

<b>OBLIGATION</b>	<b>SECTION IN AGREEMENT</b>	<b>ITEM IN DISCLOSURE DOCUMENT</b>
o. Advertising	Section 8 of Franchise Agreement	Items 6 & 11
p. Indemnification	Section 9.3 of Franchise Agreement, Section 7.4 of Diner 2.0-DA agreement, Section 8.4 of FLIP, Sections 12 and 13 of Purchase Agreement	Item 6
q. Franchisee's Participation /Management/Staffing	Sections 10 & 14 of Franchise Agreement	Items 11 & 15
r. Records/Reports	Section 7 of Franchise Agreement	Item 6
s. Inspection/Audits	Sections 7.8 & 15 of Franchise Agreement	Items 6 & 11
t. Transfer	Section 17 of Franchise Agreement, Section 8 of Diner 2.0-DA agreement, Section 9 of FLIP	Items 6 & 17
u. Renewal	Section 17 of Diner 2.0-DA agreement	Item 6
v. Post-termination Obligations	Section 19 of Franchise Agreement, Section 10 of Diner.0-DA agreement, Sections 12 of FLIP	Item 17
w. Noncompetition Covenants	Section 20 of Franchise Agreement, Section 17 of Diner 2.0-DA, Section 19 of FLIP	Item 17
x. Dispute Resolution	Section 21.9 of Franchise Agreement, Section 15 of Diner 2.0-DA agreement, Section 17 of FLIP, Section 14.D of Purchase Agreement	Item 17
y. Participation in an Advertising Cooperative	Section 8.3 of Franchise Agreement	Item 11
z. Franchisee Preview	N/A	Item 11
aa. Review of Financial statements	N/A	Item 19

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## **Item 10**

### **FINANCING**

We are not obligated to do so, but we occasionally offer to finance the purchase of POS systems and other items introduced into the Denny's System. We do not otherwise customarily accept notes or other instruments from franchisees and, accordingly, have not in the past sold, assigned, or discounted to a third party, in whole or in part, any note, contract, or other instrument executed by a franchisee. We have no present intent to sell, assign, or discount notes or instruments in the future to a third party.

Neither we nor our affiliates receive revenue or other benefits from any person or entity for the placement of financing.

Except as described above, we do not offer financing for the establishment or operation of the Restaurant.

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## Item 11

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

**Except as listed below, we are not required to provide you with any assistance.** The assistance described in the sections titled "Pre-Opening Obligations" and "Continuing Obligations" below may be provided directly by us or through one or more of our affiliates. References in the sections titled "Pre-Opening Obligations" and "Continuing Obligations" below to "we", "us", "our" and the like, are inclusive of our affiliates.

#### Pre-Opening Obligations

We will provide the following pre-opening assistance:

- (1) Provide you with prototype plans and specifications, including interior layout and decor, equipment specifications and sign design. (Franchise Agreement, Section 5.3.)
- (2) We will provide to you the names of approved suppliers for any required equipment, signs, fixtures, opening inventory and supply. We provide written specifications for these items in the Manuals or otherwise upon your request. Generally, we do not deliver or install any of these items and you will receive them in the manner you arrange with the vendor.
- (3) Provide management training for you, your Managing Owner or Designated Operator, if applicable, and your managers at an approved training restaurant. (Franchise Agreement, Section 16.)
- (4) We will assess the training needs of the Restaurant based on your level of experience. We reserve the right, in our sole discretion, to determine whether more or less training is appropriate in the circumstances. Where the highest level of support is required, we will send, at your expense, a training crew prior to opening to assist in the training and development of your employees in all areas of restaurant operation. Additional New Restaurant Opening ("NRO") training beyond the type and amount which we typically schedule (see Item II, "New Restaurant Opening and Training Assistance," for a discussion of training which we typically schedule), is not available. The costs associated with the NRO training fee include salaries, lodging, meals, travel expenses, transportation, and other related expenses. Training must be scheduled at least 45 days prior to the opening date of your restaurant. The NRO Training Manager will arrive at your restaurant 13 days prior to the opening date of your restaurant, and the NRO training crew will arrive at your restaurant 11 days prior to the opening date of your restaurant. If you request that the NRO training be rescheduled within 45 days of the beginning training date (within 58 days of your opening date) you will be responsible for any additional fees we incur, including, but not limited to, salary, lodging, transportation, and meals. If the training is delayed after the NRO training crew is on site, you will be responsible for any additional costs we incur. The per diem cost of such training assistance, including salary and related benefits is approximately \$400 for a manager and \$400 per trainer. With our permission, your openings may be led by your own appropriate infrastructure including an approved FNROM.

- (5) Provide access to our Brand Standards / HACCP Manual for each Denny's restaurant you operate through our Intranet. (Franchise Agreement, Section 11.)

### Continuing Obligations

We will provide the following assistance during your operation of the Restaurant:

- (1) Develop and engage in advertising, public relations and promotional campaigns designed to promote and enhance the value of all Denny's restaurants. (Franchise Agreement, Section 8.1.)
- (2) Protect and defend you against any claims or challenges arising out of your authorized use of our trademarks. (Franchise Agreement, Section 20.1.)
- (3) Periodically inspect your Restaurant and deliver to you a report of our evaluation. (Franchise Agreement, Section 15.2);
- (4) Train new Restaurant managers and replacement Managing Owners or Designated Operators at an approved training restaurant. If a Denny's, Inc., restaurant is not available for training, an approved franchise training restaurant may be used with the approval of the VP of Training and the VP of Franchise Operations. (Franchise Agreement, Section 16.)
- (5) Provide periodic guidance to you with regard to the System, including improvements and changes. (Franchise Agreement, Section 16.2.)
- (6) Periodically modify the Brand Standards / HACCP to reflect changes in standards, specifications and operating procedures. (Franchise Agreement, Section 11.1.)
- (7) For an additional fee, pursuant to your request, and subject to a separate agreement, provide menu maintenance and support for the Standard Enterprise Technology Platform (see Standard Enterprise Technology Platform Agreement).

### Franchise Preview

As a franchise candidate you must complete a two-day (16 hours) franchise preview of the operation of a Denny's restaurant. The franchise preview will allow you to observe and evaluate the demands of our 24-hour operations. We do not compensate you for your time or any work performed during the franchise preview and completing the franchise preview does not guarantee that you will be approved as a Denny's franchisee.

### Site Selection

If you execute a development agreement, you must submit for our approval a site within a designated geographical area according to the development schedule or in time to meet the required opening dates. If you have independently obtained a site for the Restaurant, then before execution of the Franchise Agreement, you must present to us for approval a restaurant site proposal, including a site description and analysis, containing traffic and other demographic information in the format we require. We will consider this information, the locations of other family style or fast-food restaurants in the vicinity of the proposed site and other items as may be part of

our standard site criteria in determining whether to approve a site. We will notify you within four months with our decision about a site.

The success of the Restaurant depends on a number of factors including your operational abilities, site location, consumer trends and such other factors that may or may not be within your direct control.

The length of time between executing the Franchise Agreement and opening the Restaurant is difficult to estimate if you have independently obtained a site for the Restaurant. After you secure the Restaurant site, design, permit receipt, construction or remodeling, and furnishing of the Restaurant could take approximately three to eighteen months, with twelve months being typical. However, if you fail to open the Restaurant for business within 24 months from the date of the Franchise Agreement, we may terminate the Franchise Agreement. If you enter into a development agreement with us, you must open the number of Denny's Restaurants as required by the mutually agreed upon development schedule set out in the agreement.

Management Training

**TRAINING PROGRAM<sup>1</sup>**

<u>Subjects Taught<sup>2</sup></u>	<u>Hours of Classroom Training</u>	<u>Hours of On-The-Job Training</u>	<u>Location</u>
Franchisee Manager in Training Program (“FMIT Program”) <sup>3</sup> ; and Restaurant Manager in Training Program <sup>4</sup>	None	50 days	Approved STAR Training Restaurants <sup>5</sup>
New Restaurant Opening (“NRO”) and Training Assistance <sup>6</sup>	See Note 6	See Note 6	Your new Restaurant
Food Safety Training and Certification <sup>7</sup>	8 – 16 depending on state requirements	None	On-line

1. Unless otherwise noted, all the Required Training is conducted under the supervision of Ms. Fasika Melaku-Peterson, Senior Vice Human Resources & Chief Learning Officer. See Item 2 for specific positions held by Ms. Melaku-Peterson.

2. Unless otherwise noted, we do not charge for the required initial training. However, you will be responsible for all salaries and any travel related costs which you incur in connection with you and your employee’s completion of our required training programs. If you and your employees complete the training programs at a company-owned training restaurant, we will require that you have the necessary insurance in place for worker’s compensation and other employment-related claims. In addition, we will require that you indemnify us for any claims which may be made in connection with you and your employee’s training at a company-owned restaurant and that you and your employees sign waivers relating to our liability.

3. For all subjects, the Franchisee, Managing Owner, and Designated Operator must attend. Restaurant Managers must attend: FMIT Program and Food Safety Training and Certification. All other persons in charge that are not managers must attend Food Safety Training and Certification.

Where “Franchisee” is required, this means the individual franchisee who is personally responsible for the day-to-day operations of the Restaurant. (See Item 15.)

4. This Restaurant Manager in Training Program is a comprehensive training program designed to equip both company and franchise managers with the necessary culinary, hospitality and restaurant management knowledge and skills to be a successful Restaurant Manager at Denny’s. The training program is divided into 5 modules:

- a) Orientation
- b) Passion for Culinary Management
- c) Obsessed with Hospitality Management
- d) Restaurant Management
- e) Transition Process

Each module gives life to The Denny’s Way through activities that provide hands-on demonstration of supporting behaviors.

#### MODULE 1 – ORIENTATION

The Orientation module provides an overview of our guiding principles and operating tenets, which serve as the foundation of our organization. In addition, the manager will learn about the training restaurant and receive an introduction to this training program. By the end of the first two days, the foundation will be set for the rest for the Restaurant Manager training.

#### MODULE 2 – PASSION FOR CULINARY MANAGEMENT

The focus of the Culinary Management module is to provide the manager with an in-depth understanding of all processes, systems, and behaviors necessary to lead culinary excellence at Denny’s. In addition, they will learn about all Back-of House employee positions. During this time, their goal is to gain a solid understanding of the skills and competencies necessary in each position. Additionally, they will develop a thorough awareness of food philosophy and specifications and techniques while gaining a solid understanding of our hourly employee training standards. At the end of each week, they will complete a quiz over content introduced that week. At the end of this module, they will complete a comprehensive culinary test to substantiate their skill development and knowledge retention. They must successfully pass the test prior to moving on to the next module.

#### MODULE 3 – OBSESSED WITH HOSPITALITY MANAGEMENT

The focus of the Hospitality Management module is to understand Denny’s Obsessed with Hospitality philosophy of Delight and Make It Right. Managers will learn the management behaviors necessary to train, maintain and nurture this philosophy within our restaurants. Floor management, service training, staffing standards, guest relations, and labor planning are all included in this module. In addition, they will learn about all Front-of-House employee positions. During this time, their goal is to gain a solid understanding of the skills and competencies necessary in each position. At the end of each week, they will complete a quiz over content introduced that week. At the end of this module, they will complete a comprehensive hospitality test to evaluate their skill development and knowledge retention. They must successfully pass the test prior to moving on to the next module.

#### MODULE 4 – RESTAURANT MANAGEMENT

The focus of the Restaurant Management module is to give managers the opportunity to put into practice everything they have learned in the first three modules. During this important time, the manager has an opportunity to safely practice key Denny’s operational and management behaviors and activities, over and over, for the purpose of mastering it and developing consistent

routines or practices to run great restaurants. They will also gain a deeper understanding of financial statements, inventories, ordering, receiving, facility maintenance and safety and sanitation procedures. At the end of each week, they will complete a quiz over content introduced that week. At the end of this module, they will complete a final exam. Exams and validations are key to demonstrating that the manager has successfully completed the Denny's Manager Training Program.

## MODULE 5 – TRANSITION PROCESS

The Transition Process module is the final step of the training program. Unlike the other modules, this module occurs in the restaurant that the trainee will lead as a manager. The objective is to ensure that the manager is successfully acclimated and welcomed into their new restaurant and has the support system in place to help them be successful.

If you and your employees attend training conducted by us, the training will be conducted by STAR Trainers that have been approved by us to conduct our initial training program. Instructional materials for our initial training program include a FMIT Program manual, program evaluations, and program validations. All managers must pass the module tests and final exam. You must have at least three managers at all times who have successfully completed Denny's FMIT Program.

5. The training will be conducted at one of numerous geographically dispersed Denny's restaurants designated by us for training. If you already operate a Denny's restaurant, you may take advantage of the same training which we offer to franchisees opening their first restaurant. However, you may also apply to us to have any Denny's restaurant which you already own and operate approved as a training restaurant for the training of restaurant managers. If you are successful in obtaining approval of a Denny's restaurant you own and operate as a training restaurant, you may conduct your own initial training of managers for any additional Denny's restaurants which you may establish. In addition, you may also conduct at a training-approved restaurant any ongoing training of managers if you need to replace management employees. The criteria used to determine whether a Denny's restaurant qualifies for approval as a Denny's training restaurant include: (1) the management staffing levels and management development at the restaurant; (2) the training qualifications of key employees at the restaurant, including eLearning complete training manager testing of at least 90% score on the eLearning Mid-Term and Final test; (3) the training materials and equipment on the premises of the restaurant and in use in the restaurant; and (4) the restaurant's historical performance including: Brand Protection Review scores, guest count growth, guest satisfaction scores, guest complaints and maintaining Denny's brand standards.

### Shift Leader Training Program

The Shift Leader Training Program is built to support the development of current hourly employees to become first-time Leaders at Denny's. The goal of this program is to develop Shift Leaders capable of running effective shifts. The program is administered in the employees' home restaurant under the direction of the General Manager ("GM") and Restaurant Manager ("RM"). It's self-paced learning that is structured, yet flexible, where employees developing for the Shift Leader role can work through the content at a pace that allows them to practice new skills. A blended learning approach is utilized, including eLessons, videos, and the Shift Leader Training Program Guide. The program is made up of four modules: (1) Orientation, (2) Excelling as a First-Time Leader, (3) Leading a Delight & Make It Right Culture, (4) Operating a Denny's Way Shift. At the conclusion of each module, the employee takes a quiz to validate learning has taken place and engages in a conversation with their Managers to review progress. At the end of the program, the employee completes a Final Exam, receives a Shift Management Review, and completes their

final validation process with their Managers and Multi-Unit Leader. The Shift Leader Training Program Guide can be ordered through Denny's Distribution. This is the only approved program utilized at Denny's to train a Shift Leader.

### Development Program for General Managers

The Development Program for General Managers is built to support the development of all current GMs at Denny's. The goal of the program is to ensure every GM grows with intention, fosters high-performing restaurants, and leads with purpose to run Breakthrough Restaurants. This program has something for everyone; individuals who are promoted to a GM, GM's who are transitioning to a new restaurant, or GM's in position who can simply benefit from developing their skills.

This program has eight modules and is aligned with The Denny's Way. The program begins with Orientation and Transition. Each of the remaining modules focuses on implementing a specific aspect of The Denny's Way. The most robust module is Drive for Results with content around managing the big three of your P&L: Sales, Food, and Labor. The program is structured, yet flexible, allowing new, transitioning, and existing GMs to grow by using a one-size-fits-all approach where everyone can find value in a journey that will allow them to grow in each aspect of The Denny's Way. The Development Program for General Managers Guide can be ordered through Denny's Distribution.

6. The NRO team will consist of one NRO Manager and up to seven additional trainers, depending upon the number of Denny's restaurants which you own and operate (or as determined by us, in our sole discretion). Unlike other manager training programs, you must pay a set fee for the NRO team, which varies depending on the level of training you receive (see below). We reserve the right, in our sole discretion, to determine whether more or less training is appropriate in the circumstances. However, we typically assume the following training is appropriate in these circumstances:

- a) If you are opening your first or second Denny's restaurant, we will coordinate the full NRO team.
- b) If you are opening your third or subsequent restaurant and you have opened another restaurant within two years, you may supply your own approved trainer(s).
- c) If you would otherwise qualify for a smaller NRO team, but you have not opened a restaurant within two years, you will receive our full NRO team.

Our full NRO team consists of 1 NRO manager who will be at the restaurant for 21 days (13 days before, and 8 days after the restaurant opens), and 7 trainers that will be at the restaurant 18 days (11 days before and 7 days after the restaurant opens, plus 1 travel day). Please note that this schedule is a guide and is flexible to allow us to best serve the needs of the Franchise. For example, we may elect to stagger the arrival of trainers in order to provide more support for a longer period of time once the restaurant opens.

Beginning with your third restaurant, if you have opened a restaurant within two years, you may provide up to two trainers and reduce your NRO fee by \$5,000 per trainer you provide. Beginning with your fifth restaurant, if you have opened a restaurant within two years, you may provide up to six trainers and reduce your NRO fee by \$5,000 per trainer you provide. Your training may also be shorter, approximately 11 days, 10 days before the restaurant opens ("pre") and the day the restaurant opens. Trainers should be evenly divided between the front of the house and the back of the house. Beginning with your fifth restaurant, you may also consider doing your own NRO training, with our approval. This will require the appropriate infrastructure including an approved FNROM (as defined above, a Franchisee NRO Manager). Your own NRO training requires the consent of your Franchise Business Coach ("FBC"). Your FNROM must complete all

training (including eLearning modules) and reporting responsibilities required by our Director of NRO and receive yearly supplemental NRO training. You are responsible for the cost associated with the yearly training. If you lose your approved FNROM, you will need to certify another candidate and that candidate must have the approval of the FBC. Regardless of our NRO support, if we provide assistance beyond that which we believe necessary for opening the restaurant, you will be required to reimburse all costs we incur for such additional assistance. The NRO team will assist you in the opening of the restaurant according to the following schedule:

<u>Number of Denny's Restaurants</u>	<u>NRO support</u>	<u>Fee*</u>	<u>NRO Team</u>	<u>NRO Assistance**</u>
1-2	Full	\$45,000	Denny's provides: 1 NRO Manager 7 Trainers	21 days (13 pre/8 post) 18 days (11 pre/7 post)
3-4	Reduced by two	\$26,000	Denny's provides: 1 NRO Manager 5 Trainers  Franchisee provides 2 Trainers	21 days (13 pre/8 post) 18 days (11 pre/7 post)
5 and more	Reduced by 6	\$5,000	Denny's provides: 1 NRO Manager Franchisee provides 6 trainers	11 days (11 pre/0 post)
5 and more	No Denny's NRO team	\$0	Franchisee provides: 1 FNROM 6 Trainers	11 days (11 pre / 0 post)

*\*Note: these fees are for the traditional Denny's and are for the calendar year 2026. These fees will be evaluated yearly and adjusted accordingly. Depending on when your training occurs, you must pay the then current NRO training fee.*

*\*\*Onsite days include travel.*

Training must be scheduled at least 45 days prior to the opening date of your restaurant. If we provide training, the NRO Training Manager will arrive at your restaurant 14 days prior to the opening date of your restaurant. The NRO training crew will arrive at your restaurant 13 days prior to the opening date of your restaurant and remain for one additional week after the restaurant opens. Please note that this schedule is a guide and is flexible to allow us to best serve the needs

of the Franchise. For example, we may elect to stagger the arrival of trainers in order to provide more support for a longer period of time once the restaurant opens.

In addition, we require the three managers of the franchise restaurant be assigned to the NRO training team for a minimum of a 6 contiguous hour shift each day, to be scheduled by the NRO Manager, to each employee training session each day which will require some managers to work at night. The franchise managers will be scheduled in the training sessions as trainers each day from the date the NRO Manager arrives until the opening of the restaurant to perform trainer duties.

The three franchise managers must not be assigned other duties during the times scheduled by the NRO training team.

If you request that the NRO training be rescheduled within 45 days of the beginning training date you will be responsible for any additional fees we incur, including, but not limited to, salary, lodging, transportation, and meals. If the training is delayed after the NRO team arrives, you will be responsible for any additional costs we incur. The days reflected on the schedule above include travel time and days on which our employees may be absent with leave from the restaurant. To qualify for less than a full NRO team through your own trainers, you must provide the names of the Approved NRO trainers within 60 days of opening.

If you plan to conduct your own opening training, you must have at least one approved FNROM and six trainers. The FNROM must follow the Denny's approved NRO Training Plan and utilize all training materials accordingly. If you would otherwise qualify for reduced NRO (if you have five or more restaurants), but you acquired those restaurants from us or from other franchisees, and you are opening your first greenfield or conversion restaurant, then you will require additional NRO support. Likewise, if you have five or more restaurants, but you are opening a new restaurant in a new market (generally more than 250 miles from your other restaurants), then you will require additional NRO support. In both these cases, we will provide full NRO support for the first restaurant, and reduced NRO for the next restaurants. You will need to provide trainers to replace our NRO team for the reduced NRO. Trainers should be evenly divided between the front of the house and the back of the house. You will be charged according to the plan above.

The NRO team assists in all areas of restaurant operations and in training and developing your employees, including the cooks, wait staff, and service assistants. Along with the NRO kit, which includes training materials for manager and crew levels, you will also receive a grand opening point of purchase (POP) kit. The kit includes banners, pole signs, window clings and sample coupons for your use.

We require 90 days between restaurant openings. However, you have the option to open a second restaurant within the 90 day wait period if you pay for a NROM, if one is available, to remain at the second unit for the time remaining between the opening of the second restaurant and the end of the 90 days. This 90 day rule may be waived for your fifth or subsequent opening upon our approval.

7. Food Safety Training must be completed within ninety (90) days of hire, unless your state requires less time. You must pay all costs associated with having your employees complete the Serv Safe, Food Safety Training and Certification program or an approved comparable equivalent, including the cost of any tuition, materials, salaries, and travel-related expenses. While there are a number of alternative programs offered to train and certify restaurant managers on the safe handling of food, all company restaurants are using T.A.P.S. on-line Food Safety and Certification