforce these provisions to the extent the law allows.

3. The “Summary” section of Item 17(r) in both the Franchise Agreement and Development Rights Agreement charts in the Franchise Disclosure Document is amended by adding the following to the end of that Item:

Covenants not to compete such as those mentioned above generally are considered unenforceable in North Dakota. However, we will seek to enforce them to the extent enforceable.

4. The “Summary” section of Item 17(v) in both the Franchise Agreement and Development Rights Agreement charts in the Franchise Disclosure Document is amended by adding the following to the end of that Item:

To the extent required by the North Dakota Franchise Investment Law, but subject to your arbitration obligations, you may bring an action in North Dakota.

5. The “Summary” section of Item 17(w) in both the Franchise Agreement and Development Rights Agreement charts in the Franchise Disclosure Document is amended by adding the following to the end of that Item:

Except for federal law, North Dakota law applies.

6. The following paragraph is added to the end of Item 17 of the Franchise Disclosure Document:

No statement, questionnaire, or acknowledgement signed or agreed to by you 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 us, any franchise seller, or any other person acting on our behalf. This provision supersedes any other term of any document executed in connection with the franchise.

RHODE ISLAND

1. The “Summary” section of Item 17(v) in both the Franchise Agreement and Development Rights Agreement charts in the Franchise Disclosure Document is amended to read as follows:

Subject to arbitration requirements, litigation generally must be (with limited exception) in courts closest to where we (or then-current franchisor) have our principal business address when the action is commenced (it currently is in Westport, Connecticut), except that, to the extent required by applicable law, but subject to your arbitration obligations, you may bring an action in Rhode Island for claims arising under the Rhode Island Franchise Investment Act.

2. The “Summary” section of Item 17(w) in both the Franchise Agreement and Development Rights Agreement charts in the Franchise Disclosure Document is deleted in its entirety and replaced with the following:

Except for Federal Arbitration Act and other federal law, and except as otherwise required by the Rhode Island Franchise Investment Act, Connecticut law applies.

VIRGINIA

1. The “Summary” section of Item 17(h) in the Franchise Agreement chart in the Franchise Disclosure Document is amended by adding the following to the end of that Item:

Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to use undue influence to induce a franchisee to surrender any rights given to him under the franchise. If any provision of the franchise agreement involves the use of undue influence by the franchisor to induce a franchisee to surrender any rights given to him under the franchise, that provision may not be enforceable. Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any ground for default or termination stated in the Franchise Agreement does not constitute “reasonable cause,” as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

2. Item 17 of the Franchise Disclosure Document is amended by adding the following paragraph to the end of that Item:

No statement, questionnaire, or acknowledgement signed or agreed to by you 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 us, any franchise seller, or any other person acting on our behalf. This provision supersedes any other term of any document executed in connection with the franchise.

**THE FOLLOWING PAGES IN THIS EXHIBIT ARE
STATE SPECIFIC RIDERS TO THE
FRANCHISE AGREEMENT**

POPUP BAGELS FDD (5/2025)

1610499703.5

**RIDER TO THE PUB FRANCHISOR LLC
FRANCHISE AGREEMENT FOR USE IN HAWAII**

This Rider (the "Rider") is made this _____, 20__, by and between **PUB Franchisor LLC**, a Delaware limited liability company whose principal business address 1391 Post Road E, #200, Westport, Connecticut 06880 ("**Franchisor**," "**we**," "**us**," or "**our**"), and _____, a(n) _____ ("**Franchisee**," "**you**," or "**your**").

1. **Background.** Franchisor and Franchisee are parties to that certain Franchise Agreement dated _____, 20__ that has been signed at the same time as this Rider (the "**Franchise Agreement**"). This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) any of the franchise offer or sales activity relating to the Franchise Agreement occurred in Hawaii, or (b) Franchisee is a resident of Hawaii.

2. **Representations.** Subsections (8) through (13) of Section 3 of the Franchise Agreement are hereby deleted.

[Signature Page Follows]

IN WITNESS WHEREOF, each party has caused its duly authorized representative to sign and deliver this Rider on the date first above written.

FRANCHISOR:
PUB FRANCHISOR LLC

FRANCHISEE:

[Name]

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

**RIDER TO THE PUB FRANCHISOR LLC
FRANCHISE AGREEMENT FOR USE IN ILLINOIS**

This Rider (the “Rider”) is made this _____, 20__, by and between **PUB Franchisor LLC**, a Delaware limited liability company whose principal business address is 1391 Post Road E, #200, Westport, Connecticut 06880 (“**Franchisor**,” “**we**,” “**us**,” or “**our**”), and _____, a(n) _____ (“**Franchisee**,” “**you**,” or “**your**”).

1. **Background.** Franchisor and Franchisee are parties to that certain Franchise Agreement dated _____, 20__ that has been signed at the same time as this Rider (the “**Franchise Agreement**”). This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) any of the franchise offer or sales activity occurred in Illinois, and the Franchised Shop that Franchisee will operate under the Franchise Agreement will be located in Illinois, and/or (b) Franchisee is a resident of Illinois.

2. **Governing Law.** Section 22.G of the Franchise Agreement is deleted and replaced with the following:

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, Illinois law governs this Agreement.

4. **Consent to Jurisdiction.** The following is added to the end of Section 22.H of the Franchise Agreement:

Notwithstanding the foregoing, in conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in this Agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, this Agreement may provide for arbitration to take place outside of Illinois.

5. **Waiver of Punitive Damages and Jury Trial.** The following language is added to the end of Sections 22.I and 22.J of the Franchise Agreement:

However, this Section shall not act as a condition, stipulation, or provision purporting to bind any person acquiring any franchisee to waive compliance with any provision of the Illinois Franchise Disclosure Act at Section 705/41 or Illinois Regulations at Section 200.609.

6. **Illinois Franchise Disclosure Act.** The following language is added as new Section 22.O of the Franchise Agreement.

O. Illinois Franchise Disclosure Act

In conformance with Section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of the Act or any other law of Illinois is void. However, that Section shall not prevent any person from entering into a settlement agreement or executing a general release regarding a potential or actual lawsuit filed under any provision of the Act, nor shall it prevent the arbitration of any claim pursuant to the provisions of Title 9 of the United States Code.

IN WITNESS WHEREOF, each party has caused its duly authorized representative to sign and deliver this Rider on the date first above written.

FRANCHISOR:
PUB FRANCHISOR LLC

FRANCHISEE:

[Name]

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

**RIDER TO THE PUB FRANCHISOR LLC
FRANCHISE AGREEMENT FOR USE IN MARYLAND**

This Rider (the “Rider”) is made this _____, 20__, by and between **PUB Franchisor LLC**, a Delaware limited liability company whose principal business address is 1391 Post Road E, #200, Westport, Connecticut 06880 (“**Franchisor**,” “**we**,” “**us**,” or “**our**”), and _____, a(n) _____ (“**Franchisee**,” “**you**,” or “**your**”).

1. **Background.** Franchisor and Franchisee are parties to that certain Franchise Agreement dated _____, 20__ that has been signed at the same time as this Rider (the “**Franchise Agreement**”). This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) Franchisee is a resident of the State of Maryland, and/or (b) Franchisee’s Franchised Shop will be located or operated in Maryland.

2. **Representations.** Subsections (8) through (13) of Section 3 of the Franchise Agreement are hereby deleted.

3. **Releases.** Each of Sections 5.A(6), 17.C(2)(i), 17.G(2), 18, and 20.F(3) of the Franchise Agreement is amended by adding the following to the end of the applicable Section:

The general release required as a condition of renewal, sale, and/or assignment/transfer will not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

4. **Governing Law.** Section 22.G of the Franchise Agreement is amended by adding the following language to the end of the Section:

Despite anything to the contrary stated above, and to the extent required by applicable law, Maryland law will apply to claims arising under the Maryland Franchise Registration and Disclosure Law.

5. **Consent to Jurisdiction.** Section 22.H of the Franchise Agreement is amended by adding the following language to the end of the Section:

However, subject to Franchisee’s arbitration obligations, nothing in this Section affects Franchisee’s right under the Maryland Franchise Registration and Disclosure Law to bring a lawsuit in Maryland for claims arising under that law.

6. **Limitation of Claims.** Section 22.L of the Franchise Agreement is amended by adding the following language to the end of the Section:

Any limitation of claims will not act to reduce the three (3) year statute of limitations afforded Franchisee for bringing a claim under the Maryland Franchise Registration and Disclosure Law.

IN WITNESS WHEREOF, each party has caused its duly authorized representative to sign and deliver this Rider on the date first above written.

FRANCHISOR:
PUB FRANCHISOR LLC

FRANCHISEE:

[Name]

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

**RIDER TO THE PUB FRANCHISOR LLC
FRANCHISE AGREEMENT FOR USE IN MINNESOTA**

This Rider (the “Rider”) is made this _____, 20__, by and between **PUB Franchisor LLC**, a Delaware limited liability company whose principal business address is 1391 Post Road E, #200, Westport, Connecticut 06880 (“**Franchisor**,” “**we**,” “**us**,” or “**our**”), and _____, a(n) _____ (“**Franchisee**,” “**you**,” or “**your**”).

1. **Background.** Franchisor and Franchisee are parties to that certain Franchise Agreement dated _____, 20__ that has been signed at the same time as 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 Franchised Shop that Franchisee will operate under the Franchise Agreement will be located in Minnesota, and/or (b) any of the franchise offer or sales activity occurred in Minnesota.

2. **Releases.** The following is added to the end of each of Sections 5.A(b), 17.C(2)(i), 17G(2), 18, and 20.F(3) of the Franchise Agreement:

Any release required as a condition of renewal, sale and/or assignment/transfer will not apply to the extent prohibited by the Minnesota Franchises Law.

3. **Termination.** The following is added to the end of Sections 18 and 19.B of the Franchise Agreement:

However, with respect to franchises governed by Minnesota law, Franchisor will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5, which require, except in certain specified cases, that Franchisee be given 90 days’ notice of termination (with 60 days to cure) and 180 days’ notice of non-renewal of this Agreement.

4. **Governing Law.** The following statement is added to the end of Section 22.G of the Franchise Agreement:

Nothing in this Agreement will abrogate or reduce any of Franchisee’s rights under Minnesota Statutes Chapter 80c or Franchisee’s right to any procedure, forum, or remedies that the laws of the jurisdiction provide.

5. **Consent to Jurisdiction.** The following language is added to the end of Section 22.H of the Franchise Agreement:

Notwithstanding the foregoing, Minn. Stat. Sec. 80c.21 and Minn. Rule 2860.4400j prohibit Franchisor, except in certain specified cases, from requiring litigation to be conducted outside of Minnesota. Nothing in this agreement will abrogate or reduce any of Franchisee’s rights under Minnesota Statutes Chapter 80c or Franchisee’s rights to any procedure, forum, or remedies that the laws of the jurisdiction provide.

6. **Waiver of Punitive Damages.** If and then only to the extent required by the Minnesota Franchises Law, Section 22.I of the Franchise Agreement is deleted.

7. **Waiver of Jury Trial.** If and then only to the extent required by the Minnesota Franchises Law, Section 22.J of the Franchise Agreement is deleted.

8. **Limitation of Claims; No Implied Covenant.** The following is added to the end of Section 22.L of the Franchise Agreement:

Minnesota law provides that no action may be commenced under Minn. Stat. Sec. 80C.17 more than 3 years after the cause of action accrues.

[Signature Page Follows]

IN WITNESS WHEREOF, each party has caused its duly authorized representative to sign and deliver this Rider on the date first above written.

FRANCHISOR:
PUB FRANCHISOR LLC

FRANCHISEE:

[Name]

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

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

This Rider (the “Rider”) is made this _____, 20__, by and between **PUB Franchisor LLC**, a Delaware limited liability company whose principal business address is 1391 Post Road E, #200, Westport, Connecticut 06880 (“**Franchisor**,” “**we**,” “**us**,” or “**our**”), and _____, a(n) _____ (“**Franchisee**,” “**you**,” or “**your**”).

1. **Background.** Franchisor and Franchisee are parties to that certain Franchise Agreement dated _____, 20__ that has been signed at the same time as 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 Franchised Shop that Franchisee will operate under the Franchise Agreement was made in New York, and/or (b) the Franchisee is a resident of New York, and the Franchised Shop will be located in New York.

2. **Releases.** The following is added to the end of Sections 5.A(6), 17.C(2)(i), 17.G(2), 18, and 20.F(3) 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. **Termination.** The following is added to the end of Section 19.A of the Franchise Agreement:

In addition, you may terminate the Franchise Agreement on any grounds available by law under the provisions of Article 33 of the General Business Law of the State of New York.

4. **Governing Law/Consent to Jurisdiction.** The following statement is added to the end of Sections 22.G and 22.H of the Franchise Agreement:

However, to the extent required by Article 33 of the General Business Law of the State of New York, this Section shall not be considered a waiver of any right conferred upon you by the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder.

5. **Limitation of Claims; No Implied Covenant.** The following is added to the end of Section 22.L of the Franchise Agreement:

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.

IN WITNESS WHEREOF, each party has caused its duly authorized representative to sign and deliver this Rider on the date first above written.

FRANCHISOR:
PUB FRANCHISOR LLC

FRANCHISEE:

[Name]

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

**RIDER TO THE PUB FRANCHISOR LLC
FRANCHISE AGREEMENT FOR USE IN NORTH DAKOTA**

This Rider (the “Rider”) is made this _____, 20__, by and between **PUB Franchisor LLC**, a Delaware limited liability company whose principal business address is 1391 Post Road E, #200, Westport, Connecticut 06880 (“**Franchisor**,” “**we**,” “**us**,” or “**our**”), and _____, a(n) _____ (“**Franchisee**,” “**you**,” or “**your**”).

1. **Background.** Franchisor and Franchisee are parties to that certain Franchise Agreement dated _____, 20__ that has been signed at the same time as this Rider (the “**Franchise Agreement**”). This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) Franchisee is a resident of North Dakota, and the Franchised Shop that Franchisee will operate under the Franchise Agreement will be located or operated in North Dakota, and/or (b) any of the franchise offer or sales activity occurred in North Dakota.

2. **Releases.** The following is added to the end of Sections 5.B(6), 17.B(2)(i), 17.F(2), 18, and 20.F(3) of the Franchise Agreement:

Any release executed will not apply to the extent otherwise prohibited by applicable law with respect to claims arising under the North Dakota Franchise Investment Law.)

3. **Covenant Not to Compete.** Section 20.E. of the Franchise Agreement is amended by adding the following to the end of the Section:

Covenants not to compete such as those mentioned above are generally considered unenforceable in the State of North Dakota. However, you acknowledge and agree that we intend to seek enforcement of these provisions to the extent allowed under the law.

4. **Termination and Liquidated Damages.** The following language is added to the end of Section 20.G. of the Franchise Agreement:

The Commissioner has determined termination or liquidated damages to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. However, Franchisor and Franchisee agree to enforce these provisions to the extent the law allows.

5. **Arbitration.** The following is added to the end of the first paragraph of Section 22.F of the Franchise Agreement:

Notwithstanding the foregoing, to the extent required by the North Dakota Franchise Investment Law (unless such a requirement is preempted by the Federal Arbitration Act), arbitration proceedings will be held at a site to which Franchisor and Franchisee agree.

6. **Governing Law.** The following language is added to the end of Section 22.G of the Franchise Agreement:

Notwithstanding the foregoing, to the extent required by the North Dakota Franchise Investment Law, North Dakota law will apply to this Agreement.

7. **Consent to Jurisdiction.** The following language is added to the end of Section 22.H of the Franchise Agreement:

However, to the extent required by applicable law, but subject to Franchisee's arbitration obligations, Franchisee may bring an action in North Dakota.

8. **Waiver of Jury Trial.** If and then only to the extent required by the North Dakota Franchise Investment Law, the last paragraph of Section 22.J of the Franchise Agreement is deleted.

[Signature Page Follows]

IN WITNESS WHEREOF, each party has caused its duly authorized representative to sign and deliver this Rider on the date first above written.

FRANCHISOR:
PUB FRANCHISOR LLC

FRANCHISEE:

[Name]

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

**RIDER TO THE PUB FRANCHISOR LLC
FRANCHISE AGREEMENT FOR USE IN RHODE ISLAND**

This Rider (the “Rider”) is made this _____, 20__, by and between **PUB Franchisor LLC**, a Delaware limited liability company whose principal business address is 1391 Post Road E, #200, Westport, Connecticut 06880 (“**Franchisor**,” “**we**,” “**us**,” or “**our**”), and _____, a(n) _____ (“**Franchisee**,” “**you**,” or “**your**”).

1. **Background.** Franchisor and Franchisee are parties to that certain Franchise Agreement dated _____, 20__ that has been signed at the same time as this Rider (the “**Franchise Agreement**”). This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) Franchisee is domiciled in Rhode Island, and the Franchised Shop that Franchisee will operate under the Franchise Agreement will be located in Rhode Island, and/or (b) any of the franchise offer or sales activity occurred in Rhode Island.

2. **Governing Law.** The following is added to the end of Section 22.G of the Franchise Agreement:

Notwithstanding the foregoing, to the extent required by applicable law, Rhode Island law will apply to claims arising under the Rhode Island Franchise Investment Act.

3. **Consent to Jurisdiction.** The following language is added to the end of Section 22.H of the Franchise Agreement:

Nonetheless, subject to Franchisee’s arbitration obligations, Franchisee has the right under the Rhode Island Franchise Investment Act to sue in Rhode Island for claims arising under that law.

[Signature Page Follows]

IN WITNESS WHEREOF, each party has caused its duly authorized representative to sign and deliver this Rider on the date first above written.

FRANCHISOR:
PUB FRANCHISOR LLC

FRANCHISEE:

By: _____
Name: _____
Title: _____

[Name]
By: _____
Name: _____
Title: _____

WASHINGTON ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT, THE FRANCHISE AGREEMENT, AND ALL RELATED AGREEMENTS

This Rider (the “Rider”) is made this _____, 20___, by and between **PUB Franchisor LLC**, a Delaware limited liability company whose principal business address is 1391 Post Road E, #200, Westport, Connecticut 06880 (“**Franchisor**,” “**we**,” “**us**,” or “**our**”), and _____, a(n) _____ (“**Franchisee**,” “**you**,” or “**your**”).

The provisions of this Addendum form an integral part of, are incorporated into, and modify the Franchise Disclosure Document, the franchise agreement, and all related agreements regardless of anything to the contrary contained therein. This Addendum applies if: (a) the offer to sell a franchise is accepted in Washington; (b) the purchaser of the franchise is a resident of Washington; and/or (c) the franchised business that is the subject of the sale is to be located or operated, wholly or partly, in Washington.

1. **Conflict of Laws.** In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, chapter 19.100 RCW will prevail.

2. **Franchisee Bill of Rights.** RCW 19.100.180 may supersede provisions in the franchise agreement or related agreements concerning your relationship with the franchisor, including in the areas of termination and renewal of your franchise. There may also be court decisions that supersede the franchise agreement or related agreements concerning your relationship with the franchisor. Franchise agreement provisions, including those summarized in Item 17 of the Franchise Disclosure Document, are subject to state law.

3. **Site of Arbitration, Mediation, and/or Litigation.** In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

4. **General Release.** A release or waiver of rights in the franchise agreement or related agreements purporting to bind the franchisee to waive compliance with any provision under the Washington Franchise Investment Protection Act or any rules or orders thereunder is void except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likewise void except as provided for in RCW 19.100.220(2).

5. **Statute of Limitations and Waiver of Jury Trial.** Provisions contained in the franchise agreement or related agreements that unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

6. **Transfer Fees.** Transfer fees are collectable only to the extent that they reflect the franchisor’s reasonable estimated or actual costs in effecting a transfer.

7. **Termination by Franchisee.** The franchisee may terminate the franchise agreement under any grounds permitted under state law.

8. **Certain Buy-Back Provisions.** Provisions in franchise agreements or related agreements that permit the franchisor to repurchase the franchisee's business for any reason during the term of the franchise agreement without the franchisee's consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchise is terminated for good cause.

9. **Fair and Reasonable Pricing.** Any provision in the franchise agreement or related agreements that requires the franchisee to purchase or rent any product or service for more than a fair and reasonable price is unlawful under RCW 19.100.180(2)(d).

10. **Waiver of Exemplary & Punitive Damages.** RCW 19.100.190 permits franchisees to seek treble damages under certain circumstances. Accordingly, provisions contained in the franchise agreement or elsewhere requiring franchisees to waive exemplary, punitive, or similar damages are void, except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2).

11. **Franchisor's Business Judgement.** Provisions in the franchise agreement or related agreements stating that the franchisor may exercise its discretion on the basis of its reasonable business judgment may be limited or superseded by RCW 19.100.180(1), which requires the parties to deal with each other in good faith.

12. **Indemnification.** Any provision in the franchise agreement or related agreements requiring the franchisee to indemnify, reimburse, defend, or hold harmless the franchisor or other parties is hereby modified such that the franchisee has no obligation to indemnify, reimburse, defend, or hold harmless the franchisor or any other indemnified party for losses or liabilities to the extent that they are caused by the indemnified party's negligence, willful misconduct, strict liability, or fraud.

13. **Attorneys' Fees.** If the franchise agreement or related agreements require a franchisee to reimburse the franchisor for court costs or expenses, including attorneys' fees, such provision applies only if the franchisor is the prevailing party in any judicial or arbitration proceeding.

14. **Noncompetition Covenants.** Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provision contained in the franchise agreement or elsewhere that conflicts with these limitations is void and unenforceable in Washington.

15. **Nonsolicitation Agreements.** RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

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

17. **Prohibitions on Communicating with Regulators.** Any provision in the franchise agreement or related agreements that prohibits the franchisee from communicating with or complaining to regulators is inconsistent with the express instructions in the Franchise Disclosure Document and is unlawful under RCW 19.100.180(2)(h).

18. **Advisory Regarding Franchise Brokers.** Under the Washington Franchise Investment Protection Act, a “franchise broker” is defined as a person that engages in the business of the offer or sale of franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. If a franchisee is working with a franchise broker, franchisees are advised to carefully evaluate any information provided by the franchise broker about a franchise.

[Signature Page Follows]

IN WITNESS WHEREOF, each party has caused its duly authorized representative to sign and deliver this Rider on the date first above written.

FRANCHISOR:
PUB FRANCHISOR LLC

FRANCHISEE:

[Name]

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

**THE FOLLOWING PAGES IN THIS EXHIBIT ARE
STATE SPECIFIC RIDERS TO THE
DEVELOPMENT RIGHTS AGREEMENT**

POPOP BAGELS FDD (5/2025)

1610499703.5

**RIDER TO THE PUB FRANCHISOR LLC
DEVELOPMENT RIGHTS AGREEMENT FOR USE IN ILLINOIS**

This Rider (the “Rider”) is made this _____, 20__, by and between **PUB Franchisor LLC**, a Delaware limited liability company whose principal business address 1391 Post Road E, #200, Westport, Connecticut 06880 (“**Franchisor**,” “**we**,” “**us**,” or “**our**”), and _____, a(n) _____ (“**Developer**,” “**you**,” or “**your**”).

1. **Background.** We and you are parties to that certain Development Rights Agreement dated _____, 20__ (the “**Development Rights Agreement**”). We and you (or your affiliate) also are parties to that certain Franchise Agreement dated _____, 20__ (the “**Franchise Agreement**”) that is being signed concurrently with the Development Rights Agreement. This Rider is annexed to and forms part of the Development Rights Agreement. This Rider is being signed because (a) any of the franchise offer or sales activity relating to the Development Rights Agreement occurred in Illinois, and the PopUp Bagels Shops that you will develop under the Development Rights Agreement will be located in Illinois, and/or (b) you are a resident of Illinois.

2. **Illinois Franchise Disclosure Act.** The following language is added as a new Section 13 of the Development Rights Agreement.

13 **Illinois Franchise Disclosure Act.** In conformance with Section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of the Act or any other law of Illinois is void. However, that Section shall not prevent any person from entering into a settlement agreement or executing a general release regarding a potential or actual lawsuit filed under any provision of the Act, nor shall it prevent the arbitration of any claim pursuant to the provisions of Title 9 of the United States Code.

[Signature Page Follows]

IN WITNESS WHEREOF, each party has caused its duly authorized representative to sign and deliver this Rider on the date first above written.

FRANCHISOR:
PUB FRANCHISOR LLC

DEVELOPER:

[Name]

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

**RIDER TO THE PUB FRANCHISOR LLC
DEVELOPMENT RIGHTS AGREEMENT FOR USE IN MINNESOTA**

This Rider (the “Rider”) is made this _____, 20__, by and between **PUB Franchisor LLC**, a Delaware limited liability company whose principal business address is 1391 Post Road E, #200, Westport, Connecticut 06880 (“**Franchisor**,” “**we**,” “**us**,” or “**our**”), and _____, a(n) _____ (“**Developer**,” “**you**,” or “**your**”).

1. **Background.** We and you are parties to that certain Development Rights Agreement dated _____, 20__ (the “**Development Rights Agreement**”). We and you (or your affiliate) also are parties to that certain Franchise Agreement dated _____, 20__ (the “**Franchise Agreement**”) that is being signed concurrently with the Development Rights Agreement. This Rider is annexed to and forms part of the Development Rights Agreement. This Rider is being signed because (a) the PopUp Bagels Shops that you will develop and operate under the Development Rights Agreement will be located in Minnesota, and/or (b) any of the franchise offer or sales activity occurred in Minnesota.

2. **Remedies.** The following language is added to the end of Section 11 of the Development Rights Agreement

WE AND YOU ACKNOWLEDGE THAT CERTAIN PARTS OF THIS SECTION MIGHT NOT BE ENFORCEABLE UNDER MINN. RULE PART 2860.4400J. HOWEVER, WE AND YOU AGREE TO ENFORCE THE PROVISION TO THE EXTENT THE LAW ALLOWS.

[Signature Page Follows]

IN WITNESS WHEREOF, each party has caused its duly authorized representative to sign and deliver this Rider on the date first above written.

FRANCHISOR:
PUB FRANCHISOR LLC

DEVELOPER:

[Name]

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

**RIDER TO THE PUB FRANCHISOR LLC
DEVELOPMENT RIGHTS AGREEMENT FOR USE IN NEW YORK**

This Rider (the “Rider”) is made this _____, 20__, by and between **PUB Franchisor LLC**, a Delaware limited liability company whose principal business address is 1391 Post Road E, #200, Westport, Connecticut 06880 (“**Franchisor**,” “**we**,” “**us**,” or “**our**”), and _____, a(n) _____ (“**Developer**,” “**you**,” or “**your**”).

1. **Background.** We and you are parties to that certain Development Rights Agreement dated _____, 20__ (the “**Development Rights Agreement**”). We and you (or your affiliate) also are parties to that certain Franchise Agreement dated _____, 20__ (the “**Franchise Agreement**”) that is being signed concurrently with the Development Rights Agreement. This Rider is annexed to and forms part of the Development Rights Agreement. This Rider is being signed because (a) any of the franchise offer or sales activity relating to the Development Rights Agreement occurred in New York, and/or (b) you are a resident of New York, and the PopUp Bagels Shops that you will develop and operate under the Development Rights Agreement will be located in New York.

2. **Termination.** The following language is added to the end of Section 7 of the Development Rights Agreement:

You 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.

[Signature Page Follows]

IN WITNESS WHEREOF, each party has caused its duly authorized representative to sign and deliver this Rider on the date first above written.

FRANCHISOR:
PUB FRANCHISOR LLC

DEVELOPER:

By: _____
Name: _____
Title: _____

[Name]
By: _____
Name: _____
Title: _____

WASHINGTON ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT, THE FRANCHISE AGREEMENT, AND ALL RELATED AGREEMENTS

This Rider (the “Rider”) is made this _____, 20__, by and between **PUB Franchisor LLC**, a Delaware limited liability company whose principal business address is 1391 Post Road E, #200, Westport, Connecticut 06880 (“**Franchisor**,” “**we**,” “**us**,” or “**our**”), and _____, a(n) _____ (“**Developer**,” “**you**,” or “**your**”).

The provisions of this Addendum form an integral part of, are incorporated into, and modify the Franchise Disclosure Document, the franchise agreement, and all related agreements regardless of anything to the contrary contained therein. This Addendum applies if: (a) the offer to sell a franchise is accepted in Washington; (b) the purchaser of the franchise is a resident of Washington; and/or (c) the franchised business that is the subject of the sale is to be located or operated, wholly or partly, in Washington.

1. **Conflict of Laws.** In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, chapter 19.100 RCW will prevail.

2. **Franchisee Bill of Rights.** RCW 19.100.180 may supersede provisions in the franchise agreement or related agreements concerning your relationship with the franchisor, including in the areas of termination and renewal of your franchise. There may also be court decisions that supersede the franchise agreement or related agreements concerning your relationship with the franchisor. Franchise agreement provisions, including those summarized in Item 17 of the Franchise Disclosure Document, are subject to state law.

3. **Site of Arbitration, Mediation, and/or Litigation.** In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

4. **General Release.** A release or waiver of rights in the franchise agreement or related agreements purporting to bind the franchisee to waive compliance with any provision under the Washington Franchise Investment Protection Act or any rules or orders thereunder is void except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likewise void except as provided for in RCW 19.100.220(2).

5. **Statute of Limitations and Waiver of Jury Trial.** Provisions contained in the franchise agreement or related agreements that unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

6. **Transfer Fees.** Transfer fees are collectable only to the extent that they reflect the franchisor’s reasonable estimated or actual costs in effecting a transfer.

7. **Termination by Franchisee.** The franchisee may terminate the franchise agreement under any grounds permitted under state law.

8. **Certain Buy-Back Provisions.** Provisions in franchise agreements or related agreements that permit the franchisor to repurchase the franchisee's business for any reason during the term of the franchise agreement without the franchisee's consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchise is terminated for good cause.

9. **Fair and Reasonable Pricing.** Any provision in the franchise agreement or related agreements that requires the franchisee to purchase or rent any product or service for more than a fair and reasonable price is unlawful under RCW 19.100.180(2)(d).

10. **Waiver of Exemplary & Punitive Damages.** RCW 19.100.190 permits franchisees to seek treble damages under certain circumstances. Accordingly, provisions contained in the franchise agreement or elsewhere requiring franchisees to waive exemplary, punitive, or similar damages are void, except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2).

11. **Franchisor's Business Judgement.** Provisions in the franchise agreement or related agreements stating that the franchisor may exercise its discretion on the basis of its reasonable business judgment may be limited or superseded by RCW 19.100.180(1), which requires the parties to deal with each other in good faith.

12. **Indemnification.** Any provision in the franchise agreement or related agreements requiring the franchisee to indemnify, reimburse, defend, or hold harmless the franchisor or other parties is hereby modified such that the franchisee has no obligation to indemnify, reimburse, defend, or hold harmless the franchisor or any other indemnified party for losses or liabilities to the extent that they are caused by the indemnified party's negligence, willful misconduct, strict liability, or fraud.

13. **Attorneys' Fees.** If the franchise agreement or related agreements require a franchisee to reimburse the franchisor for court costs or expenses, including attorneys' fees, such provision applies only if the franchisor is the prevailing party in any judicial or arbitration proceeding.

14. **Noncompetition Covenants.** Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provision contained in the franchise agreement or elsewhere that conflicts with these limitations is void and unenforceable in Washington.

15. **Nonsolicitation Agreements.** RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

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

17. **Prohibitions on Communicating with Regulators.** Any provision in the franchise agreement or related agreements that prohibits the franchisee from communicating with or complaining to regulators is inconsistent with the express instructions in the Franchise Disclosure Document and is unlawful under RCW 19.100.180(2)(h).

18. **Advisory Regarding Franchise Brokers.** Under the Washington Franchise Investment Protection Act, a “franchise broker” is defined as a person that engages in the business of the offer or sale of franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. If a franchisee is working with a franchise broker, franchisees are advised to carefully evaluate any information provided by the franchise broker about a franchise.

[Signature Page Follows]

IN WITNESS WHEREOF, each party has caused its duly authorized representative to sign and deliver this Rider on the date first above written.

FRANCHISOR:
PUB FRANCHISOR LLC

DEVELOPER:

[Name]

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

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.

EXHIBIT H

SAMPLE GENERAL RELEASE

H-1

POPUP BAGELS FDD (5/2025)

1619499703.5

GRANT OF FRANCHISOR CONSENT AND RELEASE BY FRANCHISEE

PUB Franchisor LLC (“we,” “us,” or “our”) and the undersigned franchisee, _____ *[insert name of franchisee entity]* (“you” or “your”), currently are parties to a Franchise Agreement dated _____ (the “Franchise Agreement”) for the operation of a PopUp Bagels Shop located at _____. You have asked us to _____ *[insert relevant detail]*. We currently have no obligation under the Franchise Agreement or otherwise to _____ *[repeat relevant detail]*, or we have the right under the Franchise Agreement to condition our approval on your and your owners’ signing a release of claims. We are willing to _____ *[repeat relevant detail]* if you and your owners give us the release and covenant not to sue provided below in this document. You and your owners are willing to give us the release and covenant not to sue provided below in consideration for our willingness to _____ *[repeat relevant detail]*.

Consistent with the previous introduction, you, on behalf of yourself and your successors, heirs, executors, administrators, personal representatives, agents, assigns, partners, owners, directors, officers, principals, employees, and affiliated entities (collectively, the “Releasing Parties”), hereby forever release and discharge us and our past and present, direct or indirect, parent and other affiliated entities, and its and their respective current and former officers, directors, members, managers, owners, principals, employees, agents, representatives, successors, and assigns (collectively, the “PopUp Bagels Parties”) from any and all claims, damages, demands, debts, causes of action, suits, duties, liabilities, costs, and expenses of any nature and kind, whether presently known or unknown, vested or contingent, suspected or unsuspected (all such matters, collectively, “Claims”), that you and any other Releasing Party now has, ever had, or, but for this document, hereafter would or could have against any PopUp Bagels Party (1) arising out of or related in any way to the PopUp Bagels Parties’ performance of or failure to perform their obligations under the Franchise Agreement before the date of your signature below, (2) arising out of or related in any way to our offer and grant to you of your PopUp Bagels Shop franchise, or (3) otherwise arising out of or related in any way to your and the other Releasing Parties’ relationship, from the beginning of time to the date of your signature below, with any of the PopUp Bagels Parties.

The released Claims include, but are not limited to, any Claim alleging violation of any deceptive or unfair trade practices laws, franchise laws, or other local, municipal, state, federal, or other laws, statutes, rules, or regulations. You and the other Releasing Parties acknowledge that you and they may after the date of the signatures below discover facts different from, or in addition to, those facts currently known to you and them, or which you and they now believe to be true, with respect to the Claims released by this document. You and the other Releasing Parties nevertheless agree that the release set forth in this document has been negotiated and agreed on despite such acknowledgment and despite any federal or state statute or common law principle which may provide that a general release does not extend to claims that are not known to exist at the time of execution.

You, on behalf of yourself and the other Releasing Parties, further covenant not to sue any PopUp Bagels Party on any Claim released by this paragraph and represent that you have not assigned any Claim 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 owners likewise grant to us the release and covenant not to sue provided above.

The following language applies only to transactions with California franchisees

[Each of the parties granting a release acknowledges a familiarity with Section 1542 of the Civil Code of the State of California, which provides as follows:

“A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.”

Each party granting a release and its authorized signatories hereto recognize that he, she, or it may have some claim, demand, or cause of action against the released parties of which he, she, or it is unaware and unsuspecting, and which he, she, or it is giving up by signing this document. Each party granting a release and its authorized signatories hereby waive and relinquish every right or benefit which he, she, or it has under Section 1542 of the Civil Code of the State of California, and any similar statute under any other state or federal law, to the fullest extent that such right or benefit may lawfully be waived.]

The following language applies only to transactions governed by the Maryland Franchise Registration and Disclosure Law

The release provided above will not apply to the extent prohibited by the Maryland Franchise Registration and Disclosure Law. You may commence a lawsuit against us in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law that are not released.

The following language applies only to transactions governed by the Washington Franchise Investment Protection Act

This general release does not apply with respect to claims arising under the Washington Franchise Investment Protection Act, RCW 19.100, and the rules adopted thereunder.

PUB FRANCHISOR LLC

[Name of Franchisee]

By: _____
Title: _____
Date: _____

By: _____
Title: _____
Date: _____

[Name of Owner]

[Signature and Date]

EXHIBIT I

FRANCHISEE DISCLOSURE ACKNOWLEDGMENT STATEMENT

(To be used in all states other than California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin)

FRANCHISEE DISCLOSURE ACKNOWLEDGMENT STATEMENT

DO NOT SIGN THIS FRANCHISEE REPRESENTATIONS IF THE FRANCHISE IS TO BE OPERATED IN, OR YOU ARE A RESIDENT OF, CALIFORNIA, HAWAII, ILLINOIS, INDIANA, MARYLAND, MICHIGAN, MINNESOTA, NEW YORK, NORTH DAKOTA, RHODE ISLAND, SOUTH DAKOTA, VIRGINIA, WASHINGTON, OR WISCONSIN.

As you know, PUB Franchisor LLC (the “we,” “us,” or “our”) and you are preparing to enter into a Franchise Agreement for the construction, development, and operation of a PopUp Bagels Shop (the “Shop”) and, if applicable, a Development Rights Agreement for the construction and development of multiple PopUp Bagels Shops. The purpose of this Questionnaire is to determine whether any statements or promises were made to you by our employees or authorized representatives, or by employees or authorized representatives of a broker acting on our behalf (“Broker”), that have not been authorized, or that were not disclosed in the Disclosure Document or that may be untrue, inaccurate or misleading. We, through the use of this document, desire to ascertain (a) that the undersigned, individually and as a representative of any legal entity established to acquire the franchise rights, fully understands and comprehends that the purchase of a franchise is a business decision, complete with its associated risks, and (b) that you are not relying upon any oral statement, representations, promises or assurances during the negotiations for the purchase of the franchise that we have not authorized.

In the event that you are intending to purchase an existing Pop Up Bagels Shop from an existing franchisee, you may have received information from the transferring franchisee, who is not our employee or representative. The questions below do not apply to any communications that you had with the transferring franchisee. Please review each of the following questions and statements carefully and provide honest and complete responses to each.

1. Are you seeking to enter into the Franchise Agreement in connection with a purchase or transfer of an existing Pop Up Bagels Shop from an existing franchisee?

Yes _____ No _____

2. Your first face-to-face meeting with one of our representatives was on _____, 20__.

3. Have you received and personally reviewed the Franchise Agreement, the Development Rights Agreement (if applicable), and each related agreement provided to you?

Yes _____ No _____

4. Do you understand all of the information contained in the Franchise Agreement, the Development Rights Agreement (if applicable), and each related agreement provided to you?

Yes _____ No _____

If no, what parts of the Franchise Agreement, the Development Rights Agreement (if applicable), and/or such related agreements do you not understand? (Attach additional pages, if necessary.)

5. Have you received and personally reviewed the PopUp Bagels Shop Disclosure Document (Disclosure Document) that was provided to you?

Yes _____ No _____

6. Did you sign a receipt for the Disclosure Document indicating the date you received it?

Yes _____ No _____

7. Do you understand all of the information contained in the Disclosure Document and any state-specific addendum to the Disclosure Document?

Yes _____ No _____

If No, what parts of the Disclosure Document and/or any such addendum do you not understand? (Attach additional pages, if necessary.)

8. Have you discussed the benefits and risks of establishing and operating a PopUp Bagels Shop with an attorney, accountant, or other professional advisor?

Yes _____ No _____

If No, do you wish to have more time to do so?

Yes _____ No _____

9. Do you understand that the success or failure of your PopUp Bagels Shop will depend in large part upon your skills and abilities, competition from other businesses, interest rates, inflation, labor and supply costs, location, lease terms, your management capabilities and other economic, and business factors?

Yes _____ No _____

10. Has any employee or other person speaking on our behalf made any statement or promise concerning the revenues, project cost, (project cost), profits or operating costs of a PopUp Bagels Shop operated by us or our franchisees that is contrary to the information contained in the Disclosure Document?

Yes _____ No _____

11. Has any employee or other person speaking on our behalf made any statement or promise regarding the amount of money you may earn in operating a PopUp Bagels Shop that is contrary to the information contained in the Disclosure Document?

Yes _____ No _____

12. Has any employee or other person speaking on our behalf made any statement or promise concerning the total amount of revenue that a PopUp Bagels Shop will generate that is contrary to the information contained in the Disclosure Document?

Yes _____ No _____

13. Has any employee or other person speaking on our behalf made any statement or promise regarding the costs you may incur in operating a PopUp Bagels Shop that is contrary to or different from, the information contained in the Disclosure Document?

Yes _____ No _____

14. Has any employee or other person speaking on our behalf made any statement or promise concerning the likelihood of success that you should or might expect to achieve from operating a PopUp Bagels Shop?

Yes _____ No _____

15. 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 provide to you that is contrary to, or different from, the information contained in the Disclosure Document?

Yes _____ No _____

16. Have you entered into any binding agreement with us concerning the purchase of this franchise prior to today?

Yes _____ No _____

17. Have you paid any money to us concerning the purchase of this franchise prior to today?

Yes _____ No _____

18. Have you spoken to any other PopUp Bagels Shop franchisee before deciding to purchase this franchise? If so, who? _____

If you have answered Yes to any one of questions 10-17, please provide a full explanation of each Yes answer in the following blank lines. (Attach additional pages, if necessary and refer to them below.) If you have answered No to each of questions 10-17, please leave the following lines blank.

I signed the Franchise Agreement and, if applicable, the Development Rights Agreement (including any addenda thereto) on _____, 20____, and acknowledge that that Franchise Agreement and, if applicable, the Development Rights Agreement (including any addenda thereto) are not effective until we have signed and dated it.

Please understand that your responses to these questions are important to us and that we will rely on them. By signing this Questionnaire, you are representing that you have responded truthfully to the above questions.

A. You recognize and understand that business risks, which exist in connection with the purchase of any business, make the success or failure of the franchise subject to many variables, including among other things, your skills and abilities, the hours worked by you, competition, interest rates, the economy, inflation, franchise location, operation costs, lease terms and costs, and the marketplace. You hereby acknowledge your awareness of and willingness to undertake these business risks.

B. You agree and state that the decision to enter into this business risk is in no manner predicated upon any oral representation, assurances, warranties, guarantees, or promises made by us or any of our officers, employees or agents (including the Broker or any other broker) as to the likelihood of success of the franchise. Except as contained in the Disclosure Document, you acknowledge that you have not received any information from us or any of our officers, employees or agents (including the Broker or any other broker) concerning actual, projected or forecasted franchise sales, profits or earnings. If you believe that you have received any information concerning actual, average, projected or forecasted franchise sales, profits or earnings other than those contained in the Disclosure Document, please describe those in the space provided below or write "None."

C. You further acknowledge that the President of the United States of America has issued Executive Order 13224 (the "Executive Order") prohibiting transactions with terrorists and terrorist organizations and that the United States government has adopted, and in the future may adopt, other anti-terrorism measures (the "Anti-Terrorism Measures"). We therefore require certain certifications that the parties with whom we deal are not directly involved in terrorism. For that reason, you hereby certify that neither you, nor any of your employees, agents or representatives, nor any other person or entity associated with you, is:

- (i) a person or entity listed in the Annex to the Executive Order;
 - (ii) a person or entity otherwise determined by the Executive Order to have committed acts of terrorism or to pose a significant risk of committing acts of terrorism;
 - (iii) a person or entity who assists, sponsors, or supports terrorists or acts of terrorism;
- or
- (iv) owned or controlled by terrorists or sponsors of terrorism.

You further covenant that neither you, nor any of your employees, agents or representatives, nor any other person or entity associated with you, will during the term of the Franchise Agreement become a person or entity described above or otherwise become a target of any Anti-Terrorism Measure.

Acknowledged this _____ day of _____, 20_____.

Sign here if you are taking the franchise as an
INDIVIDUAL

Sign here if you are taking the franchise as a
**CORPORATION, LIMITED LIABILITY
COMPANY OR PARTNERSHIP**

Signature

Print Name of Legal Entity

Print Name _____

By: _____
Signature

Signature

Print Name _____

Print Name _____

Title _____

Signature

Print Name _____

Signature

Print Name _____

State Effective Dates

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered or exempt from registration, as of the Effective Date stated below:

State	Effective Date
California	Pending
Hawaii	Pending
Illinois	Pending
Maryland	Pending
Michigan	Pending
New York	Pending
Rhode Island	Pending
Virginia	Pending
Wisconsin	Pending

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

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 PUB Franchisor 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.

If PUB Franchisor LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the appropriate state agency identified on Exhibit F.

The franchisor is PUB Franchisor LLC, located at 1391 Post Road E, #200, Westport, Connecticut 06880.

Issuance date: May 22, 2025

The franchise seller for this offering is Tory Bartlett, 1391 Post Road E, #200, Westport, Connecticut 06880, (475) 888-9011.

We authorize the respective state agents identified on Exhibit F to receive service of process for us in the particular states. I received a disclosure document from PUB Franchisor LLC issued as of May 22, 2025, that included the following:

- A. Franchise Agreement
- B. Development Rights Agreement
- C. Financial Statements
- D. List of Franchisees
- E. Operations Manual Table of Contents
- F. List of State Agencies/Agents for Service of Process
- G. State Specific Addenda to FDD / Riders to Franchise Agreement and Development Rights Agreement
- H. Sample General Release
- I. Franchisee Disclosure Acknowledgment Statement

Date

Prospective Franchisee [Print Name]

Prospective Franchisee [Signature]

(Date, sign, and return to us at our address above or by emailing a scanned copy of the signed and dated Receipt to franchise@popupbagels.com.

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.

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Date

Prospective Franchisee [Print Name]

Prospective Franchisee [Signature]

(Date, Sign, and Keep for Your Own Records)