

Provision	Section in Franchise Agreement or Other Agreement	Summary
q. Non-competition covenants during the term of the franchise	Section 13(C) and (E)	No involvement in a Competing Business. A “Competing Business” means any business similar to the Boss’ Pizza & Chicken restaurant, including an upscale tavern and/or upscale sports bar that distributes, sells or otherwise deals in, at wholesale or retail, upscale tavern food or other items similar to the Products, or any other business that may be confusingly similar to a Boss’ Pizza & Chicken Restaurant.
r. Non-competition covenants after the franchise is terminated or expires	Section 13(D)	No involvement in a Competing Business that is located within a 10-mile radius of the former site of the Restaurant or any other then-existing Boss’ Pizza & Chicken restaurant for two years.
s. Modification of the agreement	Sections 7(E) and 19(D)	No modifications generally, except in writing. We may modify Operations Manual, Marks, System and Products/services to be offered from your Restaurant.
t. Integration/merger clause	Section 19(K)	Only the terms of the Franchise Agreement (including exhibits) are binding (subject to federal and state law). <u>Any other promises may not be enforceable.</u>
u. Dispute resolution by arbitration or mediation	Section 18	Except for actions we bring for monies owed, injunctive or extraordinary relief, or actions involving real estate, all disputes first will be subject to non-binding mediation in Sioux Falls, South Dakota, then (if not resolved) to binding arbitration in in Sioux Falls, South Dakota (subject to applicable law).
v. Choice of forum	Section 18(F)	Litigation must be in state or federal court in Sioux Falls, South Dakota (subject to state law). We also have the right to file suit where the Restaurant is located (subject to applicable law).
w. Choice of law	Section 18(D)	South Dakota law applies (subject to 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.

The tables below contain unaudited information on Gross Sales, Cost of Goods Sold, Rent and Labor for all five company-owned and five franchisee-owned Boss’ Pizza & Chicken® Restaurants that were open as of December 31, 2023 and operating during all or at least one full calendar month during calendar year 2023. The information below is based on performance during calendar year 2023. The Restaurants presented in the table below are located in South Dakota, North Dakota, Iowa, Nebraska, and Wisconsin, have a footprint ranging between 1,800 to 9,000 square feet and have been open from less than 1 year to 18 years. Each of the Restaurants presented below are located in smaller to mid-size regional cities.

Unaudited Statement of Gross Sales, Cost of Goods, Labor and Rent for Calendar Year 2023

	Sioux Falls West*	Grand Forks	Rapid City Tuscany	North Platte	Sioux Falls Central*	Keystone South Dakota*	Des Moines	Fargo	Yankton*	Brookings*
Gross Sales	\$523,670.16	\$1,596,388.89	\$1,104,693.39	\$754,493.49	\$1,507,616.77	\$716,354.22	\$1,178,348.76	\$1,915,109.11	\$745,070.97	\$957,485.88
Labor	\$193,478.76	\$501,226.76	\$326,297.17	\$249,749.15	\$700,512.63	\$128,943.76	\$320,412.65	\$542,025.97	\$229,112.25	\$350,598.10
Cost of Goods	\$156,459.45	\$421,435.10	\$332,440.07	\$296,132.73	\$423,526.28	214,906.27	\$493,276.99	\$574,207.63	\$255,186.81	\$468,305.97
Rent	\$27,864.00	\$87,863.27	\$30,739.88	\$46,996.91	\$48,309.40	\$ -	\$57,920.19	\$ -	\$55,942.17	\$28,724.58

* - Franchised location that were open as of 12/31/2023

Notes to the Tables:

- Each of the Restaurants vary in terms of the format offered. The 26th Street (Sioux Falls) and Rapid City Tuscany Restaurants only offer carry out and delivery. The Grand Forks Restaurant is located in a hotel and offers dine-in, carry out and delivery options. The Sioux Falls Central, Keystone and Fargo Restaurants offer dine-in, carry out and delivery options. The Des Moines, Yankton, Brookings, and North Platte Restaurants are Sports Bar Restaurants located in hotels. The information above provides results for a full 12-month period, with the exception of the North Platte location which opened in June of 2023 (results limited to a 7-month period).
- “Gross Sales” means the aggregate amount of all sales of goods and services, whether for cash, on credit or otherwise, made or provided in connection with each Boss’ Pizza & Chicken Restaurant, excluding sales tax.
- “Cost of Goods Sold” means costs that are directly attributable to the preparation or purchase of food and beverage menu items and other goods sold at the Boss’ Pizza & Chicken® Restaurant. This amount includes the cost of ingredients, but does not include packaging, labor, marketing, overhead or other general expenses of the Restaurant.
- “Labor” means costs attributable to wages and compensation for employees of the Restaurant, including managers and full-time and part-time hourly employees. Each of the Restaurants generally employ 8 to 12 full-time employees, 8 to 12 part-time employees and 2 to 5 managerial employees.
- “Rent Expense” means costs attributable to rent, taxes, common area maintenance, insurance and utilities associated with the Restaurant premises.
- “% of Sales” expresses Labor as a percentage of Gross Sales.

ADDITIONAL NOTES TO THE FINANCIAL PERFORMANCE REPRESENTATION:

- Written substantiation of the financial performance representation will be made available to the prospective franchisee upon reasonable request.
- Some outlets have earned this amount. Your individual results may differ. There is no assurance that you’ll earn as much.**
- The information presented above relates to the actual historical performance of the Boss’ Pizza & Chicken® Restaurants presented above. The information is based on operations during calendar year 2023. The financial information we used in preparing this Item 19 was based entirely upon information reported to us by each of the Predecessor’s affiliated entities or franchisees. None of this information was audited.

- D. You are responsible for developing your own business plan for your Restaurant, including capital budgets, financial statements, projections and other elements appropriate to your particular circumstances. We encourage you to consult with your own accounting, business and legal advisors in doing so.
- E. The financial performance representation does not reflect all costs or expenses that you will incur in operating the Restaurant. You will incur additional expenses, including the following: equipment repairs, Royalty Fees, Brand Development Fees, Technology Fees, security services, snow removal and lawn care, insurance, computer support, credit card fees, taxes, service charges, supplies, postage, bad debt expense, donations, IT support and repairs, banking fees, legal fees, tax preparation, accounting, bookkeeping, business meals and entertainment, utilities, janitorial services, waste removal services, printed selling materials, uniforms, depreciation and amortization expenses, and all other miscellaneous expenses. You should conduct an independent investigation of the costs and expenses you will incur in operating your Restaurant.

Other than the preceding financial performance representation, we do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Josh Benz at 4804 S. Minnesota Avenue Sioux Falls, South Dakota 57108, (605) 368-4796, jbenz.franchiseboss@gmail.com, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20 OUTLETS AND FRANCHISEE INFORMATION

TABLE NUMBER 1
Systemwide Restaurant Summary
For Years 2021-2023

Restaurant Type	Year	Restaurants at the Start of the Year	Restaurants at the End of the Year	Net Change
Franchised	2021	0	0	0
	2022	0	3	+3
	2023	3	5	+2
Company-Owned*	2021	6	7	+1
	2022	7	9	+2
	2023	9	5	-4
TOTAL*	2021	6	7	+1
	2022	7	12	+5
	2023	12	10	-2

* - For purposes of Item 20, Boss' Pizza & Chicken restaurants owned by our affiliates, members or officers are considered company-owned Restaurants.