FRANCHISE DISCLOSURE DOCUMENT

Nathan's Famous Systems, Inc.
(a Delaware corporation)
One Jericho Plaza - Wing A, 2nd Floor
Jericho, New York 11753
1-800-Nathans / 1-516-338-8500
FL@NathansFamous.com
www.NathansFamous.com

"Nathan's Famous" restaurants are fast-service restaurants operating in buildings that bear our interior and exterior trade dress, and which feature hot dogs made with our proprietary spice formula as well as crinkle-cut french fries, hamburgers, assorted sandwiches, platters, and other fast-service menu items ("**Franchised Restaurants**"). We offer franchises for Franchised Restaurants in a separate disclosure document.

In this disclosure document, we offer franchises where we permit the addition of "Nathan's Famous" hot dogs, crinkle-cut french fries, and other items to the menu of other food service establishments ("**Branded Menu Program Operations**" or "**BMP Operations**").

The estimated initial investment for a BMP Operation ranges from $56,510 to $202,180, including an initial license fee of $7,500. If you want to add an "Arthur Treacher's" BMP Operation to your new or existing food service establishment, the additional estimated initial investment will be from $45,970 to $122,245, including an initial license fee of $7,500.

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

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Eric Gatoff at the address and telephone number listed above.

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.

The issuance date of this Franchise Disclosure Document is July 23, 2026

STATE COVER PAGE

How to Use This Franchise Disclosure Document

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

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibit B.
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 H 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 "Nathan's BMP Operation" 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 "Nathan's BMP Operation" franchisee?	Item 20 or Exhibit B 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 E.

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 requires you to resolve disputes with us by mediation and litigation in New York. Out of state mediation and litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate and litigate in New York than in your own state.

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

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Item 1

THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

The Franchisor

Nathan's Famous Systems, Inc. ("**we**" or "**us**" or "**NFSI**")) was incorporated in Delaware on December 8, 1993, and we maintain our principal place of business at One Jericho Plaza - Wing A, 2nd Floor, Jericho, New York 11753 (516/338-8500). We are a wholly-owned subsidiary of Nathan's Famous Operating Corp. ("**NFOC**").

NFOC began operation in 1916 as a sole proprietorship and was incorporated as a New York corporation on July 21, 1925 under the name "Nathan's Famous, Inc." NFOC was reincorporated as a Delaware corporation on October 22, 1989 and changed its name to "Nathan's Famous Operating Corp." on December 15, 1992. NFOC, in turn, is a wholly-owned subsidiary of Nathan's Famous, Inc. ("**NFI**"), a Delaware corporation, which was incorporated as "Nathan's Famous Holding Corp." on July 10, 1992 and later changed its name to "Nathan's Famous, Inc." on December 15, 1992. Shares of NFI are publicly traded on NASDAQ under the ticker symbol NATH. The principal business address for both NFI and NFOC is also at One Jericho Plaza - Wing A, 2nd Floor, Jericho, New York 11753.

In this disclosure document, we offer franchises where we permit the addition of "Nathan's Famous" hot dogs, crinkle-cut french fries and other items to the menu of other food service establishments ("**Nathan's BMP Operations**"). Nathan's BMP Operations are different from franchises for "Nathan's Famous" restaurants, which are fast-service restaurants operating in buildings that bear our interior and exterior trade dress, and which feature hot dogs made with our proprietary spice formula as well as crinkle-cut french fries, hamburgers, assorted sandwiches, platters, and other fast-service menu items ("**Franchised Restaurants**"). We offer franchises for Franchised Restaurants in a separate disclosure document. We also license third parties to manufacture and sell certain processed meats, and other products bearing our trademarks, to supermarkets and other retail food outlets.

We have offered franchises for "Nathan's Famous" Franchised Restaurants since our inception in December 1993, and started offering franchises for BMP Operations in October 2006. We do not offer franchises in any other line of business (other than for Arthur Treacher's Co-Branded Operations to be included within Nathan's Famous restaurants, and for Nathan's Famous Co-Branded Operations to be included within Miami Subs restaurants, each as more fully described below). NFOC offered franchises for "Nathan's Famous" Franchised Restaurants from 1968 until the date of our inception in December 1993, but has not granted franchises since then or in any other line of business. NFI has never offered franchises. Continuously since 1916, our parent company, NFOC, has operated company-owned "Nathan's Famous" Restaurants. Neither we nor NFI operate company-owned Restaurants or BMP Operations. As of March 29, 2026, there were 78 domestic Franchised Restaurants (including 25 franchised "Miami Subs" restaurants that conduct Nathan's Famous Co-Branded Operations), 75 locations that conduct Nathan's Branded Menu Program Operations, and four NFOC-owned "Nathan's Famous" Restaurants (including one seasonal unit that operates only during the summer months and is closed the remainder of the year). None of NFI, NFOC, or NFSI operate company-owned Nathan's BMP Operations.

For many years, our corporate parents (and now, we) have licensed third parties to manufacture "Nathan's Famous" brand products and distribute those products in packages or over-the-counter distribution using our "Nathan's Famous" proprietary marks, at groceries, supermarkets, club stores and similar retail outlets ("**Grocery Products**"). Similarly, we and our corporate parents have distributed and sold "Nathan's Famous" brand products in packages using our "Nathan's Famous" proprietary marks for direct-to-consumer sales (for example, via catalogs, mail order, toll free numbers, the Internet, "home shopping" television channels, etc.) ("**Direct-to-Consumer Products**"). We and our corporate parents have

also distributed and sold "Nathan's Famous" products in wholesale bulk packages ("**Bulk Products**") for on-site preparation, sale and consumption together with our "Nathan's Famous" proprietary marks at stadiums, sports arenas, theme parks, institutional feeding facilities, military bases, convenience stores, restaurants and other food service operators and other locations which are not "Nathan's Famous" franchised Restaurants ("**Branded Products**"). (The program through which we sell non-franchisees Branded Products for on-site preparation, sale and consumption is sometimes referred to in this disclosure document as the "**Branded Products Program**"). We and our corporate parents retain the right to conduct these and other business activities in the future.

We conduct our business under our corporate name. We do not maintain a sales office at any location other than our principal place of business in Jericho, New York.

Our agents for service of process are listed in Exhibit F.

On January 20, 2026, NFI entered into an Agreement and Plan of Merger (the "**Merger Agreement**") with Smithfield Foods, Inc., a Virginia corporation ("**Smithfield Foods**") and various affiliated entities established for the purpose of implementing the Merger Agreement. When the parties close on the Merger Agreement, Smithfield Foods will become the parent corporation of NFI, NFOC, and NFSI. We expect the transaction to close in the second half of 2026.

Our Affiliates

We have several affiliates, including NFOC and NFI (described above), as well as Nathan's Famous Services, Inc. ("**Services**"), which is also wholly-owned by NFOC and which is also a Delaware corporation formed on December 8, 1993. NFI, NFOC, and Services maintain their principal offices at the same location as our principal offices. Services employs some of the individuals who perform the services we are required to provide under the License Agreement (defined below). Services has no other business purpose, and has never operated BMP Operations or Franchised Restaurants or offered any franchises. This arrangement is simply to address our own internal corporate needs. We will continue to honor our legal obligation to render services to you.

NF Treacher's

One of our affiliates is NF Treacher's Corp. ("NF Treacher's"). NF Treacher's was incorporated in Delaware on February 17, 2006 and maintains its principal place of business at the same location as our principal offices. NF Treacher's does not offer franchises in any other line of business, and has never done so.

From 1969 through February 28, 2006, the business of franchising and otherwise authorizing parties to operate "Arthur Treacher's" quick service restaurants was carried out by PAT Franchise Systems, Inc. ("**PFSI**") and its predecessors (as detailed below), none of which are affiliated with us. PFSI (and its predecessors) developed an "Arthur Treacher's" restaurant system. As of February 28, 2006, there were approximately 60 franchised restaurants in the "Arthur Treacher's" restaurant system ("PFSI's Existing AT Franchise System"). We have no way of updating or verifying the current number of restaurants in PFSI's Existing AT Franchise System.

Additionally, PFSI had previously entered into a co-branding development agreement (the "**AT Co-Branding Agreement**") with NFSI and Miami Subs USA, Inc. ("**MSUSA**") under which NFSI and MSUSA were granted the right to include limited-menu co-branded "Arthur Treacher's" restaurant operations within company-owned and franchised "Nathan's Famous" and "Miami Subs" restaurants (each of those limited-menu operations are referred to as an "**Arthur Treacher's Co-Branded Operation**").

On February 28, 2006, NF Treacher's acquired from PFSI all trademarks and other intellectual property relating to the "Arthur Treacher's" brand (the "**AT Trademark Acquisition**"). At the same time as the AT Trademark Acquisition, NF Treacher's granted back to PFSI a limited license (the "**Limited License**") to use the "Arthur Treacher's" intellectual property solely for the purposes of: (1) PFSI continuing to permit the operation of the existing "Arthur Treacher's" restaurants comprising PFSI's Existing AT Franchise System; and (2) PFSI granting rights to third parties who wish to develop new traditional "Arthur Treacher's" quick service restaurants in Indiana, Maryland, Michigan, Ohio, Pennsylvania, Virginia, Washington D.C. and areas of Northern New York State (collectively, the "**PFSI Markets**"). In August 2007, TruFoods LLC acquired all of PFSI's rights under the Limited License. (NF Treacher's retained certain rights to sell franchises for the operation of Arthur Treacher's restaurants in certain circumstances within the geographic scope of the PFSI Markets.) Additionally, as part of the transactions relating to the AT Trademark Acquisition, the AT Co-Branding Agreement was terminated, and as a result, TruFoods and PFSI have no further role or rights relating to the Arthur Treacher's Co-Branded Operations included in NFSI's and MSUSA's company-owned and franchised restaurants.

As a result of the AT Trademark Acquisition (and its related transactions), as of February 28, 2006, NF Treacher's acts as the franchisor of the "Arthur Treacher's" restaurant system in all areas and markets, except that PFSI will continue to be the franchisor of the "Arthur Treacher's" restaurant system: (1) in connection with PFSI's Existing AT Franchise System; and (2) for any new "Arthur Treacher's" restaurants developed and franchised by PFSI in the PFSI Markets.

We offer to enter into license agreements under which we will permit the addition of certain "Arthur Treacher's" menu items to the menu of other food service establishments ("**Arthur Treacher's BMP Operations**"). Information concerning NF Treacher's and our offer of Arthur Treacher's BMP Operations is included in this disclosure document. We began to offer License Agreements for the Arthur Treacher's BMP Operations on December 1, 2009.

NF Treacher's will continue the expansion of the Arthur Treacher's Co-Branded Operation in "Nathan's Famous" Franchised Restaurants by licensing NFSI the right to use the "Arthur Treacher's" name, marks, and system for the purpose of granting Arthur Treacher's Co-Branded Operations directly to NFSI's franchisees directly. Arthur Treacher's Co-Branded Operations are offered in a separate disclosure document. Additionally, NF Treacher's has also licensed NFSI the right to use the "Arthur Treacher's" name, marks, and system for the purpose of granting Arthur Treacher's Co-Branded Operations directly to MSUSA's franchisees in limited circumstances. These opportunities are also offered in a separate disclosure document. As of March 29, 2026, there were 48 Franchised Restaurants that conduct Arthur Treacher's Co-Branded Operations, 20 "Miami Subs" restaurants that conduct Arthur Treacher's Co-Branded Operations, and 28 Franchised Restaurants that operate under Arthur Treacher's Branded Menu Program License Agreements.

The business of operating and franchising quick service restaurants using the "Arthur Treacher's Fish & Chips" name and trademarks was begun in 1969 by Arthur Treacher's Fish & Chips, Inc., a Delaware corporation ("**ATF&C**"). In 1979, ATF&C was sold to Mrs. Paul's Frozen Foods ("**Mrs. Paul's**"), which in turn sold all of the assets of ATF&C (the "**AT Assets**") to Lumara Foods of America, Inc., an Ohio corporation ("**Lumara**"), in 1982. In 1983, Lumara entered bankruptcy and in 1984, a Utah corporation named "Arthur Treacher's Inc." ("**ATI Utah**") was formed and purchased Lumara's assets (including the AT Assets) out of bankruptcy.

In August 2000, ATI Utah changed its name to Digital Creative Development Corporation ("**DCDC**"). At or around the same time, DCDC formed an affiliate in Delaware named Arthur Treacher's Inc. ("**ATI Delaware**") to which DCDC contributed the AT Assets.

In late 2000, a series of transactions between DCDC, ATI Delaware, and Jeffrey Bernstein ("**Bernstein**") resulted in the formation of a New York corporation named Arthur Treacher's Franchise Systems, Inc. ("**ATFS**"), which became the owner of the AT Assets. ATFS was owned by ATI Delaware, which in turn was owned 80% by DCDC and 20% by Bernstein.

PFSI (which was incorporated in Delaware on November 26, 2001) acquired 100% of the outstanding stock of ATFS on February 28, 2002, and on October 31, 2002 the assets of ATFS were merged into PFSI, resulting in PFSI being the sole owner of the AT Assets and the franchisor of the "Arthur Treacher's" restaurant system.

Correspondence to or requests for information from TruFoods LLC (including information regarding the availability of franchises for traditional "Arthur Treacher's" quick service restaurants within the PFSI Markets, as well as any information concerning TruFood's Existing AT Franchise System) should be addressed to TruFoods at its principal place of business, which is 666 Fifth Avenue, 27th Floor, New York, New York 10103, Attn: Andrew Unanue, CEO. TruFoods is also the franchisor of the Pudgie's Chicken system, and also owns the stock of the franchisor of the Wall Street Deli and Burritoville franchise concepts.

Please note that information about TruFoods, PFSI, and their predecessors is based on the information that TruFoods and PFSI have provided to NF Treacher's as part of the AT Trademark Acquisition, but we cannot independently verify whether that information is accurate. Please also note that NF Treacher's is not PFSI's corporate successor.

The Franchise Offered

If we approve your application to add a Nathan's BMP Operation or an Arthur Treacher's BMP Operation to your new or existing food service establishment, you will sign, as applicable, a Nathan's Branded Menu Program License Agreement ("**Nathan's BMP License Agreement**"), or an Arthur Treacher's Branded Menu Program License Agreement ("**Arthur Treacher's BMP License Agreement**"), the forms for both of which are attached to this disclosure document as Exhibit A. [1]

Unless otherwise indicated, the term "**BMP Operation**" refers to both the Nathan's BMP Operation and the Arthur Treacher's BMP Operation, and the term "**License Agreement**" refers to both the Nathan's BMP License Agreement and the Arthur Treacher's BMP License Agreement. Under the License Agreement, we will grant you the right, and you will accept the responsibility, to establish and operate a BMP Operation at an agreed-upon food service establishment (the "**Approved Location**"). Unless otherwise indicated in this disclosure document, the terms "**Restaurant**" and "**Licensed Business**" refer to a BMP Operation.

From time-to-time we will enter into franchise agreements, area development agreements, and other similar arrangements in which a franchisee or area developer will open and operate Restaurants at non-traditional locations, such as public transportation facilities, department stores, sports facilities, hardware stores, service station/convenience stores, toll roads, airports, military bases, shopping malls, and other non-traditional settings.

[1] In this disclosure document, "you" means the person or legal entity with whom we enter into a Franchise Agreement or a Development Agreement. We also use the term "you" to refer to the persons who own an interest in a corporation, partnership, limited liability company, limited liability partnership, or other entity that signs a Franchise Agreement or a Development Agreement.

The System

We and NFOC have developed, and we own, a system for Restaurant operation (the "**System**"). Restaurants feature a specialized menu including, among other things, hot dogs manufactured with a proprietary spice formula, hamburgers, crinkle-cut french fries, assorted sandwiches, and platters. The System's distinguishing characteristics include distinctive exterior and interior design, decor, color scheme, and furnishings; uniform standards, specifications, and procedures for operations; quality and uniformity of products and services offered; procedures for management and inventory control; training and assistance; and advertising and promotional programs; all of which we may periodically change, improve, and further develop.

The System is identified by our federally registered service marks NATHAN'S FAMOUS & Design, and SINCE 1916 NATHAN'S FAMOUS & Design, and any other trade names, service marks and trademarks that we may designate otherwise in writing for use with the System (the "**Proprietary Marks**"). You must conduct the Franchised Business according to our Confidential Operating Manual (the "**Manual**"), a copy of which we will lend to you for the term of the Franchise Agreement. You may offer only those services and sell only those items and products that we specify or approve.

BMP Operations differ from Franchised Restaurants in that they are a menu-line extension added to a new or existing food service establishment. Under the terms of a Nathan's BMP License Agreement, you will be allowed to make a limited use of our trade dress, Proprietary Marks and design for the purpose of adding only "Nathan's Famous" hot dogs, crinkle-cut french fries and certain other approved Nathan's Famous menu items to the menu of your food service establishment. Under the terms of an Arthur Treacher's BMP License Agreement, you will be allowed to make a limited use of the "Arthur Treacher's" trade dress, proprietary marks and design for the purpose of adding Arthur Treacher's batter dip't seafood and chicken dishes and certain other approved Arthur Treacher's menu items to the menu of your food service establishment. The location of the new or existing food service establishment, the specific manner in which the BMP Operation is incorporated into the operation of the food service establishment and the specific use of our or the "Arthur Treacher's" trade dress, proprietary marks, and design will all be subject to our prior written approval and must meet our specifications.

As part of our program relating to the offering of BMP Operations, we have made arrangements with certain other franchised concepts ("**BMP Partners**") under which the franchisees of BMP Partners are eligible for possible inclusion of our BMP Operations within their establishments. Upon request, we will provide you with a list of our current BMP Partners, as our BMP Partners change periodically. If you are an existing or prospective franchisee of a BMP Partner and want to add a BMP Operation to your establishment, and if we approve your application to do so, then you will sign our License Agreement, which will be on the same terms as those that apply to our non-BMP Partner BMP Operations (as described below), except that we will share a portion of the initial license fee with the BMP Partner franchisor in return for the franchisor performing certain of the sales, development and training services in connection with the establishment of each BMP Operation. Additional information concerning our BMP Partners can be found in each BMP Partners' separate Franchise Disclosure Document, which should be obtained by you directly from the BMP Partner.

Additionally, with respect to BMP Partner franchisees, the franchise described in this Disclosure Document is only for the possible inclusion of a BMP Operation within your establishment. We are not involved in any manner with the offer or sale of your BMP Partner's franchise. You should obtain information concerning the offer of a BMP Partner franchise directly from the BMP Partner (including the BMP Partner's separate Franchise Disclosure Document).

Remote Kitchens

We have developed a channel of trade that allows existing kitchens to process mobile orders for menu items similar to those offered in Restaurants plus other menu items under the "Wings of New York" and "Arthur Treacher's" names using our standards and confidential information (the "**Remote Kitchen Channel**"). We offer qualified operators a license to operate remote kitchens under the Remote Kitchen Channel. These remote kitchens may be located in close proximity to your Restaurant. See Item 12.

Competition

You can expect to compete in your market with locally-owned restaurants and delicatessens, as well as with national and regional restaurant chains. The market for fast-food restaurant service is well-established and very highly competitive. Fast-food restaurants compete on the basis of factors such as price, service, restaurant location, and food quality. These businesses are often affected by other factors as well, such as changes in consumer taste, economic conditions, population, and travel patterns.

To the extent your BMP Operation is to be located in a non-traditional setting, or if your Restaurant is to be located near another "Nathan's Famous" Restaurant, you may appear to or actually compete with other "Nathan's Famous" Restaurants.

If "Nathan's Famous" Grocery Products, Bulk Products, or Branded Products are sold in your area, you may also appear to or actually compete with sellers of Grocery Products, Bulk Products and Branded Products. Additionally, our Direct-To-Consumer Products are available nationally; accordingly, you may appear to or actually compete with our Direct-To-Consumer Products. To the extent your BMP Operation is in the same market as an Arthur Treacher's restaurant, you may appear to or actually compete with that concept as well.

Industry-Specific Regulations

You must comply with all local, state, and federal laws that apply to your restaurant operations including health, sanitation, no smoking, EEOC, OSHA, discrimination, employment, and sexual harassment laws. The Americans with Disabilities Act of 1990 and state equivalents require readily accessible accommodations for disabled people and may affect your building construction, site design, entrance ramps, doors, seating, bathrooms, drinking facilities, etc. There are also federal, state, and local regulations that apply to sanitation, food and menu labeling (such as nutritional and caloric information), food preparation, food handling, food content (such as salt and transfats), and food service. You must also obtain real estate permits, licenses, and operational licenses. If we approve your request to sell beer and wine, or to operate vending machines, you will have to obtain appropriate permits and licenses. You must comply with all applicable federal, state, and local laws and regulations during the operation of your Restaurant. You should consult with your attorney concerning these and other local laws and ordinances that may affect your Restaurant's operation.

Item 2

BUSINESS EXPERIENCE

Executive Chairman of the Board of Directors: Howard M. Lorber

Mr. Lorber became our Executive Chairman of the Board on January 1, 2007. Before January 1, 2007, he was our Chairman of the Board of Directors (a position he held since 1990) and Chief Executive Officer (a position he held since 1993). He first joined NFI's Board of Directors in 1987. Mr. Lorber served as President and Chief Executive Officer of Vector Group, Ltd., a holding company located in Miami, Florida, from January 2006 to October 2024; a Member of the Board of Directors from January 2001 to October

2024; and as President and Chief Operating Officer from January 2001 to December 2005. He also served as Chief Executive Officer Vector Group, Ltd.'s wholly-owned subsidiary, New Valley, LLC located in Miami, Florida from January 2006 to October 2024. Mr. Lorber served as Chairman of the Board of Directors of Douglas Ellman, Inc. located in New York, New York from 2003 to October 2024; and as President and Chief Executive Officer from December 2021 to October 2024. Mr. Lorber served as Vice Chairman of the Board of Directors of Ladenberg Thalmann Financial Services Inc., an investment banking and brokerage firm located in New York, New York from July 2006 to December 2019 and as Chairman from May 2001 to July 2006. He was a Member of the Board of Directors of Borders Group, Inc. located in Ann Arbor, Michigan from May 2010 to January 2012. Mr. Lorber has also served as a member of the Board of Directors of United Capital Corp., a manufacturing and real estate company located in Great Neck, New York, from May 1991 to August 2015. He has served as a Member of the Board of Directors of Clipper Realty, Inc. in New York, New York since August 2015.

Director, Chief Executive Officer: Eric Gatoff

Mr. Gatoff became our Chief Executive Officer on January 1, 2007. Before January 1, 2007, he was our Vice President, Corporate Counsel and Assistant Secretary, positions he held since joining the company in October 2003. In addition, Mr. Gatoff was also appointed Chief Executive Officer of NFI on January 1, 2007. Before January 1, 2007, Mr. Gatoff was NFI's Vice President and Corporate Counsel, positions he has held since October 2003, and as member of the Board of Directors, a position he has held since February 2005. In addition to the positions listed above, Mr. Gatoff is Chief Executive Officer and a member of the Board of Directors of NFOC and NF Treacher's.

Chief Financial Officer and Vice President of Finance: Robert Steinberg

Mr. Steinberg has served as our Chief Financial Officer and Vice President of Finance since July 2020. Before that, from May 2014 to July 2020, he was our Corporate Controller.

Vice President of Franchise Operations: Oliver Powers

Mr. Powers has served as our Vice President of Franchise Operations since March 2022. From September 2017 to March 2022 he served as our Senior Director of Franchise Operations. Mr. Powers served as a Franchise Business Consultant for us from May 2000 until September 2017.

Senior Vice President – Branded Products Program: Leigh Platte

Mr. Platte has served as our Senior Vice President of the Branded Products Program since June 2014.

Vice President of Marketing: Philip J. McCann

Mr. McCann has served as our Vice President of Marketing since December 2021. From July 2016 to December 2021 he served as our Senior Director of Marketing.

Note: The preceding are our directors, principal officers, and other executives with management responsibility for the operation of our business under the franchises described in this disclosure document. The principal occupation and business experience of each person during the past five years, including the names and locations of prior employers is described above. Unless otherwise indicated, the employer's location is at our offices in Jericho, New York.

Item 3

LITIGATION

In October 2006, we entered into a Consent Order with the Minnesota Department of Commerce after we reported to the Department that we inadvertently entered into a franchise agreement in Minnesota during a period when we were not currently registered with that state. Under the Consent Order, we paid a $1,000 civil penalty and agreed not to violate the Minnesota Franchises Law in the future.

Except for the action described above, no litigation is required to be disclosed in this Item.

Item 4

BANKRUPTCY

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

Item 5

INITIAL FEES

License Agreement

When you sign a License Agreement, you must pay us an initial license fee of $7,500. The initial license fee must be paid in lump sum, is non-refundable, and uniform; however, the range of initial fees paid to us in our most recently-concluded fiscal year under License Agreements ranged from $3,750 - $7,500.

You must purchase all products you will offer through a Nathan's BMP Operation from us or a distributor we have approved. We estimate that the initial inventory you need to purchase for the opening of your Nathan's BMP Operation range from $1,000 to $5,000. Under an Arthur Treacher's BMP Operation, you will not purchase any products from us; you must purchase products from third party distributors we have approved.

* * * * *

We do not collect fees for any other party (if you are also a BMP Partner franchisee, we may pay a portion of the initial license fee for a License Agreement to the BMP Partner in return for the BMP Partner's performance of certain sales, development and training services in connection with the establishment of each BMP Operation).

You are not required to purchase anything from us before opening the Franchised Business.

Item 6

OTHER FEES

Please review this chart together with the notes that follow.

Type of Fee (Note 1)	Amount	Due Date	Remarks
Product Purchases for Nathan's BMP Operation	Varies	As per invoice	You must buy all products that you will offer through a Nathan's BMP Operation from us, and we will make a profit on those sales (for an Arthur Treacher's BMP Operation, we do not presently require that you purchase any products from us; you must purchase products from third party distributors we have approved). We do not charge you any royalties, Marketing Development Fund contributions, or other sums based on your sales of the products through the BMP Operation. See note 2.
Transfer	The greater of $1,125 or 15% of our then-current initial license fee.	On or before the date of the proposed transfer	No fee is imposed for transfers to a corporation you form for the convenience of ownership.
Interest on Overdue Payments	1.5% per month or maximum rate permitted by law, whichever is less	Upon request	Only payable if you do not timely pay for your product purchases under the License Agreement, in which case we may require you to pay interest on the overdue amounts.
Costs and Attorneys' Fees	Will vary under circumstances	Upon request	Only payable if you default under the License Agreement, in which case you must reimburse us for the expenses we incur (such as attorneys' fees) in enforcing or terminating the Agreement.
Cost of Defense	Will vary under circumstances	Upon request	Only payable if we determine that you have not used the Proprietary Marks according to the License Agreement, in which case you must bear the cost of our defense of you against any third-party claim, suit, or claim arising out of your use of the Proprietary Marks, including the cost of any judgment or settlement.

Type of Fee (Note 1)	Amount	Due Date	Remarks
Indemnification	Will vary under circumstances	Upon request	Only payable if we are sued, or held liable for claims, that arise from your operation of the Licensed Business, for all actions caused by your failure to comply with the Americans With Disabilities Act, for any offer of your securities, and in defending claims that you used the Proprietary Marks in an unauthorized manner - in which case you must reimburse us for the expenses we incur. See Items 9 and 13 for further discussion of your obligation to indemnify us.
Renewal fee	$3,750	Before renewal	Only payable if you renew the License Agreement.

Notes:

1. We impose and collect all fees. All fees are uniformly applied to new system licensees and non-refundable. However, in some instances in which it was appropriate to do so, we have waived some or all of these fees for particular licensees.

2. We do not charge any royalty fees or marketing contributions based on your sales. However, all of the products that you will sell through a Nathan's BMP Operation, as well as all of the equipment used in your Nathan's BMP Operation, must be purchased from us or a distributor approved by us, and we will make a profit on those sales.

Item 7

ESTIMATED INITIAL INVESTMENT

Please read these charts in Item 7 together with the notes that follow.

YOUR ESTIMATED INITIAL INVESTMENT: CHART 1: NATHAN'S BMP OPERATION

This chart estimates your initial investment for the addition of one Nathan's BMP Operation (under the "Nathan's Famous" brand only) to an existing or new food service establishment.

Column 1 Type of Expenditure	Column 2 Amount	Column 3 Method of Payment	Column 4 When Due	Column 5 To Whom Payment is to be made
Initial Franchise Fee (Note 1)	$7,500	Lump Sum	Execution	Us
Restaurant Construction (Note 2)	$0 to $51,750	As Arranged	As Arranged	Contractors, Suppliers

Column 1 Type of Expenditure	Column 2 Amount	Column 3 Method of Payment	Column 4 When Due	Column 5 To Whom Payment is to be made
Additional Furnishings, Fixtures and Equipment (Note 3)	$31,460 to $103,500	As Arranged	As Incurred	Suppliers
Signs, Menu Boards and Graphics (Note 4)	$3,850 to $12,430	As Arranged	As Incurred	Suppliers
Branded Menu Program Initial Inventory (Note 5)	$2,200 to $5,500	Lump Sum	Per Invoice	Us
Additional Funds (Note 6) (for first three months)	$11,500 to $21,500	As Arranged	As Needed	Various
TOTAL	**$56,510 to $202,180**			

YOUR ESTIMATED INITIAL INVESTMENT:
CHART 2: ARTHUR TREACHER'S BMP OPERATION

This chart estimates your initial investment for the addition of an Arthur Treacher's Co-Branded Operation (under the "Arthur Treacher's" brand only) to an existing or new food service establishment.

Column 1 Type of Expenditure	Column 2 Amount	Column 3 Method of Payment	Column 4 When Due	Column 5 To Whom Payment is to be made
Initial Franchise Fee (Note 1)	$7,500	Lump Sum	Execution	Us
Restaurant Construction (Note 2)	$0 to $36,650	As Arranged	As Arranged	Contractors, Suppliers
Additional Furnishings, Fixtures and Equipment (Note 3)	$21,700 to $41,400	As Arranged	As Incurred	Suppliers
Signs, Menu Boards and Graphics (Note 4)	$4,020 to $10,690	As Arranged	As Incurred	Suppliers
Branded Menu Program Initial Inventory (Note 5)	$2,750 to $5,500	Lump Sum	Per Invoice	Us

Column 1 Type of Expenditure	Column 2 Amount	Column 3 Method of Payment	Column 4 When Due	Column 5 To Whom Payment is to be made
Additional Funds (Note 6) (for first three months)	$11,000 to $21,500	As Arranged	As Needed	Various
TOTAL	**$45,970 to $122,245**			

Notes to all Charts in Item 7:

1. The initial license fee is discussed in detail in Item 5 above. Neither we nor our affiliates provide financing for the initial license fee or other costs that you will incur. Except as otherwise indicated, we anticipate that all payments will be non-refundable.

   If you add both a Nathan's BMP Operation and an Arthur Treacher's Co-Branded Operation then you will incur the costs in both Chart 1 and Chart 2.

2. The range specified for BMP Operation construction is based on information provided to us by operators as well as our experience with our own Restaurants.

   If you elect to build your own premises, the estimated amount includes the estimated cost of constructing the BMP Operation, if applicable, and the following:

   (a) Employing a qualified, licensed architect or engineer who is reasonably acceptable to us to prepare, for our approval, preliminary plans and specifications for site improvement and BMP Operation construction, based on prototype plans that we provide to you.

   (b) Obtaining all zoning classifications and clearances that may be required by state or local laws, or that may be necessary and advisable in light of restrictive covenants set within your location. After having obtained these approvals and clearances, you must submit to us, for our approval, final plans for construction based upon your preliminary plans and specifications. Once we approve your final plans, you may not change those plans without our prior written permission.

   (c) Obtaining all permits and certifications required for the lawful construction and operation of the BMP Operation.

   (d) Employing a qualified licensed general contractor to construct the BMP Operation and to complete all improvements. You must also obtain and keep in force during the entire construction period the insurance coverage that is required under the License Agreement.

   Construction costs may vary, depending on the premises' size, condition, and location. The figure given in the chart does not include the cost of land.

3. You must purchase or lease certain items of equipment in order to open and operate the BMP Operation. The cost will vary depending on the BMP Operation's size and location.

4. You must buy enough inventory to open and operate the BMP Operation according to our specifications. The cost of your opening inventory will vary depending upon factors such as the BMP Operation's size and location, and the range of menu items that will be offered.

5. The figure in the chart is the estimated cost of purchasing signs and graphics for use with a BMP Operation.

6. You will be adding your BMP Operation to another business, so you will not incur the same expenses as if you were starting a stand-alone business (among other things, our estimates assume that you will not incur any additional (or marginal) real estate leasing costs).

   You may however need to support ongoing expenses, such as payroll and utilities, to the extent these costs are not covered by sales revenue. New businesses often generate negative cash flow. We estimate that the amount stated will be sufficient to cover ongoing expenses for the initial phase of the business, which we calculate to be three months. This is only an estimate, however, and we cannot assure you that you will not need additional working capital during or after this initial phase. We relied on our past experience in the franchised restaurant industry with franchisee and company-owned Restaurants when preparing these figures.

We have relied upon our collective experience in the food-service industry when preparing these estimated figures, including the amount of additional funds needed. These estimates do not include any amount for potential increases in tariffs above the tariff levels that were in effect as of the date of this disclosure document. You should review these figures carefully with an attorney and an accountant before making any decision to purchase this franchise.

Item 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

With a Nathan's BMP Operation, you must buy all food products, equipment, ingredients, and other supplies to be used in preparation of products from the BMP Operation only from us or from a distributor that we have authorized to sell those materials to you. We will derive revenue from all of those sales.

Hot dogs offered and sold at Restaurants are manufactured according to our secret recipes and are our proprietary products. In order to maintain and protect our rights in and to our proprietary products, you must purchase hot dogs only from our supplier(s) that we designate periodically. In order to maintain the high standards of quality and uniformity associated with hot dogs sold at all Restaurants in the System, you must not offer or sell any other hot dogs at or from the BMP Operation. There are currently two companies that we designate to supply hot dogs to Restaurants using the System: Smithfield Foods, Inc. ("**Smithfield Foods**") of Smithfield, Virginia, and Marathon Enterprises, Inc. ("**Marathon**") of Bronx, New York. We estimate that the purchase of hot dogs accounts for less than 1% of the cost to establish a Restaurant and approximately 7.5% to 12% of total operating expenses after the Restaurant opens. (As noted in Item 1, NFI (our parent company) and Smithfield Foods have signed a Merger Agreement, under which Smithfield Foods will become our ultimate parent company. We are not affiliated with Marathon.)

We will derive income directly and indirectly from the sale of products that you buy from us, suppliers that we may designate in writing, as well as distributors. We may also receive rebates, license fees, payments, and other compensation from vendors, distributors, manufacturers, and other third parties, which amounts may be based upon the amount of your purchases from such third parties, and which we and our affiliates shall have the right to apply, as we determine, to brand R&D funds, advertising funds, compensation of us and our affiliates for expenses that we and our affiliates incur in connection with negotiating and maintaining relations with such third parties, or any corporate purposes we deem

appropriate. We anticipate that, with up-front payments prorated over the life of our supply agreements, the total rebates received by our marketing development fund and us will equal approximately 4.0% to 6.5% of purchases by both company-owned and franchised Restaurants in the System. However, if purchases by Restaurants in the System are less than we currently project over the life of the agreement, the percentage of rebates against total purchases will be higher.

Under agreements with Smithfield Foods and Marathon, they may make a contribution to our marketing development fund based upon the purchase of hot dogs by Restaurants using the System. We may periodically make similar arrangements with other manufacturers and suppliers to the System. We will put these into the marketing development fund, and will use them according to the rules governing the use of the marketing development fund. Although the marketing development fund will derive income, we do not derive income as a result of these purchases by you.

During NFSI's fiscal year ending March 29, 2026, NFSI received revenue (in the form of rebates) from franchisees' and licensees' purchases from approved suppliers in the amount of $602,251 or approximately 0.4% of NFSI's total revenues of $150,055,084. During NF Treacher's' fiscal year ended March 29, 2026, NF Treacher's received revenue (in the form of rebates) from franchisee purchases from approved suppliers in the amount of $13,554, or approximately 23% of NF Treacher's total revenues of $58,856.

Additionally, NFOC (our affiliated entity which owns and operates all of the company-owned Nathan's Famous restaurants) may receive rebates from these same suppliers; however, these rebates are directly related to purchases made by the company-owned Restaurants (as opposed to purchases made by franchised Restaurants). During the fiscal year ended March 29, 2026, NFOC earned revenue from these rebates (with up-front payments prorated over the life of our supply agreements) in the amount of $6,711, or less than 0.01% of NFOC's total consolidated revenues of $162,063,000.

We estimate that the purchase of items from approved suppliers or otherwise according to our specifications will represent approximately 90% to 100% of your total purchases and leases in establishing and operating the Restaurant.

You must serve all of the items on our standard menu, without departing from that standard menu. If you develop or wish to offer any new or additional menu items, you must first obtain our written approval. We will have sole discretion as to whether any new or additional menu item may be offered or sold at your BMP Operation. The process for obtaining approval requires you to submit to us a written request seeking approval of the proposed new or additional menu item(s), and any additional related information that we may request. When you submit the information to us, the proposed new or additional menu items will become our property, and you will be required to sign and, where we request, cause to be signed, the documents we deem necessary in order to implement this requirement. We may approve proposed menu items for sale at a limited number of Restaurants as part of a limited-market test or for other reasons. Unless we indicate otherwise, our approval under those circumstances will not extend to all franchisees under the System. We (and our affiliates) may establish commissaries and distribution facilities that we will designate as an approved distributor or supplier.

As noted in Item 11, we will have the right to review and approve all marketing plans and promotional materials that you propose to use. You may not implement any marketing plan or use any promotional material without our prior written consent.

We have negotiated purchase arrangements with suppliers for the benefit of our franchisees. We currently have approximately 215 purchase arrangements in existence for food, paper, signs, and equipment, providing price discounts ranging from 15% to 33%.We do not confer material benefits on our

franchisees based on use of designated or approved suppliers. None of our officers owns an interest in any companies that are vendors or suppliers to our franchisees.

Insurance

You must obtain and maintain the following insurance:

- commercial general liability insurance protecting against any and all claims for personal, bodily and/or property injury occurring in or about the food service establishment and protecting against assumed or contractual liability under the License Agreement with respect to the BMP Operation, with minimum limits of $2,000,000 combined single limit per occurrence and $2,000,000 general aggregate per location (at our election, such minimum limits may be increased);

- comprehensive automobile liability insurance, including owned, non-owned and hired car coverage providing third party liability insurance, covering all licensed vehicles owned or operated by or on your behalf, with limits of liability not less than $1,000,000 combined single limit for both bodily injury and property damage;

- statutory workers' compensation insurance and employers' liability insurance for a minimum limit equal to at least the greater of $100,000 or the amounts required as underlying by your umbrella carrier, as well as such other disability benefits type insurance as may be required by statute or rule of the state in which the food service establishment is located;

- if you are authorized by us to offer liquor for sale at the food service establishment, then liquor liability insurance must be included within your commercial general liability insurance coverage, with limits as specified above;

- food borne illness, accidental and malicious contamination coverage, with minimum coverage of at least $1,000,000;

- data theft and cybersecurity coverage, with minimum coverage of at least $1,000,000;

- Commercial umbrella liability insurance with limits which bring the total of all primary underlying coverages (commercial general liability, comprehensive automobile liability, employers' liability and liquor liability) to not less than $3,000,000 or $5,000,000, as determined by us in our sole discretion;

- Employment practices liability coverage, including first and third party coverage, with minimum coverage of at least $1,000,000; and

- property insurance providing coverage for direct physical loss or damage to real and personal property for all-risk perils, including the perils of flood and earthquake (and covering boiler and machinery exposures and business interruption/extra expense exposures, written on an actual loss sustained basis). The policy or policies shall value property (real and personal) on a new replacement cost basis without deduction for depreciation and the amount of insurance shall not be less than the full replacement value of the food service establishment, its furniture, fixtures, equipment, and stock (real and personal property). Any deductibles contained in such policy shall be subject to our review and approval.

Each policy must be written by an insurance company or companies reasonably satisfactory to us, having a current Best's rating of at least A XIII. All policies must waive subrogation as between us (and our insurance carriers) and you (and your insurance carriers). All policies must be primary to and without right of contribution from any other insurance policy purchased by us. All liability and property damage policies must name us and any affiliates we designate as additional insureds and must provide that each policy cannot be cancelled unless we are given ten days' prior written notice in the case of non-payment of the premium or thirty days' prior written notice in other cases. We have the right to periodically make changes to minimum policy limits and endorsements. You must deliver to us (and in the future maintain on file with us) valid and current certificates of insurance showing that all required insurance is in full force and effect.

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Item 9

FRANCHISEE'S OBLIGATIONS

This table lists your principal obligations under the License Agreement. 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 License Agreement	Disclosure Document Item
a.	Site selection and acquisition/lease	Not applicable	5, 6, 7, and 11
b.	Pre-opening purchases/leases	§ 2	5, 7, and 8
c.	Site development and other pre-opening requirements	Not applicable	8 and 11
d.	Initial and ongoing training	Not applicable	11
e.	Opening	Not applicable	11
f.	Fees	§ 3	5 and 6
g.	Compliance with standards and policies/operating manual	§§ 2 and 4	8, 11, and 14
h.	Trademarks and proprietary information	§ 4	13 and 14
i.	Restrictions on products/services offered	§ 2	5, 8, and 16
j.	Warranty and customer service requirements	Not applicable	16
k.	Territorial development and sales quotas	Not applicable	12
l.	Ongoing product/service purchases	§§ 2 and 3	8
m.	Maintenance, appearance, and remodeling requirements	Not applicable	8
n.	Insurance	§ 6	7 and 8
o.	Advertising	§ 5	6, 8, and 11
p.	Indemnification	§ 10	6 and 13

	Obligation	Section in License Agreement	Disclosure Document Item
q.	Owner's participation/ management/staffing	Not applicable	15
r.	Records and reports	Not applicable	6
s.	Inspections and audits	Not applicable	6 and 11
t.	Transfer	§ 9	17
u.	Renewal	Not applicable	17
v.	Post-termination obligations	§ 8	17
w.	Non-competition covenants	Not applicable	17
x.	Dispute resolution	§ 10	17
y.	Taxes/permits	Not applicable	1 and 7

Item 10

FINANCING

Neither we nor any agent or affiliate offers direct or indirect financing to you, guarantees any note, lease or obligation of yours, or have any practice or intent to sell, assign, or discount to a third party all or part of any financing arrangement of yours.

Item 11

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

Listed below are our obligations under the License Agreement. **Except as listed below, we are not required to provide you with any assistance.**

Pre-Opening Obligations

Under the License Agreement, we will provide you with specifications and standards that you must adhere to for the establishment and operation of a BMP Operation. (License Agreement, Section 2)

Continuing Obligations

Under the License Agreement, we will make "Branded Products" available for you to purchase for sale at your food service establishment. (License Agreement, Section 3)

Advertising

Under a License Agreement, you are not required to contribute to our marketing development fund or any other system-wide, or regional advertising fund.

There is no mandatory requirement on how much you must spend on local advertising and marketing. You may advertise and promote your BMP Operation and the availability of Branded Products at your food service establishment, but only with our prior written approval each time.

You may advertise, promote, market, and otherwise use the Proprietary Marks, and/or make reference to the BMP Operation and products, but only with our prior written consent as to each such instance. Any sign that you display that uses the Proprietary Marks and/or that makes reference to the BMP Operation and products shall either be: (i) purchased from us; or (ii) purchased from another vendor that we have already approved in writing.

You may not create, develop, or in any manner operate (nor authorize any other party to operate) an Online Site using the Proprietary Marks or otherwise making reference to us, the BMP Operation and or our products. The term "**Online Site**" means one or more related documents, designs, pages, or other communications that can be accessed through electronic means, including, for example, the Internet, World Wide Web, webpages, microsites, social networking sites (for example, Facebook, Twitter, LinkedIn, You Tube, Google Plus, Snapchat, Instagram, Pinterest, etc.), blogs, vlogs, applications to be installed on mobile devices (e.g., iOS or Android apps), and other applications, etc., and that refers to the BMP Operation, Restaurants, Proprietary Marks, us, or the System.

Computer Systems

We currently do not have any mandatory requirements as to the computer hardware and software that must be used in a BMP Operation.

Manual

The table of contents from our Manual is appended to this disclosure document as Exhibit G. The number of total approximate pages is as follows:

Manual – 347 pages
Supplemental Prep Manual – 66 pages

Total – Approx. 413 pages

Site Selection

The BMP Operation will be established at your new or existing food service establishment. We do not provide any site selection assistance concerning the location of that food service establishment, or the BMP Operation.

Opening the Franchised Business

We estimate that the typical length of time between signing the License Agreement and the opening of your BMP Operation at an existing food service establishment will be 1 to 2 months. For a new food service establishment, we cannot provide any estimate because it largely depends on the length of time that it will take to open the overall food service establishment in which you will run the BMP Operation. You must, however, have your BMP Operation open and in operation no later than six months after the date of the License Agreement. If you do not commence operating the BMP Operation within six months after the

date of the License Agreement, we have the right to terminate the License Agreement and to retain the initial license fee.

Training

We will not provide any initial or ongoing training to BMP Operations.

Item 12

TERRITORY

Under the License Agreement, you will be authorized to operate one BMP Operation from a specified location, which we must approve. You may not relocate the BMP Operation without our prior written consent. You may only offer and sell from the Approved Location to retail customers: (1) face-to-face, for consumption on the premises; or (2) face-to-face, for personal carry-out consumption. You must not do any of the following: (a) catering at, or delivery to, customer homes, offices, and other locations; (b) sell to third parties at wholesale, or for resale or distribution by any third party (including corporate and commercial food service operations); and (c) sell through catalogs, mail order, toll free numbers, sales via television, the Internet or other electronic means.

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. We may establish franchised or company-owned outlets of any kind anywhere (including other BMP Operations and "Nathan's Famous" Restaurants). In addition, we may grant qualified operators a license to operate remote kitchens which may be located in close proximity to your Restaurant.

Similarly, we or our designees may sell Grocery Products, Bulk Products and Branded Products to customers for resale anywhere. We or our designees may sell Grocery Products, Bulk Products and Branded Products through all direct-to-consumer channels (including through catalogs, mail order, toll free numbers for delivery, sales via television, Internet websites, and other forms of electronic commerce). We also have the right to acquire and operate businesses of any kind and to grant the right to others to operate other businesses of any kind, no matter where located.

You will not receive the right to acquire or operate additional BMP Operations in your area.

Item 13

TRADEMARKS

Nathan's Famous Systems, Inc.

The Nathan's BMP License Agreement allows you to use our Proprietary Marks with the Nathan's BMP Operation. We have registered the following principal marks on the Principal Register of the United States Patent and Trademark Office ("**USPTO**"):

Mark	Registration No.	Registration Date
SINCE 1916 NATHAN'S FAMOUS & Design	1,044,485	July 20, 1976
SINCE 1916 NATHAN'S FAMOUS & Design	1,108,972	Dec. 12, 1978
SINCE 1916 NATHAN'S FAMOUS & Design	920,871	Sept. 21, 1971
NATHAN'S	1,926,089	Oct. 10, 1995
NATHAN'S & CONEY ISLAND (Design)	1,409,015	Sept. 9, 1986
NATHAN'S FAMOUS	1,926,088	Oct. 10, 1995

We have timely filed an affidavit of use and an affidavit of incontestability, and a renewal application, when due, for each of the above registrations.

There are no currently effective determinations of the USPTO, the Trademark Trial and Appeal Board, the Trademark Administrator of this state or any court. There is no pending infringement, opposition, or cancellation proceeding. There is no pending material litigation involving the trademarks which may be relevant to their use in this state or in any other state.

We do not know of any infringing uses that could materially affect your use of the Proprietary Marks in this state or elsewhere.

You must promptly notify us of any unauthorized use of the Proprietary Marks, any challenge to the validity of the Proprietary Marks, or any challenge to our ownership of, right to use and to license others to use, or your right to use, the Proprietary Marks. We have the right to direct and control any administrative proceeding or litigation involving the Proprietary Marks, including any settlement. We have the right, but not the obligation, to take action against uses by others that may constitute infringement of the Proprietary Marks. We will defend you against any third-party claim, suit, or demand arising out of your use of the Proprietary Marks. If we determine that you have used the Proprietary Marks according to the Franchise Agreement, we will bear the cost of defense, including the cost of any judgment or settlement. If we determine that you have not used the Proprietary Marks according to the Franchise Agreement, you must bear the cost of defense, including the cost of any judgment or settlement. If there is any litigation due to your use of the Proprietary Marks, you must execute all documents and do all things as may be necessary to carry out a defense or prosecution, including becoming a nominal party to any legal action. Unless litigation results from your use of the Proprietary Marks in a manner inconsistent with the terms of the Franchise Agreement, we will reimburse you for your out-of-pocket costs, except that you will bear the salary costs of your employees.

There are no agreements currently in effect which limit our rights to use or license the use of any Proprietary Mark. We reserve the right to substitute different proprietary marks for use in identifying the System and the businesses operating under it if we, in our sole discretion, determine that substitution of

different marks as Proprietary Marks will be beneficial to the System. You must promptly implement any substitution of new Proprietary Marks.

NF Treacher's Corp.

To the extent that you desire and are approved by us to operate an Arthur Treacher's BMP Operation, the Arthur Treacher's BMP License Agreement allow you to use NF Treacher's' proprietary marks in connection with your BMP operations. NF Treacher's owns, and the former owners of "Arthur Treacher's" trademarks obtained, the following registrations for its principal marks on the Principal Register of the USPTO:

Mark	Registration No.	Registration Date
ARTHUR TREACHER'S FISH & CHIPS	1056715	January 18, 1977
ARTHUR TREACHER'S FISH & CHIPS	1114186	February 27, 1979
ARTHUR TREACHER'S	1152573	April 28, 1981
ARTHUR TREACHER'S	1153509	May 5, 1981
ARTHUR TREACHER'S FISH & CHIPS	2314166	February 1, 2000

NF Treacher's intends to file, when due (and the former trademark owners filed, when due) affidavits of use and affidavits of incontestability for each of the above registrations. The assignments to NF Treacher's arising from the AT Trademark Acquisition have been recorded with the USPTO.

There are no currently effective determinations of the USPTO, the Trademark Trial and Appeal Board, the Trademark Administrator of this state or any court. There is no pending infringement, opposition, or cancellation proceeding. There is no pending material litigation involving the trademarks which may be relevant to their use in this state or in any other state.

Neither we nor NF Treacher's know of any infringing uses that could materially affect your use of the Proprietary Marks in this state or elsewhere.

You must promptly notify us of any unauthorized use of the "Arthur Treacher's" proprietary marks (the "AT Proprietary Marks"), any challenge to the validity of the AT Proprietary Marks, or any challenge to our ownership of, right to use and to license others to use, or your right to use, the AT Proprietary Marks. We have the right to direct and control any administrative proceeding or litigation involving the AT Proprietary Marks, including any settlement. We have the right, but not the obligation, to take action against uses by others that may constitute infringement of the AT Proprietary Marks. We will defend you against any third-party claim, suit, or demand arising out of your use of the AT Proprietary Marks. If we determine that you used the AT Proprietary Marks according to the Participation Agreement, we will bear the cost of defense, including the cost of any judgment or settlement. If we determine that you did not use the AT Proprietary Marks according to the Participation Agreement, then you must bear the cost of defense, including the cost of any judgment or settlement. If there is any litigation due to your use of the AT Proprietary Marks, you must execute all documents and do all things as may be necessary to carry out a defense or prosecution, including becoming a nominal party to any legal action. Unless litigation results from your use of the AT Proprietary Marks in a manner inconsistent with the terms of the Participation Agreement, we will reimburse you for your out-of-pocket costs, except that you will bear the salary costs of your employees.

There are no agreements currently in effect which limit our rights to use or license the use of any AT Proprietary Marks.

We reserve the right to substitute different proprietary marks for use in identifying the Arthur Treacher's BMP Operation and the businesses operating under it if we, in our sole discretion, determine that substitution of different marks as AT Proprietary Marks will be beneficial to the System. You must promptly implement any substitution of new AT Proprietary Marks.

Item 14

PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

Patents and Copyrights

There are no patents that are material to the franchise. We own the following federal copyright registrations:

Title	Registration No.	Issue Date
Graphic Art for Drinking Cups	VA 148-491	Feb. 22, 1983
Nathan's Famous Hog Dog Cookbook	TXI 472-500	Dec. 17, 1984
Architectural Plans for Nathan's Building Design	VAu 132-611	May 2, 1988
Nathan's Famous Since 1916 Amusement Park Design Logo	VAU 136-200	June 15, 1988
Personnel Manual	TXu 341-163	Sept. 28, 1988
Restaurant Operations Manual	TXu 341-192	Sept. 28, 1988
Food Specifications and Procedures Manual	TXu 341-254	Sept. 28, 1988
Nathan's Food Service Kiosk Drawings	VAu 223-524	Mar. 2, 1992
Nathan's Outdoor Food Service Kiosk	VAu 238-104	Sept. 9, 1992
Nathan's Famous Food Service Double Cart (architectural drawings)	VAU 238-027	Sept. 9, 1992
Nathan's Famous Food Service Interior Double Cart Dressings (architectural drawings)	VAU 242-012	Dec. 9, 1992

There are no currently effective determinations of the USPTO, Copyright Office, or any court regarding design patent or copyright. There are no currently effective agreements pursuant to which we derive our rights in the design patent or copyright which could limit your use of them. We are not obligated under the License Agreement to protect any of the rights that you have to use any design patent or copyright, and we do not have any other obligation under the License Agreement regarding the design patents and copyrights. We are not aware of any infringements that could materially affect your use of any design patent or copyright in any state.

Confidential Operating Manual

We will lend you a copy of the Manual for the term of the License Agreement (see table of contents at Exhibit G. You must treat the Manual, any other manuals created for or approved for use in the operation of the Franchised Business, and the information contained in them, as confidential, and must use reasonable efforts to maintain this information as secret and confidential. You must not reproduce these materials or otherwise make them available to any unauthorized person. The Manual will remain our sole property. You must keep it in a secure place on the Restaurant premises.

We may revise the contents of the Manual, and you must comply with each new or changed standard. You must ensure that the Manual is kept current at all times. If there is a dispute as to the contents of the Manual, the terms of the master copy which we maintain at our home office will control.

Confidential Information

You must not, during or after the term of the License Agreement, divulge or use for the benefit of anyone else any confidential information concerning the System and the methods of operation of the Franchised Business. You may divulge confidential information only to those employees who must have access to it in order to operate the Franchised Business. Any and all information, knowledge, and other data which we designate as confidential will be deemed confidential for purposes of the License Agreement.

Item 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

The License Agreement does not require you to participate personally in the direct operation of the BMP Operation, although we encourage and recommend active participation by you. We do not impose any restrictions on your managers.

Item 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must sell only those menu items, products, and services that we have expressly approved in writing and which meet our current standards. You must not sell any other kind of service or product without first obtaining our written consent. You must discontinue selling or offering for sale any menu items, services or products which we, in our sole discretion, disapprove in writing at any time (see Item 8 for additional details). You must sell all items, products, or services which we direct.

You must comply with all reasonable requirements if we supplement, improve, or modify the System, including offering and selling new or different services and products that we specify. We have the right to change the types of authorized goods and services, and there are no limits on our right to make changes. You may only offer and sell from the Approved Location to retail customers: (1) face-to-face, for consumption on the premises; (2) face-to-face, for personal carry-out consumption. You are not allowed to: (1) sell Branded Products for catering at, or delivery to, customer homes, offices, and other locations; (2) sell, distribute or otherwise provide any Branded Products to third parties at wholesale, or for resale or distribution by any third party (including corporate and commercial food service operations); and (3) sell, distribute or otherwise provide any Branded Products through catalogs, mail order, toll free numbers, sales via television, the Internet or other electronic means. The Approved Location for the BMP Operation is specified in the License Agreement, and the operation may not be relocated without our approval.

We currently distribute certain Grocery Products through groceries, supermarkets, and similar retail outlets. Similarly, we may now, or in the future, distribute or sell our Bulk Products and Branded Products to customers in our Branded Products Program. The License Agreement does not grant you any rights with regard to those Grocery Products, Bulk Products, Branded Products or future-developed Grocery Products, Bulk Products and Branded Products which are now or may be distributed through groceries, supermarkets, and similar retail outlets, or Branded Products Program accounts (see Items 1 and 12 for additional details).

Item 17

RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

This table lists important provisions of the License Agreement. You should read these provisions in the agreements attached to this Disclosure Document.

Branded Menu Program License Agreement			
Provision		**Section in Branded Menu Program License Agreement**	**Summary***
a.	Term of the franchise	§ 7	Five years
b.	Renewal or extension of the term	§ 7	One additional term of five years
c.	Requirements for you to renew or extend	Not Applicable	Not Applicable
d.	Termination by you	Not Applicable	Not Applicable
e.	Termination by us without cause	Not Applicable	Not Applicable
f.	Termination by us with cause	§ 8	Default under Branded Menu Program License Agreement, ceasing to operate or abandoning the Franchised Business, conviction of felony, failure to pay monies, threat to public safety, unauthorized transfer, unauthorized use of trademarks and others.
g.	"Cause" defined- defaults which can be cured	§ 8	Failure to comply with Branded Menu Program License Agreement, and other grounds.
h.	"Cause" defined- defaults which cannot be cured	§ 8	Default and others.
i.	Your obligations on termination/nonrenewal	§ 8	Cease operating the Franchised Business, cease using marks, and others.
j.	Assignment of contract by us	Not Applicable	Not Applicable
k.	"Transfer" by you – definition	§ 9	Includes transfer of any interest in the operation.
l.	Our approval of transfer by you	§ 9	We have the right to approve transfers.
m.	Conditions for our approval of transfer	Not Applicable	Not Applicable

Branded Menu Program License Agreement			
Provision		**Section in Branded Menu Program License Agreement**	**Summary***
n.	Our right of first refusal to acquire your business	Not Applicable	Not Applicable
o.	Our option to purchase your business	Not Applicable	Not Applicable
p.	Your death or disability	Not Applicable	Not Applicable
q.	Non-competition covenants during the term of the franchise	Not Applicable	Not Applicable
r.	Non-competition covenants after the franchise is terminated or expires	Not Applicable	Not Applicable
s.	Modification of the agreement	§ 10	Must be in writing executed by both parties.
t.	Integration/merger clause	§ 10	Only the terms of the Branded Menu Program License Agreement are binding, but this provision does not disclaim any representation made in this Franchise Disclosure Document.
u.	Dispute resolution by arbitration or mediation	Not Applicable	Not Applicable
v.	Choice of forum	§ 10	We may, and you must, sue only in the state and judicial district in which we have our principal place of business.*
w.	Choice of law	§ 10	New York law will apply.*

* Please refer to the disclosure addenda and contractual amendments attached to this disclosure document at Exhibits J & K for additional terms that may be required under applicable state law. Please note, though, that if you would not otherwise be covered under those state laws by their own terms, then you will not be covered merely because we have given you an addendum (or signed an amendment) that describes the provisions of those state laws.

* In addition to the provisions noted in the charts above, the License Agreement contains a number of provisions that may affect your legal rights, including a waiver of a jury trial, waiver of punitive or exemplary damages, and limitations on when claims may be raised. (See License Agreement Section 10.) We recommend that you carefully review all of these provisions, this disclosure document, and the entire contracts, with a qualified franchise lawyer.

Item 18

PUBLIC FIGURES

We do not use any public figures to promote our Nathan's Famous franchise.

Item 19

FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to disclose 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 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 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 our management by contacting Mr. Eric Gatoff at One Jericho Plaza - Wing A, 2nd Floor, Jericho, New York 11753 (516/338-8500), the Federal Trade Commission, and the appropriate state regulatory agencies.

Item 20

OUTLETS AND FRANCHISEE INFORMATION

PART I – NATHAN'S BMP OPERATIONS

Table 1
Systemwide Nathan's BMP Outlet Summary
For years 2024 to 2026

Column 1 Outlet Type	Column 2 Year	Column 3 Outlets at the Start of Year	Column 4 Outlets at the End of Year	Column 5 Net Change
Franchised	2024	86	81	-5
	2025	81	75	-6
	2026	75	76	+1
Company Owned	2024	0	0	0
	2025	0	0	0
	2026	0	0	0
Total Outlets	**2024**	**86**	**81**	**-5**
	2025	**81**	**75**	**-6**
	2026	**75**	**76**	**+1**

Table 2
Transfers of Nathan's BMP Outlets from Licensees to New Owners (other than Franchisor)
For years 2024 to 2026

Column 1 State	Column 2 Year	Column 3 Number of Transfers
Connecticut	2024	0
	2025	0
	2026	1
Totals	2024	0
	2025	0
	2026	1

Table 3
Status of Nathan's BMP Outlets
For years 2024 to 2026

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of Year	Col. 4 Outlets Opened	Col. 5 Terminations	Col. 6 Non-Renewals	Col. 7 Reacquired By Franchisor	Col. 8 Ceased Operations - Other Reasons	Col. 9 Outlets at End of the Year
Connecticut	2024	1	1	0	0	0	0	2
	2025	2	0	0	0	0	0	2
	2026	2	0	0	0	0	0	2
Florida	2024	9	0	1	0	0	0	8
	2025	8	0	0	0	0	0	8
	2026	8	0	0	0	0	0	8
Georgia	2024	4	0	1	0	0	0	3
	2025	3	0	1	0	0	0	2
	2026	2	0	1	0	0	0	1
Kentucky	2024	2	0	1	0	0	0	1
	2025	1	0	1	0	0	0	0
	2026	0	0	0	0	0	0	0
Missouri	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
	2026	1	0	1	0	0	0	0
New Jersey	2024	5	1	0	0	0	0	6
	2025	6	1	1	0	0	0	6
	2026	6	0	4	0	0	0	2
New York	2024	55	0	4	0	0	0	51
	2025	51	4	5	0	0	0	50
	2026	50	8	0	0	0	0	58
North Carolina	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
	2026	2	0	0	0	0	0	2

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of Year	Col. 4 Outlets Opened	Col. 5 Terminations	Col. 6 Non-Renewals	Col. 7 Reacquired By Franchisor	Col. 8 Ceased Operations - Other Reasons	Col. 9 Outlets at End of the Year
Pennsylvania	2024	5	0	0	0	0	0	5
	2025	5	0	3	0	0	0	2
	2026	2	0	0	0	0	0	2
Texas	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
	2026	1	0	1	0	0	0	0
Virginia	2024	1	0	0	0	0	0	1
	2025	1	0	1	0	0	0	0
	2026	0	0	0	0	0	0	0
TOTALS	**2024**	**86**	**2**	**7**	**0**	**0**	**0**	**81**
	2025	**81**	**5**	**11**	**0**	**0**	**0**	**75**
	2026	**75**	**8**	**7**	**0**	**0**	**0**	**76**

Notes:

1. All numbers for 2026, 2025 and 2024 are as of our fiscal year end, which ends each year on the last Sunday in March.

2. The numbers in the "Total" column may exceed the number of licenses affected because several events may have affected the same license and because of the relocation of one or more licenses from one state to another. The numbers are also affected by the fact that some licensed locations converted to Branded Products Program locations. Licensees that converted to the Branded Products Program are listed as "Ceased Operations – Other Reasons."

Table 4
Status of Company-Owned BMP Outlets
For years 2024 to 2026

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of 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
All States	2024	0	0	0	0	0	0
	2025	0	0	0	0	0	0
	2026	0	0	0	0	0	0
Totals	2024	**0**	**0**	**0**	**0**	**0**	**0**
	2025	**0**	**0**	**0**	**0**	**0**	**0**
	2026	**0**	**0**	**0**	**0**	**0**	**0**

Notes:

1. As we described in Item 1, we do not own any Branded Menu Program Operations.

Table 5
Projected Nathan's BMP Outlet Openings as of March 29, 2026

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

PART II – NATHAN'S FRANCHISED RESTAURANT OUTLET INFORMATION

Table 1
Systemwide Nathan's Franchised Restaurant Outlet Summary
For years 2024 to 2026

Column 1 Outlet Type	Column 2 Year	Column 3 Outlets at the Start of Year	Column 4 Outlets at the End of Year	Column 5 Net Change
Franchised	2024	72	71	-1
	2025	71	71	0
	2026	71	76	+5
Company Owned	2024	4	4	0
	2025	4	4	0
	2026	4	4	0
Total Outlets	**2024**	**76**	**75**	**-1**
	2025	**75**	**75**	**0**
	2026	**75**	**80**	**+5**

Table 2
Transfers of Nathan's Franchised Restaurant Outlets from Franchisees to New Owners (other than Franchisor)
For years 2024 to 2026

Column 1 State	Column 2 Year	Column 3 Number of Transfers
Connecticut	2024	0
	2025	0
	2026	1
Florida	2024	0
	2025	0
	2026	1

Column 1 State	Column 2 Year	Column 3 Number of Transfers
New York	2024	0
	2025	1
	2026	0
Totals	**2024**	**0**
	2025	**1**
	2026	**2**

Table 3
Status of Nathan's Franchised Restaurant Outlets
For years 2024 to 2026

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of Year	Col. 4 Outlets Opened	Col. 5 Terminations	Col. 6 Non-Renewals	Col. 7 Reacquired By Franchisor	Col. 8 Ceased Operations - Other Reasons	Col. 9 Outlets at End of the Year
Connecticut	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
	2026	1	3	0	0	0	0	4
Florida	2024	12	0	0	0	0	0	12
	2025	12	0	0	0	0	0	12
	2026	12	0	1	0	0	0	11
Georgia	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
	2026	1	0	0	0	0	0	1
Kentucky	2024	0	1	0	0	0	0	1
	2025	1	0	0	0	0	0	1
	2026	1	0	0	0	0	0	1
Maryland	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
	2026	1	0	0	0	0	0	1
Massachusetts	2024	4	0	0	0	0	0	4
	2025	4	0	0	0	0	0	4
	2026	4	0	2	0	0	0	2
Nevada	2024	7	0	0	0	0	0	7
	2025	7	0	0	0	0	0	7
	2026	7	0	0	0	0	0	7
New Jersey	2024	17	0	1	0	0	0	16
	2025	16	0	0	0	0	0	16
	2026	16	0	0	0	0	0	16
New York	2024	15	0	3	0	0	0	12
	2025	12	1	1	0	0	0	12
	2026	12	6	0	0	0	0	18
	2024	2	0	0	0	0	0	2

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of Year	Col. 4 Outlets Opened	Col. 5 Terminations	Col. 6 Non-Renewals	Col. 7 Reacquired By Franchisor	Col. 8 Ceased Operations - Other Reasons	Col. 9 Outlets at End of the Year
North Carolina	2025	2	0	0	0	0	0	2
	2026	2	0	0	0	0	0	2
Ohio	2024	2	0	0	0	0	0	2
	2025	2	0	1	0	0	0	1
	2026	1	0	0	0	0	0	1
Pennsylvania	2024	3	2	0	0	0	0	5
	2025	5	0	0	0	0	0	5
	2026	5	0	1	0	0	0	4
South Carolina	2024	3	0	1	0	0	0	2
	2025	2	2	1	0	0	0	3
	2026	3	0	1	0	0	0	2
Rhode Island	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
	2026	2	1	0	0	0	0	3
Texas	2024	1	0	0	0	0	0	1
	2025	1	0	1	0	0	0	0
	2026	0	0	0	0	0	0	0
Virginia	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
	2026	1	0	0	0	0	0	1
TOTALS	**2024**	**72**	**3**	**5**	**0**	**0**	**0**	**71**
	2025	**71**	**3**	**3**	**0**	**0**	**0**	**71**
	2026	**71**	**_10**	**_5**	**_0**	**_0**	**_0**	**__76**

Notes:

1. This chart does not include franchised “Miami Subs” restaurants that conduct Nathan’s Famous Co-Branded Operations under participation agreements (of which there were 24 in Florida and 1 in South Carolina as of March 29, 2026), or locations where licensees conduct Nathan’s Branded Menu Program Operations under Nathan’s Branded Menu Program License Agreements. See Exhibit H-2 for the list of franchised "Miami Subs" restaurants that conduct Nathan's Famous Co-Branded Operations.

2. All numbers for 2026, 2025 and 2024 are as of our fiscal year end, which ends each year on the last Sunday in March.

3. The numbers in the "Total" column may exceed the number of franchises/licenses affected because several events may have affected the same franchise/license and because of the relocation of one or more franchises from one state to another.

4. As explained in this disclosure document, we offer qualified operators a license to operate remote kitchens under the Remote Kitchen Channel. These remote kitchens may be located in close proximity to your Restaurant. Because we do not consider remote kitchens operating under the Remote Kitchen Channel to be substantially similar to Franchised Businesses, and because the

number of remote kitchens operating under the Remote Kitchen Channel fluctuates much more frequently than Franchised Businesses, we do not include remote kitchen locations in the Item 20 tables. Instead, the Item 20 tables report only on the status of Franchised Businesses, which are referred to as "outlets." For this reason, the number of locations providing "Nathan's Famous" menu items may exceed the numbers reported in these Item 20 tables.

Table 4
Status of Company-Owned Nathan's Restaurant Outlets
For years 2024 to 2026

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of 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
New York	2024	4	0	0	0	0	4
	2025	4	0	0	0	0	4
	2026	4	0	0	0	0	4
Totals	**2024**	**4**	**0**	**0**	**0**	**0**	**4**
	2025	**4**	**0**	**0**	**0**	**0**	**4**
	2026	**4**	**0**	**0**	**0**	**0**	**4**

Notes:

1. This count, as well as the Company-Owned count in Table 1 above, does not include a seasonal unit in Coney Island, New York, that operates only during the summer months, and is closed during the rest of the year.

2. All numbers for FYs 2026, 2025 and 2024 are as of our fiscal year end, which ends each year on the last Sunday in March.

Table 5
Projected Nathan's Restaurant Openings as of March 29, 2026

Column 1 State	Column 2 Franchise Agreements Signed but Outlets Not Opened	Column 3 Projected New Franchised Outlets In The New Fiscal Year	Column 4 Projected New Company-Owned Outlets In The New Fiscal Year
Connecticut	0	1	0
Indiana	0	1	0
New York	1	2	0
Pennsylvania	0	1	0
Totals	**1**	**5**	**0**

The names, addresses, and telephone numbers of our franchisees and licensees as of March 29, 2026 are listed in Exhibit B-1 to this disclosure document.

The name and last known home address and telephone number of every licensee who has had an agreement terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under a License Agreement during our last fiscal year (March 29, 2026), or who has not communicated with us within ten weeks of the date of this disclosure document, are listed in Exhibit D-1. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

The information provided above relates only to franchisees, licensees, and area developers in the United States, and does not include information about our international operations.

No franchisees have signed a confidentiality clause in a franchise agreement, settlement or other contract within the last three years that would restrict their ability to speak openly about their experience with us.

As of the date of this franchise disclosure document, there are no Nathan's franchisee associations in existence regardless of whether they use our trademark or not.

Branded Products Program. Through our Branded Products Program, we also sell products to various retailers/foodservice operators. There were more than 14,000 locations operating in the United States (including Puerto Rico, Guam, and the U.S. Virgin Islands) under our Branded Products Program as of March 29, 2026. A list of U.S. jurisdictions in which these retailers are located is attached to this disclosure document as Exhibit B-3.

PART III –ARTHUR TREACHER'S FRANCHISED/LICENSED RESTAURANTS

Table 1
Arthur Treacher's Restaurant Outlet Summary
For years 2024 to 2026

Column 1 Outlet Type	Column 2 Year	Column 3 Outlets at the Start of Year	Column 4 Outlets at the End of Year	Column 5 Net Change
Franchised	2024	46	48	+2
	2025	48	48	0
	2026	48	28	-20
Company Owned	2024	0	0	0
	2025	0	0	0
	2026	0	0	0
Total Outlets	**2024**	**46**	**48**	**+2**
	2025	**48**	**48**	**0**
	2026	**48**	**28**	**-20**

Table 2
Transfers of Arthur Treacher's Restaurant Outlets from Franchisees to New Owners (other than Franchisor)
For years 2024 to 2026

Column 1 State	Column 2 Year	Column 3 Number of Transfers
All States	2024	0
	2025	0
	2026	0
Totals	2024	0
	2025	0
	2026	0

Table 3
Status of Franchised Arthur Treacher's Restaurant Outlets
For years 2024 to 2026

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of Year	Col. 4 Outlets Opened	Col. 5 Terminations	Col. 6 Non-Renewals	Col. 7 Reacquired By Franchisor	Col. 8 Ceased Operations - Other Reasons	Col. 9 Outlets at End of the Year
Connecticut	2024	0	1	0	0	0	0	1
	2025	1	1	0	0	0	0	2
	2026	2	0	0	0	0	0	2
Florida	2024	22	0	0	0	0	0	22
	2025	22	0	0	0	0	0	22
	2026	22	0	17	0	0	0	5
New Jersey	2024	11	0	1	0	0	0	10
	2025	10	0	0	0	0	0	10
	2026	10	0	3	0	0	0	7
New York	2024	9	3	1	0	0	0	11
	2025	11	4	5	0	0	0	10
	2026	10	0	2	0	0	0	8
North Carolina	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
	2026	1	1	0	0	0	0	2
South Carolina	2024	3	0	1	0	0	0	2
	2025	2	0	0	0	0	0	2
	2026	2	1	0	0	0	0	3
TOTALS	**2024**	**46**	**6**	**5**	**0**	**0**	**0**	**48**
	2025	**48**	**5**	**5**	**0**	**0**	**0**	**48**
	2026	**48**	**2**	**22**	**0**	**0**	**0**	**28**

Notes:

1. In addition to Restaurants that conduct Arthur Treacher's Co-Branded Operations under participation agreements, this chart includes "Miami Subs" restaurants that conduct Arthur Treacher's Co-Branded Operations under participation agreements and Restaurants that operate under Arthur Treacher's Branded Menu Program License Agreements.

Table 4
Status of Company-Owned Arthur Treacher's Restaurant Outlets
For years 2024 to 2026

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of 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
Any State	2024	0	0	0	0	0	0
	2025	0	0	0	0	0	0
	2026	0	0	0	0	0	0
Totals	**2024**	**0**	**0**	**0**	**0**	**0**	**0**
	2025	**0**	**0**	**0**	**0**	**0**	**0**
	2026	**0**	**0**	**0**	**0**	**0**	**0**

Table 5
Projected Arthur Treacher's Restaurant Outlet Openings as of March 29, 2026

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

Notes:

1. The numbers in the "Total" column may exceed the number of franchises affected because several events may have affected the same franchise and because of the relocation of one or more franchises from one state to another.

2. All numbers for FY 2026, 2025 and 2024 are as of our fiscal year end, which ends each year on the last Sunday in March.

3. Projected Openings. Except for continued inclusion of Arthur Treacher's Co-Branded Operations in new and existing Nathan's Famous Restaurants and Miami Subs Restaurants, NF Treacher's does not plan to establish any franchised or company-owned units within the United States during the next year. We expect that the development of Arthur Treacher's Co-Branded Operations in the United States during the 1-year period following this disclosure document to coincide, to some

extent, with the development of new Nathan's Famous franchises (as described above in this Item 20).

The names, addresses, and telephone numbers of "NF Treacher's" franchisees and licensees (including those operating under participation agreements) as of March 29, 2026, are listed in Exhibit H-1 (if part of a Nathan's Famous operation) or Exhibit H-2 (if part of a Miami Subs operation) to this disclosure document.

The name and last known home address and telephone number of every Arthur Treacher's franchisee who has had an agreement terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under a franchise agreement during our fiscal year ended March 29, 2026, or who has not communicated with us within ten weeks of the date of this disclosure document, are listed in Exhibit J-1 (if part of a Nathan's Famous operation) or Exhibit J-2 (if part of a Miami Subs operation).

The information provided above relates only to franchisees in the United States operating co-branded units in connection with a Nathan's Famous or Miami Subs restaurant operation, or an Arthur Treacher's Branded Menu Program Operation. It does not include information about NF Treacher's' international operations, nor does it include any information concerning PFSI's Existing AT Franchise System or any company-owned, franchised or licensed Arthur Treacher's restaurants opened by PFSI/TruFoods after February 28, 2006.

Information about the "Miami Subs" franchise system can be found in a separately available disclosure document from the franchisor of the Miami Subs concept.

Item 21

FINANCIAL STATEMENTS

Our audited financial statements for fiscal years 2026, 2025, and 2024 are attached as Exhibit H.

Our fiscal year end falls on the last Sunday in March each year.

Item 22

CONTRACTS

The following contracts are attached to the disclosure document in the following order:

1. Branded Menu Program License Agreements (Exhibit A).

2. Franchisee Compliance Certification (Exhibit I)

Item 23

RECEIPTS

The last two pages of this disclosure document (following the exhibits and attachments) are a document acknowledging receipt of this disclosure document by you. One copy of the document is for you and one (the last page) is to be signed and dated, and provided to us.

Exhibit A

Branded Menu Program License Agreements

Exhibit A-1

"Nathan's"

NATHAN'S FAMOUS – BRANDED MENU PROGRAM LICENSE AGREEMENT

This License Agreement (the "**Agreement**") is made on _____ by and between Nathan's Famous Systems, Inc., with offices at One Jericho Plaza - Wing A, 2nd Fl., Jericho, New York 11753 ("**NFSI**") and _____, with offices at _____ ("**Operator**").

*NFSI has developed a distinctive system for selling "Nathan's Famous" frankfurters, french fries, and other "Nathan's Famous" products ("**NF Products**") as a menu-line extension for an existing food service establishment. Operator is the owner and operator of the food service establishment described in Exhibit A annexed to and incorporated into this Agreement (that establishment is referred to in this Agreement as the "**Approved Location**"). Operator seeks the right to offer and sell NF Products at the Approved Location using the Trademarks (as defined below), in accordance with the program developed by NFSI for this purpose (the "**Branded Menu Program Operation**"). This Agreement establishes the terms and conditions under which Operator may use NFSI's trademarks and service marks (for example "Nathan's Famous Since 1916 and Design"), as designated by NFSI in writing, and which NFSI may periodically change (the "**Trademarks**") in conjunction with the establishment and operation of the Branded Menu Program Operation.*

1. LICENSE.

a. NFSI grants to Operator a non-exclusive, non-transferable license (and Operator accepts the obligation) to establish and operate a Branded Menu Program Operation at the Approved Location, and to use the Trademarks to identify the fact that Operator is selling NF Products at the Approved Location, all according to the terms and conditions of this Agreement.

b. Operator agrees, upon the terms and conditions herein contained, to establish and operate the Branded Menu Program Operation at the Approved Location and only at the Approved Location. Operator shall not relocate the Branded Menu Program Operation without NFSI's prior written consent.

c. Operator expressly acknowledges that the grant of rights herein is non-exclusive, and that this Agreement does not grant or imply any protected and/or exclusive area or territory. Accordingly, NFSI retains the right to conduct any business at or from any location, notwithstanding the proximity of that business or business activity to the Approved Location. NFSI retains all rights, including, but not limited to: (i) the right to use, and to license others to use, the Trademarks for the operation of Branded Menu Program Operations at any location; (ii) the right to sell, and to license others to sell, packaged and bulk NF Products through supermarkets, club stores and other grocery-type outlets at any location; (iii) the right to sell, and to license others to sell, packaged and bulk NF Products through all direct-to-consumer channels (including, but not limited to, through catalogs, mail order, toll free numbers for delivery, sales via television, Internet websites, and other forms of electronic commerce); (iv) the right to acquire and operate businesses of any kind and to grant the right to others to operate other businesses of any kind, no matter where located; and (v) the right to use and license the use of the Trademarks and other marks in connection with the operation of restaurants of any kind at any location, which restaurants and marks may be the same as, similar to, or different from the Branded Menu Program Operation and Trademarks, on such terms and conditions as NFSI deems advisable, and without granting Operator any rights therein.

d. Operator shall only be permitted to offer and sell Products from the Approved Location to retail customers on a face-to-face basis, for consumption at the Approved Location or for personal carry-out consumption. Operator shall not engage in any other type of sale of, or offer to sell, or distribution of NF Products, including but not limited to: (i) selling NF Products for catering at, or delivery to, customers' homes, businesses, and/or other locations (it being understood that NFSI shall not be prohibited in any manner from authorizing catering and/or delivery service from any "Nathan's Famous" or other restaurants or food service businesses); (ii) selling, distributing or otherwise providing any NF Products to third parties at wholesale, or for resale or

distribution by any third party (including corporate and commercial food service operations); and (iii) selling, distributing or otherwise providing any NF Products through catalogs, mail order, toll free numbers, sales via television, the Internet or other electronic means.

e. Operator further understands that NFSI operates (or is affiliated with other companies that operate) other restaurants and food service and product franchises such as "Kenny Rogers Roasters," and "Arthur Treacher's" food concepts. This Agreement grants Operator no rights with respect to any such restaurant, franchise, or food or product concept operated or licensed by NFSI or its affiliates.

2. OPERATION AND QUALITY STANDARDS.

a. Operator agrees to establish and operate the Branded Menu Program Operation contemplated under this Agreement, and to prepare and sell NF Products, in accordance with NFSI's standards, which NFSI shall provide to Operator (the "**Guidelines**"). Operator agrees to start operating the Branded Menu Program Operation no later than six (6) months after the date of this Agreement. Operator acknowledges and agrees that if it does not commence operating the Branded Program Operation within six (6) months after the date of this Agreement, NFSI shall have the right to terminate this Agreement pursuant to Section 8(b) below and to retain the initial fee paid pursuant to Section 3(a) below.

b. Operator agrees to adhere to NFSI's operating standards, as established by NFSI from time to time (including, without limitation, such operating standards as relate to: (i) the specific products approved for sale by NFSI; (ii) condition and appearance of the Approved Location; (iii) distributors and suppliers; (iv) management and personnel; (v) menu; (vi) sales of products; and (vii) specifications, standards, and procedures for operations).

c. Operator agrees to buy NF Products only from NFSI or from a distributor that NFSI has authorized to sell NF Products to Operator.

d. In connection with introducing the sale of NF Products at the Approved Location, Operator agrees to purchase an equipment package and upgrade the premises of the Approved Location in accordance with the written requirements, standards, and instructions issued by NFSI.

e. Operator agrees to buy all of the equipment, ingredients, and other supplies to be used in preparation of NF Products at the Approved Location only from NFSI or from a vendor that NFSI has authorized to sell such equipment, ingredients, and supplies to Operator.

f. Operator understands and agrees that NFSI will derive income directly and indirectly from the sale of NF Products that Operator buys from NFSI, suppliers that NFSI may designate in writing, and/or distributors. Operator also understands and agrees that NFSI may receive rebates, license fees, payments, and other compensation from vendors, distributors, manufacturers, and other third parties, which amounts may be based upon the amount of Operator's purchases from such third parties, and which NFSI and its affiliates shall have the right to apply, as NFSI determines in its sole discretion, to brand R&D funds, advertising funds, compensation of NFSI and its affiliates for expenses that NFSI and its affiliates incur in connection with negotiating and maintaining relations with such third parties, or any corporate purposes NFSI deems appropriate.

3. PAYMENTS.

a. Upon the execution of this Agreement, Operator shall pay NFSI an initial fee in the amount of Seven Thousand Five Hundred Dollars ($7,500). The initial fee is fully earned and non-refundable.

b. Operator shall pay all invoices for the NF Products it purchases for sale at the Approved Location in full amount not more than thirty (30) days after receipt of the applicable invoice. The specific NF Products approved for sale at the Approved Location and their pricing are as described in Exhibit B annexed hereto and incorporated herein. If any payment is overdue, Operator shall pay NFSI, in addition to the overdue amount, interest on such amount from the date it was due until paid, at the rate of one and one-half percent (1.5%) per month (but not more than the maximum rate permitted by law, if such a maximum applies). Entitlement to such interest shall be in addition to any other remedies NFSI may have

4. TRADEMARK USE. In connection with Operator's use of the Trademarks, the parties agree that:

a. An area of the Approved Location will be dedicated to the Branded Menu Program Operation, including preparation, marketing and sale of NF Products, which such area shall be subject to NFSI's prior written approval. Operator shall identify such approved area of the Approved Location only by use of the Trademarks as designated by NFSI pursuant to this Agreement, and only in the form and manner that NFSI has designated or approved in writing.

b. Operator shall use the Trademarks only in conjunction with:

i. the offer and sale of NF Products (and not in conjunction with the offer or sale of any other product or service);

ii. point-of-sale material to identify to the public that the NF Products offered for sale are "Nathan's Famous" products;

iii. identifying to the public that Operator offers NF Products for sale at Operator's establishment; and/or

iv. advertising, subject to Section 5 below (Operator also agrees not to use the Trademarks in any other way (for example on invoices, stationery, business cards, etc.)).

c. Operator understands and agrees that it shall make no use of the Trademarks that is not specifically authorized above or otherwise by NFSI in writing, and that any such use would be an infringement upon NFSI's rights. Among other things, Operator agrees that it shall not use the Trademarks or any part of them as the name of the business operated at the Approved Location, a corporate name, domain name, e-mail address, or otherwise. Operator also agrees that it shall not use or authorize any other party to use the Internet or any other electronic system to advertise the Branded Menu Program Operation or the availability of the NF Products at the Approved Location.

d. Operator understands and agrees that NFSI exclusively owns all right, title, and interest in the Trademarks and the goodwill associated with them. Operator understands that Operator's use of the Trademarks will inure solely to NFSI's benefit, and Operator further agrees not to dispute or assist others in disputing directly or indirectly NFSI's right and title in the Trademarks. Operator agrees that it shall not attempt to register the Trademarks, or any variation of the Trademarks, with any government or other registry.

5. ADVERTISING.

a. Operator may advertise, promote, market, and otherwise use the Trademarks, and/or make reference to the Branded Menu Program Operation and NF Products, but only with NFSI's prior written consent as to each such instance.

b. Operator agrees that any sign that Operator displays that uses the Trademarks and/or that makes reference to the Branded Menu Program Operation and NF Products shall either be: (i) purchased from NFSI; or (ii) purchased from another vendor that NFSI has already approved in writing.

c. Operator shall not create, develop, or in any manner operate (nor authorize any other party to operate) a website, webpage, or other internet or electronic display using the Trademarks or otherwise making reference to NFSI, Branded Menu Program Operation and/or NF Products.

6. INSURANCE. Operator shall, at all times, maintain insurance policies to cover the offer and sale of the NF Products, with the types and amounts of coverage as NFSI may reasonably designate from time to time. Operator shall name, and provide a Certificate of Insurance indicating NFSI and its affiliates, officers and directors as an additional named insured under said policy(ies).

7. TERM. This Agreement shall take effect when it has been signed by each of the parties and shall continue in effect until the earlier of: (a) the date that is five (5) years following the date hereof; or (b) termination as provided in Section 8 below. Operator shall have no contractual right, nor shall NFSI have any contractual obligation, to extend the term of this Agreement following its initial expiration. However, should the parties mutually determine to extend the term, NFSI shall require Operator to pay a fee equal to Three Thousand Seven Hundred Fifty Dollars ($3,750) (in addition to other requirements other than paying a renewal fee).

8. DEFAULT/TERMINATION.

a. Operator shall be deemed to be in default under this Agreement, and all rights granted herein shall automatically terminate without notice to Operator, if: (i) Operator becomes insolvent or makes a general assignment for the benefit of creditors; (ii) a petition in bankruptcy is filed by Operator or such a petition is filed against and not opposed by Operator; (iii) Operator is adjudicated a bankrupt or insolvent; (iv) or if a bill in equity or other proceeding for the appointment of a receiver of Operator or other custodian for Operator's business or assets is filed and consented to by Operator; (v) a receiver or other custodian (permanent or temporary) of Operator's assets or property, or any part thereof, is appointed by any court of competent jurisdiction; or if proceedings for a composition with creditors under any state or federal law should be instituted by or against Operator; (vi) a final judgment remains unsatisfied or of record for thirty (30) days or longer (unless supersedeas bond is filed); (vii) Operator is dissolved; or if execution is levied against Operator's business or property; or if suit to foreclose any lien or mortgage against the premises and/or equipment at any Approved Location is instituted against Operator and not dismissed within thirty (30) days; and/or (vii) the real or personal property of Operator shall be sold after levy thereupon by any sheriff, marshal, or constable.

b. Operator shall be deemed to be in default and NFSI may, at its option, terminate this Agreement and all rights granted hereunder, without affording Operator any opportunity to cure the default, effective immediately upon the delivery of written notice to Operator by NFSI, upon the occurrence of any of the following events: (i) if Operator fails to start operating the business contemplated under this Agreement within six (6) months of the date hereof, as provided in Section 2(a) above; (ii) if Operator at any time ceases to operate or otherwise abandons the Branded Menu Program Operation contemplated herein at the Approved Location, or loses the right to possession of the premises at the Approved Location, or otherwise forfeits the right to do or transact business in the jurisdiction where the Approved Location is located; (iii) if any sums owed by Operator hereunder are more than thirty (30) days past due; (iv) if Operator or any principal, officer, or director of Operator, is convicted of a felony, a crime involving moral turpitude, or any other crime or offense that NFSI believes is reasonably likely to have an adverse effect on NFSI's restaurant system, branded products program, retail licensing program, Trademarks and/or the goodwill associated with any of the foregoing; (v) if a threat or danger to public health or safety results from the construction, maintenance, or operation of the Approved Location; (vi) if Operator fails to comply with the covenants in Sections 2(c) and 2(e) above; (vii) if Operator uses the Trademarks in connection with the sale or offer of any products which are not the NF Products approved for sale hereunder or if Operator otherwise misuses or makes any unauthorized use of the Trademarks or otherwise materially impairs the goodwill associated therewith or NFSI's rights therein; (viii) if Operator, after curing a default pursuant to this Section 8, commits the same default again within a thirty-six (36) month period of the previous default, whether or not cured after notice; or (ix) if Operator repeatedly is in default under this Section 8 for failure substantially to comply with any of the requirements imposed by this Agreement, whether or not cured after notice.

c. Except as provided in Sections 8(a) and (b) above, if Operator fails to comply with the terms and conditions of this Agreement, and/or the Guidelines, then NFSI shall have the right to terminate this Agreement but only by first giving written notice at least thirty (30) days in advance of the date of termination, and Operator shall have the right to cure the default to NFSI's reasonable satisfaction prior to the end of said thirty-day period.

d. If this Agreement expires or is terminated, then all rights granted to Operator under this Agreement shall immediately terminate, and:

i. Operator shall immediately and permanently stop using (and shall make no reference), in any manner whatsoever, the Trademarks, the NF Products, any other "Nathan's Famous" mark, and any other NFSI marks;

ii. Operator shall immediately and permanently stop the Branded Menu Program Operation and cease offering NF Products for sale;

iii. Operator shall not thereafter, directly or indirectly, represent that it has (or had) any affiliation with NFSI, the Branded Menu Program Operation, the NF Products, or the Trademarks;

iv. Operator shall immediately return to NFSI the Guidelines, which are acknowledged to be NFSI's property, and Operator shall neither make, keep nor permit any other party to make or keep a copy of the Guidelines; and

v. Operator shall immediately pay NFSI or its Distributor any and all sums then outstanding.

9. ASSIGNMENT/TRANSFERS. Operator shall not assign, pledge, sell, or in any manner assign (collectively, to "**Transfer**") its rights or obligations under this Agreement, nor permit the Transfer of any direct or indirect interest in Operator, without the prior written consent of NFSI. If NFSI approves any such Transfer, then among other conditions to its approval and the effectiveness of said Transfer, Operator shall pay NFSI a transfer fee of One Thousand One Hundred Twenty Five Dollars ($1,125), or fifteen percent (15%) of the then-applicable initial fee being charged to new Branded Menu Program Operators, whichever is greater, as well as any and all sums then owed to NFSI and/or its distributors. NFSI has the right to transfer this Agreement (and all or any part of our rights or obligations under this Agreement) to any party, and any such assignee will then become solely responsible for all of our obligations under this Agreement.

10. GENERAL PROVISIONS.

a. This document is the complete agreement between NFSI and Operator. The parties agree that they are not relying on anything other than the words of this Agreement in deciding to sign this Agreement (but nothing here is intended to disclaim any representation that NFSI made in the Franchise Disclosure Document that NFSI gave to Operator).

b. The only way to amend this Agreement is in a writing, signed by all of the parties.

c. Any and all notices required or permitted under this Agreement shall be in writing and shall be personally delivered, sent by registered mail, or by other means which affords the sender evidence of delivery, or of rejected delivery, to the respective parties at the addresses shown on the signature page of this Agreement, unless and until a different address has been designated by written notice to the other party. Any notice by a means which affords the sender evidence of delivery, or rejected delivery, shall be deemed to have been given at the date and time of receipt or rejected delivery. The Guidelines, any changes that NFSI make to the Guidelines, and/or any other written instructions that NFSI provide relating to operational matters, are not considered to be "notices" for the purpose of the delivery requirements in this Section 10.c.

d. Operator acknowledges and agrees that neither NFSI nor any party purporting to represent NFSI have provided any information or representation as to the actual or potential sales volume that Operator may achieve (or that other Operators have achieved), nor has Operator received any other information from NFSI from which Operator could derive sales volume.

e. Operator shall, to the fullest extent permissible under applicable law, indemnify and hold the Nathan's Parties (defined below) harmless against any and all claims arising directly or indirectly from, as a result of, or in connection with, Operator's operation of the Branded Menu Program Operation and at the Approved Location (including without limitation the offer of the NF Products), as well as the costs, including attorneys' fees, of defending against them. The term "**Nathan's Parties**" means NFSI and its owners and affiliates, and all of their respective past, present, and future officers, directors, members, managers, employees, and agents.

f. Operator acknowledges that: (i) the establishment of the Branded Menu Program Operation will simply be an extension of Operator's already-existing food service business; (ii) Operator does not anticipate that the Branded Menu Program Operation will account for more than twenty percent (20%) of Operator's overall gross sales; and (iii) Operator (or its executives) are experienced in operating a business of the type represented by the Branded Menu Program Operation contemplated under this Agreement.

g. The parties hereby warrant and represent to each other that there are no other agreements, court orders, or other legal obligations in effect that will or might prevent such party from negotiating, entering into, or carrying out its obligations, under this Agreement.

h. This Agreement takes effect upon its acceptance and execution by NFSI, and shall be interpreted and construed exclusively under the laws of the State of New York, which laws shall prevail if there is any conflict of law (without regard to, and without giving effect to, the application of N.Y. choice

of law rules). The parties do not intend anything in this section to invoke the application of any franchise, business opportunity, antitrust, implied covenant, unfair competition, fiduciary, and/or other doctrine of law of N.Y. law that would not otherwise apply absent this Section 10.h.

i. The parties agree that any action brought by Operator against NFSI in any court, whether federal or state, shall be brought within such state and in the judicial district in which NFSI then has its principal place of business. Any action brought by NFSI against Operator in any court, whether federal or state, may be brought within the state and judicial district in which NFSI then has its principal place of business. The parties agree that this Section shall not be construed as preventing either party from removing an action from state to federal court. Operator hereby waives all questions of personal jurisdiction or venue for the purpose of carrying out this provision. Any such action shall be conducted on an individual basis, and not as part of a consolidated, common, or class action.

j. No right or remedy conferred upon or reserved to NFSI or Operator by this Agreement is intended to be, nor shall be deemed, exclusive of any other right or remedy herein or by law or equity provided or permitted, but each shall be cumulative of every other right or remedy. Nothing in this Agreement shall bar NFSI's right to obtain injunctive relief against threatened conduct that will cause it loss or damages, under the usual equity rules, including the applicable rules for obtaining restraining orders and preliminary injunctions.

k. **NFSI AND OPERATOR IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER OF THEM AGAINST THE OTHER, WHETHER OR NOT THERE ARE OTHER PARTIES IN SUCH ACTION OR PROCEEDING. ANY AND ALL CLAIMS AND ACTIONS ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE RELATIONSHIP OF OPERATOR AND NFSI, OR OPERATOR'S OPERATION OF THE BUSINESS CONTEMPLATED HEREIN, BROUGHT BY ANY PARTY HERETO AGAINST THE OTHER, SHALL BE COMMENCED WITHIN ONE (1) YEAR FROM THE OCCURRENCE OF THE FACTS GIVING RISE TO SUCH CLAIM OR ACTION, OR SUCH CLAIM OR ACTION SHALL BE BARRED.**

l. **NFSI AND OPERATOR HEREBY WAIVE TO THE FULLEST EXTENT PERMITTED BY LAW ANY RIGHT TO OR CLAIM OF ANY PUNITIVE OR EXEMPLARY DAMAGES AGAINST THE OTHER, AND FURTHER AGREE THAT IF THERE IS A DISPUTE BETWEEN THEM, EACH SHALL BE LIMITED TO THE RECOVERY OF ANY ACTUAL DAMAGES THAT IT HAS SUSTAINED.**

11. ACKNOWLEDGMENTS

a. Operator acknowledges that it has conducted an independent investigation of the business franchised hereunder, recognizes that the business venture contemplated by this Agreement involves business risks, and that its success will be largely dependent upon the ability of Operator (and if a corporation or a partnership, its owners) as an independent businessperson(s), and agrees that: (i) NFSI expressly disclaims the making of any guarantee, express or implied, and operator acknowledges that it has not received or relied upon any representations of revenue, as to potential volume profits or success of the business venture contemplated by this Agreement, including any statement regarding the profits or existing franchised or company-owned restaurants; (ii) Operator has not received or relied upon any representations by NFSI or NFSI's officers, directors, employees or agents that are contrary to the statements contained in the terms of this Agreement or in the franchise disclosure document delivered to Operator prior to the execution of this Agreement; (iii) Operator warrants to NFSI that the signatory of this Agreement's execution, delivery and performance of this Agreement will not violate the terms and conditions of, and will not create a default under, any other contract or agreement to which Operator, any of Operator's shareholders or partners (if Operator is a corporation or partnership) or any member of his, her, its or their immediate families is subject to or is a party to such contract or agreement; and (iv) as an inducement to NFSI's entry into this Agreement, that operator has made no misrepresentation to NFSI or any of NFSI's representatives.

b. Operator acknowledges and agrees that: (i) Operator received the Agreement with the Exhibits, and related agreements (if any) with all of the blank lines completed, before the date on which this Agreement was executed; (ii) Operator received NFSI's franchise disclosure document required by the Federal Trade Commission's Franchise Rule at least fourteen (14) days before the date on which this Agreement was executed; (iii) Operator has read and understands NFSI's franchise disclosure document; (iv) Operator acknowledges that it has read and

understood this Agreement, the Exhibits, and agreements relating thereto, if any; and (v) NFSI has accorded Operator ample time and opportunity to consult with lawyers and other advisors of Operator's choosing about the potential benefits and risks of entering into this Agreement.

c. Operator acknowledges that it shall have sole and complete responsibility for the choice of the Approved Location; that NFSI has not (and shall not be deemed to have, even by NFSI's approval of the site that is the Approved Location) given any representation, promise, or guarantee of Operator's success at the Approved Location; and that Operator shall be solely responsible for its own success at the Approved Location.

d. Although NFSI retains the right to establish and periodically modify system standards, which Operator has agreed to maintain in the operation of Branded Menu Program Operation, Operator retains the right and sole responsibility for the day-to-day management and operation of the Branded Menu Program Operation and the Approved Location, and the implementation and maintenance of system standards at the Branded Menu Program Operation and the Approved Location.

e. Operator acknowledges and agrees that: (i) it is the only party that employs its own staff (even though NFSI may provide advice, guidance, and training); (ii) NFSI is not Operator's employer nor the employer of Operator's staff, and (iii) even if NFSI gives an opinion or provides advice, NFSI will play no role in Operator's decisions regarding the employment of Operator's staff (including matters such as recruitment, hiring, compensation, scheduling, employee relations, labor matters, review, discipline, and/or dismissal).

e. Operator acknowledges and agrees that NFSI may modify the offer of its franchises to other operators in any manner and at any time, which offers and agreements have or may have terms, conditions, and obligations that may differ from those in this Agreement.

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

IN WITNESS WHEREOF and intending to be legally bound by this Agreement, the parties have duly executed and delivered this Agreement on the day and year first above written.

Nathan's Famous Systems, Inc.

By: _____

Name: _____

Title: _____

Date: _____, 20__

Address for Notices:

One Jericho Plaza - Wing A, 2nd Fl.
Jericho, New York 11753
Fax: (516) 338-7220

_____
Operator

By: _____

Name: _____

Title: _____

Date: _____, 20__

Address for Notices:

_____
_____
_____
Fax: (_____) _____-_____

EXHIBIT A

Approved Location

The approved location under this agreement shall be:	

Initialed:

Operator _____ NFSI _____

EXHIBIT B

NF Products/Pricing/Distribution

See attached.

Exhibit A-2

"Arthur Treacher's"

ARTHUR TREACHER'S – BRANDED MENU PROGRAM LICENSE AGREEMENT

This License Agreement (the "**Agreement**") is made on _____ by and between Nathan's Famous Systems, Inc., a Delaware corporation with offices at One Jericho Plaza - Wing A, 2nd Fl., Jericho, New York 11753 ("**NFSI**") and _____, with offices at _____ ("**Operator**").

*NFSI has developed a distinctive system for selling batter dip't seafood and chicken dishes under the name and mark "Arthur Treacher's Fish & Chips" ("**AT Products**") as a menu-line extension for an existing food service establishment. Operator is the owner and operator of the food service establishment described in Exhibit A annexed hereto and incorporated herein (such establishment being referred to in this Agreement as the "**Approved Location**"). Operator seeks the right to offer and sell AT Products at the Approved Location using the Trademarks (as defined below), in accordance with the program developed by NFSI for this purpose (the "**Branded Menu Program Operation**"). This Agreement establishes the terms and conditions under which Operator may use NFSI's trademarks and service marks (for example "Arthur Treacher's Fish & Chips"), as designated by NFSI in writing, and which NFSI may periodically change (the "**Trademarks**") in conjunction with the establishment and operation of the Branded Menu Program Operation.*

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1. LICENSE.

a. NFSI grants to Operator a non-exclusive, non-transferable license (and Operator accepts the obligation) to establish and operate a Branded Menu Program Operation at the Approved Location, and to use the Trademarks to identify the fact that Operator is selling AT Products at the Approved Location, all according to the terms and conditions of this Agreement.

b. Operator agrees, upon the terms and conditions herein contained, to establish and operate the Branded Menu Program Operation at the Approved Location and only at the Approved Location. Operator shall not relocate the Branded Menu Program Operation without NFSI's prior written consent.

c. Operator expressly acknowledges that the grant of rights herein is non-exclusive, and that this Agreement does not grant or imply any protected and/or exclusive area or territory. Accordingly, NFSI retains the right to conduct any business at or from any location, notwithstanding the proximity of that business or business activity to the Approved Location. NFSI retains all rights, including, but not limited to: (i) the right to use, and to license others to use, the Trademarks for the operation of Branded Menu Program Operations at any location; (ii) the right to sell, and to license others to sell, packaged and bulk AT Products through supermarkets, club stores and other grocery-type outlets at any location; (iii) the right to sell, and to license others to sell, packaged and bulk AT Products through all direct-to-consumer channels (including, but not limited to, through catalogs, mail order, toll free numbers for delivery, sales via television, Internet websites, and other forms of electronic commerce); (iv) the right to acquire and operate businesses of any kind and to grant the right to others to operate other businesses of any kind, no matter where located; and (v) the right to use and license the use of the Trademarks and other marks in connection with the operation of restaurants of any kind at any location, which restaurants and marks may be the same as, similar to, or different from the Branded Menu Program Operation and Trademarks, on such terms and conditions as NFSI deems advisable, and without granting Operator any rights therein.

d. Operator shall only be permitted to offer and sell Products from the Approved Location to retail customers on a face-to-face basis, for consumption at the Approved Location or for personal carry-out consumption. Operator shall not engage in any other type of sale of, or offer to sell, or distribution of AT Products, including, but not limited to: (i) selling AT Products for catering at, or delivery to, customers' homes, business or other locations (it being understood that NFSI shall not be prohibited in any manner from authorizing catering and/or delivery service from any "Arthur Treacher's" or other restaurants or food service businesses); (ii) selling, distributing or otherwise providing any AT Products to third parties at wholesale, or for resale

or distribution by any third party (including corporate and commercial food service operations); and (iii) selling, distributing or otherwise providing any AT Products through catalogs, mail order, toll free numbers, sales via television, the Internet or other electronic means.

e. Operator further understands that NFSI operates (or is affiliated with other companies that operate) other restaurants and food service and product franchises such as the "Nathan's Famous," and "Kenny Rogers Roasters" food concepts. This Agreement grants Operator no rights with respect to any such restaurant, franchise, or food or product concept operated or licensed by NFSI or its affiliates.

2. OPERATION AND QUALITY STANDARDS.

a. Operator agrees to establish and operate the Branded Menu Program Operation contemplated under this Agreement, and to prepare and sell AT Products, in accordance with NFSI's standards, which NFSI shall provide to Operator (the "**Guidelines**"). Operator agrees to start operating the Branded Menu Program Operation no later than six (6) months after the date of this Agreement. Operator acknowledges and agrees that if it does not commence operating the Branded Program Operation within six (6) months after the date of this Agreement, NFSI shall have the right to terminate this Agreement pursuant to Section 8(b) below and to retain the initial fee paid pursuant to Section 3(a) below.

b. Operator agrees to adhere to NFSI's operating standards, as established by NFSI from time to time (including, without limitation, such operating standards as relate to: (i) the specific products approved for sale by NFSI; (ii) condition and appearance of the Approved Location; (iii) distributors and suppliers; (iv) management and personnel; (v) menu; (vi) sales of products; and (vii) specifications, standards, and procedures for operations).

c. Operator agrees to buy AT Products only from a distributor that NFSI has authorized to sell AT Products to Operator.

d. In connection with introducing the sale of AT Products at the Approved Location, Operator agrees to purchase an equipment package and upgrade the premises of the Approved Location in accordance with the written requirements, standards, and instructions issued by NFSI.

e. Operator agrees to buy all of the equipment, ingredients, and other supplies to be used in preparation of AT Products at the Approved Location only from a vendor that NFSI has authorized to sell such equipment, ingredients, and supplies to Operator.

f. Operator understands and agrees that NFSI will derive income directly and indirectly from the sale of AT Products that Operator buys from suppliers that NFSI may designate in writing, and/or distributors. Operator also understands and agrees that NFSI may receive rebates, license fees, payments, and other compensation from vendors, distributors, manufacturers, and other third parties, which amounts may be based upon the amount of Operator's purchases from such third parties, and which NFSI and its affiliates shall have the right to apply, as NFSI determines in its sole discretion, to brand R&D funds, advertising funds, compensation of NFSI and its affiliates for expenses that NFSI and its affiliates incur in connection with negotiating and maintaining relations with such third parties, or any corporate purposes NFSI deems appropriate.

3. PAYMENTS.

Upon the execution of this Agreement, Operator shall pay NFSI an initial fee in the amount of Seven Thousand Five Hundred Dollars ($7,500). The initial fee is fully earned and non-refundable.

4. TRADEMARK USE. In connection with Operator's use of the Trademarks, the parties agree that:

a. An area of the Approved Location will be dedicated to the Branded Menu Program Operation, including preparation, marketing and sale of AT Products, which such area shall be subject to NFSI's prior written approval. Operator shall identify such approved area of the Approved Location only by use of the Trademarks as designated by NFSI pursuant to this Agreement, and only in the form and manner that NFSI has designated or approved in writing.

b. Operator shall use the Trademarks only in conjunction with:

i. the offer and sale of AT Products (and not in conjunction with the offer or sale of any other product or service);

ii. point-of-sale material to identify to the public that the AT Products offered for sale are "Arthur Treacher's" products;

iii. identifying to the public that Operator offers AT Products for sale at Operator's establishment; and/or

iv. advertising, subject to Section 5 below (Operator also agrees not to use the Trademarks in any other way (for example on invoices, stationery, business cards, etc.)).

c. Operator understands and agrees that it shall make no use of the Trademarks that is not specifically authorized above or otherwise by NFSI in writing, and that any such use would be an infringement upon NFSI's rights. Among other things, Operator agrees that it shall not use the Trademarks or any part of them as the name of the business operated at the Approved Location, a corporate name, domain name, e-mail address, or otherwise. Operator also agrees that it shall not use or authorize any other party to use the Internet or any other electronic system to advertise the Branded Menu Program Operation or the availability of the AT Products at the Approved Location.

d. Operator understands and agrees that NFSI exclusively owns all right, title, and interest in the Trademarks and the goodwill associated with them. Operator understands that Operator's use of the Trademarks will inure solely to NFSI's benefit, and Operator further agrees not to dispute or assist others in disputing directly or indirectly NFSI's right and title in the Trademarks. Operator agrees that it shall not attempt to register the Trademarks, or any variation of the Trademarks, with any government or other registry.

5. ADVERTISING.

a. Operator may advertise, promote, market, and otherwise use the Trademarks, and/or make reference to the Branded Menu Program Operation and AT Products, but only with NFSI's prior written consent as to each such instance.

b. Operator agrees that any sign that Operator displays that uses the Trademarks and/or that makes reference to the Branded Menu Program Operation and AT Products shall either be: (i) purchased from NFSI; or (ii) purchased from another vendor that NFSI has already approved in writing.

c. Operator shall not create, develop, or in any manner operate (nor authorize any other party to operate) a website, webpage, or other internet or electronic display using the Trademarks or otherwise making reference to NFSI, Branded Menu Program Operation and/or AT Products.

6. INSURANCE. Operator shall, at all times, maintain insurance policies to cover the offer and sale of the AT Products, with the types and amounts of coverage as NFSI may reasonably designate from time to time. Operator shall name, and provide a Certificate of Insurance indicating NFSI and its affiliates, officers and directors as an additional named insured under said policy(ies).

7. TERM. This Agreement shall take effect when it has been signed by each of the parties and shall continue in effect until the earlier of: (a) the date that is five (5) years following the date hereof; or (b) termination as provided in Section 8 below. Operator shall have no contractual right, nor shall NFSI have any contractual obligation, to extend the term of this Agreement following its initial expiration. However, should the parties mutually determine to extend the term, NFSI shall require Operator to pay a fee equal to Three Thousand Seven Hundred Fifty Dollars ($3,750) (in addition to other requirements other than paying a renewal fee).

8. DEFAULT/TERMINATION.

a. Operator shall be deemed to be in default under this Agreement, and all rights granted herein shall automatically terminate without notice to Operator, if: (i) Operator becomes insolvent or makes a general assignment for the benefit of creditors; (ii) a petition in bankruptcy is filed by Operator or such a petition is filed against and not opposed by Operator; (iii) Operator is adjudicated a bankrupt or insolvent; (iv) or if a bill in equity or other proceeding for the appointment of a receiver of Operator or other custodian for Operator's business or assets is filed and consented to by Operator; (v) a receiver or other custodian

(permanent or temporary) of Operator's assets or property, or any part thereof, is appointed by any court of competent jurisdiction; or if proceedings for a composition with creditors under any state or federal law should be instituted by or against Operator; (vi) a final judgment remains unsatisfied or of record for thirty (30) days or longer (unless supersedeas bond is filed); (vii) Operator is dissolved; or if execution is levied against Operator's business or property; or if suit to foreclose any lien or mortgage against the premises and/or equipment at any Approved Location is instituted against Operator and not dismissed within thirty (30) days; and/or (vii) the real or personal property of Operator shall be sold after levy thereupon by any sheriff, marshal, or constable.

b. Operator shall be deemed to be in default and NFSI may, at its option, terminate this Agreement and all rights granted hereunder, without affording Operator any opportunity to cure the default, effective immediately upon the delivery of written notice to Operator by NFSI, upon the occurrence of any of the following events: (i) if Operator fails to comply with Section 2(a) above within six (6) months of the date hereof; (ii) if Operator at any time ceases to operate or otherwise abandons the Branded Menu Program Operation contemplated herein at the Approved Location, or loses the right to possession of the premises at the Approved Location, or otherwise forfeits the right to do or transact business in the jurisdiction where the Approved Location is located; (iii) if any sums owed by Operator hereunder are more than thirty (30) days past due; (iv) if Operator or any principal, officer, or director of Operator, is convicted of a felony, a crime involving moral turpitude, or any other crime or offense that NFSI believes is reasonably likely to have an adverse effect on NFSI's restaurant system, branded products program, retail licensing program, Trademarks and/or the goodwill associated with any of the foregoing; (v) if a threat or danger to public health or safety results from the construction, maintenance, or operation of the Approved Location; (vi) if Operator fails to comply with the covenants in Sections 2(c) and 2(e) above; (vii) if Operator uses the Trademarks in connection with the sale or offer of any products which are not the AT Products approved for sale hereunder or if Operator otherwise misuses or makes any unauthorized use of the Trademarks or otherwise materially impairs the goodwill associated therewith or NFSI's rights therein; (viii) if Operator, after curing a default pursuant to this Section 8, commits the same default again within a thirty-six (36) month period of the previous default, whether or not cured after notice; or (ix) if Operator repeatedly is in default under this Section 8 for failure substantially to comply with any of the requirements imposed by this Agreement, whether or not cured after notice.

c. Except as provided in Sections 8(a) and (b) above, if Operator fails to comply with the terms and conditions of this Agreement, and/or the Guidelines, then NFSI shall have the right to terminate this Agreement but only by first giving written notice at least thirty (30) days in advance of the date of termination, and Operator shall have the right to cure the default to NFSI's reasonable satisfaction prior to the end of said thirty-day period.

d. If this Agreement expires or is terminated, then all rights granted to Operator under this Agreement shall immediately terminate, and:

i. Operator shall immediately and permanently stop using (and shall make no reference), in any manner whatsoever, the Trademarks, the AT Products, any other "Arthur Treacher's" mark, and any other NFSI marks;

ii. Operator shall immediately and permanently stop the Branded Menu Program Operation and cease offering AT Products for sale;

iii. Operator shall not thereafter, directly or indirectly, represent that it has (or had) any affiliation with NFSI, the Branded Menu Program Operation, the AT Products, or the Trademarks;

iv. Operator shall immediately return to NFSI the Guidelines, which are acknowledged to be NFSI's property, and Operator shall neither make, keep nor permit any other party to make or keep a copy of the Guidelines; and

v. Operator shall immediately pay NFSI or its Distributor any and all sums then outstanding.

9. ASSIGNMENT. Operator shall not assign, pledge, sell, or in any manner assign (collectively, to "**Transfer**") its rights or obligations under this Agreement, nor permit the Transfer of any direct or indirect interest in Operator, without the prior written

consent of NFSI. If NFSI approves any such Transfer, then among other conditions to its approval and the effectiveness of said Transfer, Operator shall pay NFSI a transfer fee of One Thousand, One Hundred and Twenty-Five Dollars ($1,125), or fifteen percent (15%) of the then-applicable initial fee being charged to new Branded Menu Program Operators, whichever is greater, as well as any and all sums then owed to NFSI and/or its distributors.

10. GENERAL PROVISIONS.

a. This document is the complete agreement between NFSI and Operator. The parties agree that they are not relying on anything other than the words of this Agreement in deciding to sign this Agreement. However, and notwithstanding the foregoing, nothing in this Agreement is intended to disclaim any representations made by NFSI in the Franchise Disclosure Document that NFSI furnished to Operator.

b. The only way to amend this Agreement is in a writing, signed by all of the parties.

c. Any and all notices required or permitted under this Agreement shall be in writing and shall be personally delivered, sent by registered mail, or by other means which affords the sender evidence of delivery, or of rejected delivery, to the respective parties at the addresses shown on the signature page of this Agreement, unless and until a different address has been designated by written notice to the other party. Any notice by a means which affords the sender evidence of delivery, or rejected delivery, shall be deemed to have been given at the date and time of receipt or rejected delivery. The Guidelines, any changes that NFSI make to the Guidelines, and/or any other written instructions that NFSI provide relating to operational matters, are not considered to be "notices" for the purpose of the delivery requirements in this Section 10.c.

d. Operator acknowledges and agrees that neither NFSI nor any party purporting to represent NFSI have provided any information or representation as to the actual or potential sales volume that Operator may achieve (or that other Operators have achieved), nor has Operator received any other information from NFSI from which Operator could derive sales volume.

e. Operator shall, to the fullest extent permissible under applicable law, indemnify and hold the AT parties (defined below) harmless against any and all claims arising directly or indirectly from, as a result of, or in connection with, Operator's operation of the Branded Menu Program Operation and at the Approved Location (including without limitation the offer of the AT Products), as well as the costs, including attorneys' fees, of defending against them. The term "**AT Parties**" means NFSI and its owners and affiliates, and all of their respective past, present, and future officers, directors, employees, and agents.

f. Operator acknowledges that: (i) the establishment of the Branded Menu Program Operation will simply be an extension of Operator's already-existing food service business; (ii) Operator does not anticipate that the Branded Menu Program Operation will account for more than twenty percent (20%) of Operator's overall gross sales; and (iii) Operator (or its executives) are experienced in operating a business of the type represented by the Branded Menu Program Operation contemplated under this Agreement.

g. The parties hereby warrant and represent to each other that there are no other agreements, court orders, or other legal obligations in effect that will or might prevent such party from negotiating, entering into, or carrying out its obligations, under this Agreement.

h. This Agreement takes effect upon its acceptance and execution by NFSI, and shall be interpreted and construed exclusively under the laws of the State of New York, which laws shall prevail if there is any conflict of law (without regard to, and without giving effect to, the application of New York choice of law rules).

i. The parties agree that any action brought by Operator against NFSI in any court, whether federal or state, shall be brought within such state and in the judicial district in which NFSI has its principal place of business. Any action brought by NFSI against Operator in any court, whether federal or state, may be brought within the state and judicial district in which NFSI has its principal place of business. The parties agree that this Section shall not be construed as preventing either party from removing an action from state to federal court. Operator hereby waives all questions of personal

jurisdiction or venue for the purpose of carrying out this provision. Any such action shall be conducted on an individual basis, and not as part of a consolidated, common, or class action.

j. No right or remedy conferred upon or reserved to NFSI or Operator by this Agreement is intended to be, nor shall be deemed, exclusive of any other right or remedy herein or by law or equity provided or permitted, but each shall be cumulative of every other right or remedy. Nothing herein contained shall bar NFSI's right to obtain injunctive relief against threatened conduct that will cause it loss or damages, under the usual equity rules, including the applicable rules for obtaining restraining orders and preliminary injunctions.

k. **NFSI AND OPERATOR IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER OF THEM AGAINST THE OTHER, WHETHER OR NOT THERE ARE OTHER PARTIES IN SUCH ACTION OR PROCEEDING. ANY AND ALL CLAIMS AND ACTIONS ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE RELATIONSHIP OF OPERATOR AND NFSI, OR OPERATOR'S OPERATION OF THE BUSINESS CONTEMPLATED HEREIN, BROUGHT BY ANY PARTY HERETO AGAINST THE OTHER, SHALL BE COMMENCED WITHIN ONE (1) YEAR FROM THE OCCURRENCE OF THE FACTS GIVING RISE TO SUCH CLAIM OR ACTION, OR SUCH CLAIM OR ACTION SHALL BE BARRED.**

l. **NFSI AND OPERATOR HEREBY WAIVE TO THE FULLEST EXTENT PERMITTED BY LAW ANY RIGHT TO OR CLAIM OF ANY PUNITIVE OR EXEMPLARY DAMAGES AGAINST THE OTHER, AND FURTHER AGREE THAT IF THERE IS A DISPUTE BETWEEN THEM, EACH SHALL BE LIMITED TO THE RECOVERY OF ANY ACTUAL DAMAGES THAT IT HAS SUSTAINED.**

11. ACKNOWLEDGMENTS

a. Operator acknowledges that it has conducted an independent investigation of the business franchised hereunder, recognizes that the business venture contemplated by this Agreement involves business risks, and that its success will be largely dependent upon the ability of Operator (and if a corporation or a partnership, its owners) as an independent businessperson(s), and agrees that: (i) NFSI expressly disclaims the making of any guarantee, express or implied, and operator acknowledges that it has not received or relied upon any representations of revenue, as to potential volume profits or success of the business venture contemplated by this Agreement, including any statement regarding the profits or existing franchised or company-owned restaurants; (ii) Operator has not received or relied upon any representations by NFSI or NFSI's officers, directors, employees or agents that are contrary to the statements contained in the terms of this Agreement or in the franchise disclosure document delivered to Operator prior to the execution of this Agreement; (iii) Operator warrants to NFSI that the signatory of this Agreement's execution, delivery and performance of this Agreement will not violate the terms and conditions of, and will not create a default under, any other contract or agreement to which Operator, any of Operator's shareholders or partners (if Operator is a corporation or partnership) or any member of his, her, its or their immediate families is subject to or is a party to such contract or agreement; and (iv) as an inducement to NFSI's entry into this Agreement, that operator has made no misrepresentation to NFSI or any of NFSI's representatives.

b. Operator acknowledges and agrees that: (i) Operator received the Agreement, the Exhibit(s) hereto, and agreements relating hereto, if any, with all of the blank lines therein filled in, prior to the date on which this Agreement was executed; (ii) Operator received NFSI's franchise disclosure document required by the Federal Trade Commission's Franchise Rule at least fourteen (14) days prior to the date on which this Agreement was executed; (iii) Operator has read and understands NFSI's franchise disclosure document; (iv) Operator acknowledges that it has read and understood this Agreement, the exhibits, and agreements relating thereto, if any; and (v) Operator further acknowledges and agrees that NFSI has accorded Operator ample time and opportunity to consult with advisors of Operator's own choosing about the potential benefits and risks of entering into this Agreement.

c. Operator acknowledges that it shall have sole and complete responsibility for the choice of the Approved Location; that NFSI has not (and shall not be deemed to have, even by NFSI's approval of the site that is the Approved Location) given any representation, promise, or guarantee of Operator's success at the Approved Location; and that

Operator shall be solely responsible for its own success at the Approved Location.

d. Although NFSI retains the right to establish and periodically modify system standards, which Operator has agreed to maintain in the operation of Branded Menu Program Operation, Operator retains the right and sole responsibility for the day-to-day management and operation of the Branded Menu Program Operation and the Approved Location, and the implementation and maintenance of system standards at the Branded Menu Program Operation and the Approved Location.

e. Operator acknowledges and agrees that NFSI may modify the offer of its franchises to other operators in any manner and at any time, which offers and agreements have or may have terms, conditions, and obligations that may differ from those in this Agreement.

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

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

Nathan's Famous Systems, Inc.

By: _____

Name: _____

Title: _____

Date: _____, 20__

Address for Notices:

One Jericho Plaza - Wing A, 2nd Fl.
Jericho, New York 11753
Fax: (516) 338-7220

_____
Operator

By: _____

Name: _____

Title: _____

Date: _____, 20__

Address for Notices:

_____
_____
_____
Fax: (_____) _____-_____

EXHIBIT A

Approved Location

EXHIBIT B

AT Products/Pricing/Distribution

See attached.

Exhibit B

List of Franchisees/ Licensees

Agree Type	Restaurant Name	Address	City	State/Country	Zip	Phone
Restaurant	Tucson, AZ	628 North 4th Avenue	Tucson	AZ	85705	520-204-3776
Concession	Nathan's Famous	273 Clarks Falls Road	N. Stonington	CT	6359	(860) 599-2020
Restaurant	Trumbull Mall	5065 Main Street, FC 1	Trumbull	CT	06611	203) 617-9414
Concession	Lake Compounce	185 Enterprise Drive	Southington	CT	06010	717-587-7031
Restaurant	Stamford Town Center	100 Greyrock Place, Food Court D301	Stamford	CT	06901	203-617-9414
Restaurant	Apple Cinemas Simsbury	530 Bushy Hill Road	Simsbury	CT	06070	860-785-6700
Restaurant	Apple Cinemas Brass Mill	495 Union Street	Waterbury	CT	06706	603-296-7805
Concession	Boca Polo Club	5400 Champions Blvd.	Boca Raton	FL	33496	(561) 995-1135
Concession	Boca West Country Club	20583 Boca West Drive	Boca Raton	FL	33434	561-488-6990
Concession	Bruster's Real Ice Cream - Titusville	855 Cheney Highway	Titusville	FL	32780	321-385-0400
Concession	Bruster's Real Ice Cream - Palm Coast	50 Plaza Drive	Palm Coast	FL	32137	386-467-7650
Concession	Sea Dogs	401 Meade Avenue	Cocoa Beach	FL	32931	561-310-1912
Restaurant	Fort Drum Travel Plaza	Florida Turnpike Mile Marker 184	Okeechobee	FL	34872	(305) 335-1668
Restaurant	Miami International Airport	Concourse H, South Terminal	Miami	FL	33122	(305) 869-4950
Restaurant	Miami International Airport, D-22	4200 NW 25th Street, 2nd Level, D-22	Miami	FL	33122	(305) 876-0781
Restaurant	Miami International Airport, Gate D	4200 NW 25th Street, Gate D-37	Miami	FL	33122	(305) 876-5032
Restaurant	Orlando International Airport	9333 Airport Blvd.	Orlando	FL	32827	(407) 851-1813
Restaurant	Nathan's Famous	801 Pier Park Drive	Panama City Beach	FL	32413	(850) 234-0024
Restaurant	Canoe Creek Travel Plaza	Florida Turnpike, MM229	St. Cloud	FL	34769	(407) 910-2345
Restaurant	Nathan's Famous	12801 West Sunrise Blvd., Space 211	Sunrise	FL	33323	(786) 340-3305
Restaurant	Turkey Lake Travel Plaza	Florida Turnpike, Mile Post 263, Building 5315	Ocoee	FL	34761	(407) 692-3084
Restaurant	West Palm Beach Travel Plaza	Florida Turnpike, Mile Marker 94	Lark Worth	FL	33461	(561) 907-2826
Concession	The Club at Admirals Cove	200 Admirals Cove	Jupiter	FL	33477	561.745.5803
Restaurant	Old Town Celebration	5770 W. Irlo Bronson Memorial Highway	Kissimmee	FL	34746	407-479-5575
Concession	Nathan's Famous - Daytona Boardwalk	831 E International Speedway Blvd	Daytona Beach	FL	32118	484-357-5149
Concession	Bruster's Real Ice Cream - Stone Mountain	2688 Rockbridge Road	Stone Mountain	GA	30087	(770) 469-5100
Restaurant	Nathan's Hartsfield- Atlanta Airport	12700 Spine Road Concourse E	Atlanta	GA	30320	(678) 265-831
Restaurant	Ernie Pyle Travel Plaza	5000 E. 750 N	Howe	IN	46746	901-232-7870
Restaurant	Food Truck	4885 Main Street	Breman	KY	42325	270-452-1455
Restaurant	Showcase Cinema De Lux Legacy Place	670 Legacy Place	Dedham	MA	2026	(800) 315-4000
Restaurant	Showcase Cinema De Lux Patriot Place	24 Patriot Place	Foxborough	MA	2035	(800) 315-4000
Restaurant	Blackstone Valley 14 Cinema Delux	70 Providence Worcester Highway	Millbury	MA	1527	508-581-9546
Restaurant	Maryland House Travel Plaza	I-95 JFK Memorial Highway Mile Marker 82	Aberdeen	MD	21001	(443) 674-1842
Restaurant	Apple Cinemas	183 County Road	Westbrook	ME	04092	207-512-5900
Concession	Bruster's Real Ice Cream - Cornelius	17029 Kenton Drive	Cornelius	NC	28031	(704) 896-2886
Restaurant	Harrah's Cherokee Valley River Casino	777 Casino Parkway	Murphy	NC	28906	(828) 422-7777
Concession	Charlotte Premium Outlets	5404 New Fashion Way Store 616	Charlotte	NC	28278	704-595-3352
Restaurant	Apple Cinemas Hooksett IMAX	38 Cinemagic Way	Hoosett	NH	03106	603-868-6200
Restaurant	Apple Cinemas	11 Executive Drive	Merrimack	NH	03054	603-696-3200
Concession	Big City Bagels/Nathan's Famous	4007 Route 9	Howell	NJ	7731	(732) 363-5858
Restaurant	Bridgewater Commons	400 Commons Way	Bridgewater	NJ	8871	(908) 526-4115
Restaurant	Jon Bon Jovi Travel Plaza	Garden State Parkway, Mile Post 124, Unit 301	South Amboy	NJ	8879	(732) 525-0306
Restaurant	Jackson Premium Outlets	537 Monmouth Road, Food Court #176	Jackson	NJ	8527	704-595-3352
Restaurant	Jersey Gardens Mall	651 Kopkowski Road, Suite 400	Elizabeth	NJ	7201	(908) 282-4810
Restaurant	Jersey Shore Premium Outlets	1 Premium Outlet Way, Suite 895	Tinton Falls	NJ	7724	(732) 493-2772
Restaurant	John Fenwick Travel Plaza	Mile Marker 5.4 North New Jersey Turnpike	Penns Grove	NJ	8069	(856) 299-7494
Restaurant	Montvale Travel Plaza	Garden State Parkway, Mile Post 172	Montvale	NJ	7645	(201) 391-8509
Restaurant	Paramus Park Mall	Paramus Park Mall 2055	Paramus	NJ	7652	201-599-4145
Restaurant	Rockaway Mall	301 Mount Hope Avenue	Rockaway	NJ	7866	(973) 442-4007

Restaurant	SOUTH BOUNDBROOK	60 Main Street	South Boundbrook	NJ	8880	732-384-5242
Restaurant	Richard Stockton Travel Plaza	200 Uncle Pete's Road	Trenton	NJ	08691	609-585-1155
Restaurant	Celia Cruz Rest Area	Mile Marker 74.5	Forked River	NJ	08731	609-663-8275
Restaurant	Liberty State Park	76 Audrey Zapp Drive	Jersey City	NJ	07305	201-499-7388
Concession	William Patterson University	Wayne Dining Hall, 300 Pompton Road	Wayne	NJ	07470	(609) 658-4269
Restaurant	Harry Reid International Airport	5757 Wayne Newton Blvd. Concourse C	Las Vegas	NV	89119	(702) 261-6454
Restaurant	Horseshoe Las Vegas	3645 South Las Vegas Blvd.	Las Vegas	NV	89109	(702) 369-4013
Restaurant	Flamingo Las Vegas	3645 South Las Vegas Blvd.	Las Vegas	NV	89109	(702) 369-4013
Restaurant	Luxor Hotel & Casino	3900 Las Vegas Blvd.	Las Vegas	NV	89119	(702) 597-3377
Restaurant	Mandalay Bay Hotel & Casino	3950 Las Vegas Blvd. South	Las Vegas	NV	89109	(702) 367-1166
Restaurant	MGM Grand Food Court	3799 Las Vegas Blvd., South, Suite #7	Las Vegas	NV	89109	(702) 597-0131
Restaurant	New York, New York Hotel & Casino	3790 South Las Vegas Blvd.	Las Vegas	NV	89109	(702) 597-9114
Concession	O'Neill's Concessions Trailer	311 Mamaroneck Road	Scarsdale	NY	10583	914-943-6960
Concession	Croton Point Park-Beach Bathhouse	Croton Point Avenue	Croton on the Hudson	NY	10520	914-943-6960
Concession	Nathan's/Pudgie's/Arthur Treacher's	662 Middle Country Road	Selden	NY	11784	631-732-1080
Concession	Chicken Carnival/Nathan's Famous	1385 Jerusalem Avenue	N Merrick	NY	11566	516-292-7427
Concession	Hot Spot Ices	854 N Broadway	White Plains	NY	10603	914-437-8965
Restaurant	Long Island MacArthur Airport	100 Arrival Avenue	Ronkonkoma	NY	11779	631-285-7684
Concession	Chicken Tonight/Nathan's Famous	50 Sunrise Highway	Lindenhurst	NY	11757	(631) 957-0333
Concession	Citgo/Nathan's Famous	569 Myrtle Avenue	Brooklyn	NY	11205	917-402-4784
Concession	Wonderwheel Cart	1025 Boardwalk	Brooklyn	NY	11224	646-879-5270
Concession	NYC Cart M001	Fifth Avenue & 59th Street - Central Park Side	New York	NY	10022	833-516-0831
Concession	NYC Cart M002	Columbus Circle - Central Park Side	New York	NY	10019	833-516-0831
Concession	NYC Cart M003	Fifth Avenue & 58th Street (Across from Bergdorf Goodman)	New York	NY	10022	833-516-0831
Concession	NYC Cart M004	55b Richmond Terrace	Staten Island	NY	10019	833-516-0831
Concession	NYC Cart M005	54th Street & 5th Avenue	New York	NY	10019	833-516-0831
Concession	NYC Cart M006	77th Street btw Central Park West and Columbus	New York	NY		833-516-0831
Concession	NYC Cart M007	47th Street & 7th Avenue	New York	NY	10003	833-516-0831
Concession	NYC Cart M008	Battery Park	New York	NY	10004	833-516-0831
Concession	NYC Cart M009	59th Street & 6th Avenue	New York	NY		833-516-0831
Concession	NYC Cart M0010	60th Street - Columbus Circle	New York	NY	10023	833-516-0831
Concession	NYC Cart M0011	200 Central Park West & NW 79th Street	New York	NY	10023	833-516-0831
Concession	NYC Cart M0012	46th Street & 6th Avenue	New York	NY	10011	833-516-0831
Concession	NYC Cart M0013	Battery Place & West Street	New York	NY		833-516-0831
Concession	NYC Cart M0014	79th Street & 5th Avenue	New York	NY		833-516-0831
Concession	NYC Cart M0015	85th Street & 5th Avenue	New York	NY		833-516-0831
Concession	NYC Cart M0016	Battery Place & Broadway	New York	NY		833-516-0831
Concession	NYC Cart M0017	78th Street & Central Park West	New York	NY		833-516-0831
Concession	NYC Cart M0018	34th Street btw 5th & 6th Avenues	New York	NY		833-516-0831
Concession	NYC Cart M0019	Prince Street & Broadway	New York	NY		833-516-0831
Concession	NYC Cart M0020	40th Street & 5th Avenue	New York	NY		833-516-0831
Concession	NYC Cart M0021	South Street/Montgomery Street	New York	NY		833-516-0831
Concession	NYC Cart M0022	68th Street & York Avenue	New York	NY		833-516-0831
Concession	NYC Cart M0023	Columbus btw 78th and 79th Streets	New York	NY		833-516-0831
Concession	NYC Cart M0024	14th Street & 10th Avenue	New York	NY		833-516-0831
Concession	NYC Cart M0025	200 Central Park West & NE 77th Street	New York	NY		833-516-0831
Concession	NYC Cart M0026	59th Street & 5th Avenue	New York	NY		833-516-0831
Concession	NYC Cart M0027	Roosevelt Island	New York	NY		833-516-0831
Concession	NYC Cart M0028	50th Street & 6th Avenue	New York	NY		833-516-0831
Concession	NYC Cart M0029	33rd Street & 9th Avenue	New York	NY	10013	833-516-0831
Concession	NYC Cart M0030	54th Street & 6th Avenue	New York	NY	10003	833-516-0831

Concession	NYC Cart M0031	53rd Street & 6th Avenue	New York	NY		833-516-0831	
Concession	NYC Cart M0032	32nd Street & 6th Avenue	New York	NY		833-516-0831	
Concession	NYC Cart M0033	35th Street & 6th Avenue	New York	NY		833-516-0831	
Concession	NYC Cart M0034	82nd Street & 5th Avenue	New York	NY		833-516-0831	
Concession	NYC Cart M0035	42nd Street btw 5th & 6th Avenues	New York	NY		833-516-0831	
Concession	NYC Cart M0036	59th Street & 7th Avenue	New York	NY		833-516-0831	
Concession	NYC Cart M0037	52nd Street & 6th Avenue	New York	NY		833-516-0831	
Concession	Wings Of New York Yankee Stadium	1 East 161st Street, Stand 107	Bronx	NY	10451	(917) 284-3266	
Restaurant	Nathan's Famous	2148 White Plains Road	Bronx	NY	10462	718-792-3686	
Concession	Staten Island Ferry - St. George Terminal	1 Richmond Terrace	Staten Island	NY	10301	(718) 524-0707	
Concession	Staten Island Ferry - Whitehall Station	4 South Street	New York	NY	10301	(917) 536-3918	
Restaurant	Coney Island Boardwalk Nathan's - Seasonal	1229 Boardwalk	Brooklyn	NY	11224	(718) 714-7207	CORPORATE
Restaurant	College Point Multiplex Cinemas	28-55 Ulmer Street	Whitestone	NY	11357	(800) 315-4000	
Restaurant	Nathan's Famous	1310 Surf Ave	Brooklyn	NY	11224	(718) 333-2202	CORPORATE
Restaurant	Cross County Multiplex Cinemas	Two South Drive	Yonkers	NY	10704	(800) 315-4000	
Restaurant	Farmingdale Multiplex Cinemas	1001 Broad Hollow Road	Farmingdale	NY	11735	(800) 315-4000	
Restaurant	Island 16 Cinema De Lux	185 Morris Avenue	Holtsville	NY	11742	(800) 315-4000	
Restaurant	Nathan's Famous	2807 Long Beach Road	Oceanside	NY	11572	(516) 766-2345	CORPORATE
Restaurant	Palisades Center Mall	Space FC-04	West Nyack	NY	10994	(914) 325-9219	
Restaurant	Poughkeepsie Galleria	2001 South Road, Space F106	Poughkeepsie	NY	12601	(845) 297-1335	
Restaurant	Nathan's Famous/Ralph's Ices, Commack	314 Commack Road	Commack	NY	11725	718-671-1234	
Restaurant	Showcase Cinema De Lux Ridge Hill	59 Fitzgerald Street at Ridge Hill	Yonkers	NY	10710	(800) 315-4000	
Concession	Tanger Outlets - Deer Park	1086 The Arches Circle	Deer Park	NY	11729	(631) 667-6900	
Concession	Tanger Outlets - Riverhead	1770 West Main Street, Suite 309	Riverhead	NY	11901	(631) 727-2392	
Concession	Ralph's/Nathan's Famous	1290 Deer Park Avenue	Deer Park	NY	11729	631-872-8676	
Concession	Chicken Holiday/Nathan's Famous	2713 Merrick Road	Bellmore	NY	11710	516-283-4000	
Restaurant	Nathan's Famous	2290 Central Park Avenue	Yonkers	NY	10710	(914) 779-0700	CORPORATE
Restaurant	Bay Plaza Mall	200 Baychester Avenue	Bronx	NY	10475-45	929-607-3779	
Concession	Brendo's	82 Hillside Avenue	Williston Park	NY	11596	516-721-1959	
Concession	Mr. Softee Ice Cream/Nathan's Famous	Triangle Shopping Center, 1992 Commerce Street	Yorktown Heights	NY	10598	914-943-6960	
Restaurant	Stony Brook University - LaValle Stadium	100 Nicholls Road	Stony Brook	NY	11790	631-235-2266	
Restaurant	Apple Cinemas Greece Ridge	176 Greece Ridge Center Drive	Rochester	NY	14626	603-296-7805	
Restaurant	Rye Playland Truck	1 Playland Parkway	Rye	NY	10580	631-235-2266	
Restaurant	Nathan's Famous	10-08 Clintonville Street	Whitestone	NY	11357	516-456-5045	
Restaurant	Crocker Park	184 Crocker Park Boulevard	Westlake	OH	44145	(440) 871-2333	
Restaurant	Springdale Cinema De Lux	12064 Springfield Pike	Springdale	OH	45246	(800) 315-4000	
Concession	Bruster's Real Ice Cream - Chambersburg	500 Gateway Avenue	Chambersburg	PA	17201	(717) 261-1484	
Concession	Carlisle Bruster's/Nathan's	220 Penrose Place	Carlisle	PA	17013	(717) 245-9860	
Restaurant	The Giant Center Arena	550 Hershey Park Drive - Sections: 110/111	Hershey	PA	17033	717-508-1771	
Restaurant	Hershey Park - Boardwalk	100 West Hershey Park Drive	Hershey	PA	17033	717-534-3855	
Restaurant	Hershey Park - Rhineland Food Court	100 West Hershey Park Drive	Hershey	PA	17033	(717) 508-1771	
Restaurant	Hershey Park - Food Truck	100 West Hershey Park Drive	Hershey	PA	17033	717-508-1771	
Restaurant	Showcase Cinemas Warwick	1200 Quaker Lake	Warwick	RI	02886	(800) 315-4000	
Restaurant	TWIN RIVERS CASINO	100 Twin River Road	Lincoln	RI	02865	401-475-8552	
Restaurant	Nathan's Famous	214 Main Street	N. Myrtle Beach	SC	29577	843-273-4529	
Restaurant	Pirate's Cove	205 Main Street	N. Myrtle Beach	SC	29582	843-503-3230	
Restaurant	White's Travel Center	2440 Raphine Road	Raphine	VA	24472	540-817-9136	

EXHIBIT B-2

Nathan's Famous and Arthur Treacher's Co-Branded Domestic Locations within Miami Subs Restaurants Directory as of March 29, 2026

State	City	Licensee	Store Name	Address	NF	AT
FL	Cutler Bay	Bogdan & Anna Sushkov	Miami Subs #273 Cutler Bay	18660 S Dixie Hwy, Cutler Bay, FL 33157 (p) 305-251-5816	Yes	Yes
FL	Dania	Marcus Ardelean	Miami Subs #137 Dania	1505 S. Federal Hwy Dania, FL 33004 (p) 954-922-1128	Yes	Yes
FL	Davie	Navaid & Samina Khan	Miami Subs #23 Griffin Road	4999 S. State Road 7 Davie, FL 33314 (p) 954-689-7499	Yes	Yes
FL	Ft. Lauderdale	Vladimir Ulitsky	Miami Subs #6 W. Commercial Blvd.	891 W. Commercial Blvd. Ft. Lauderdale, FL 33309 (p) 954-938-9400	Yes	Yes
FL	Ft. Lauderdale	Senturk Aymaz	Miami Subs #7 Oakland Park Blvd.	828 W. Oakland Park Blvd. Ft. Lauderdale, FL 33311 (p) 954-561-5055	Yes	Yes
FL	Ft. Lauderdale	Beau Clark	Miami Subs #16 Sunrise	661 West Sunrise Blvd. Ft. Lauderdale, FL 33311 (p) 954-768-9100	Yes	Yes
FL	Green Acres	Dr. Julian Grashoff	Miami Subs #283 Jog Road	4650 Jog Road, Green Acres, FL 33463 (p) 561-328-1280	Yes	Yes
FL	Green Acres	Bishwajit Saha	Miami Subs #20 Military Lake	4513 Lakeworth Road Green Acres, FL 33463 (p) 561-641-3999	Yes	Yes
FL	Hollywood	Paula Mikalacki	Miami Subs #28 Pembroke	1955 S. State Road 7 Hollywood, FL 33023 (p) 954-964-2222	Yes	Yes
FL	Hollywood	Antony Kallas	Miami Subs #98 28th Avenue	2749 Hollywood Blvd. Hollywood, FL 33020 (p) 954-926-5460	Yes	Yes
FL	Jacksonville	Sebastian Espinosa & Mario Cordovez	Miami Subs #281 Jacksonville	9575 N Regency Square Jacksonville, FL 32225 (p) 904-379-7969	Yes	Yes
FL	Kendall	Jerry McDonald	Miami Subs #188/Kendall, FL	14001 SW 88th Street Kendall, FL 33186	Yes	No
FL	Kissimmee	Cesar Batista & Karina Caballero	Miami Subs #285	4799 W. Irlo Bronson Memorial Highway, Kissimmee, FL 34746 (p) 407-785-6745	Yes	No
FL	Lake Park	Nyia Golden	Miami Subs #60 North Lake	952 North Lake Blvd. Lake Park, FL 33403 (p) 561-863-1212	Yes	Yes
FL	Lauderhill	Mahmoud Heiba	Miami Subs #30 Lauderhill	5001 N. University Drive Lauderhill, FL 33351 (p) 954-748-0900	Yes	Yes
FL	Margate	Alaa Elbiali	Miami Subs #274 Margate	619 State Road 7 Margate, FL 33063 (p) 954-366-3195	Yes	Yes

State	City	Licensee	Store Name	Address	NF	AT
FL	Miami	Jose Paredes	Miami Subs #40 167th Street	600 NE 167th Street Miami FL 33162 (p) 305-944-3111	Yes	Yes
FL	Miami Springs	John Nakis	Miami Subs #272	3700 NW 42nd Avenue Miami Springs, FL 33166 (p) 786-360-2194	Yes	Yes
FL	North Miami	Juan Mendoza	Miami Subs #14 North Miami	19000 N.W. 2nd Ave North Miami, FL 33169 (p) 305-654-7333	Yes	Yes
FL	Pembroke Pines	Juan Rivera	Miami Subs #50 Pines	7781 Pines Blvd. Pembroke Pines, FL 33024 (p) 954-963-9698	Yes	Yes
FL	Pembroke Pines	Juan Rivera	Miami Subs #195 Pembroke Lakes	11501 Pines Blvd. Pembroke Pines, FL 33026 (p) 954-430-8181	Yes	Yes
FL	Plantation	Vladimir Ulitsky	Miami Subs #76 Plantation	210 SW 40th Avenue Plantation, FL 33317 (p) 954-587-9500	Yes	Yes
FL	Pompano Beach	Sinisa Mikalacki	Miami Subs #17 Sample Road	750 West Sample Road Pompano Beach, FL 33064 (p) 954-782-1270	Yes	Yes
FL	Pompano Beach	Sinisa Mikalacki	Miami Subs #22 West Atlantic	317 West Atlantic Blvd. Pompano Beach, FL 33060 (p) 954-946-0101	Yes	Yes
SC	Spartanburg	Huseyin Kaya	Miami Subs #192 Spartanburg, SC	250 Hearon Circle Spartanburg, SC 29303 (p) 864-585-3599	Yes	No

EXHIBIT B-3
LIST OF BRANDED PRODUCTS PROGRAM PARTICIPANTS
Active Accounts by State - Summary as of March 29, 2026

Alabama 189
Alaska..... 12
Arizona 377
Arkansas 119
California 1343
Colorado..... 224
Connecticut 380
Delaware 116
District of Columbia 129
Florida 1717
Georgia 471
Hawaii..... 99
Idaho 43
Illinois 466
Indiana 325
Iowa..... 91
Kansas 109
Kentucky 157
Louisiana 199
Maine..... 35
Maryland 671
Massachusetts 504
Michigan 452
Minnesota 334
Mississippi 274
Missouri 275
Montana..... 50
Nebraska..... 66
Nevada 294
New Hampshire 100
New Jersey.....1192
New Mexico 188
New York..... 3158
North Carolina 959
North Dakota 27
Ohio 662
Oklahoma 148
Oregon 100
Pennsylvania 1442
Rhode Island 112
South Carolina..... 630
South Dakota..... 54
Tennessee 372
Texas..... 740
Utah..... 107
Vermont. 103
Virginia 694
Washington 198
West Virginia 107
Wisconsin. 121
Wyoming 39
Puerto Rico..... 129
Guam..... 3
U.S. Virgin Islands.....7
TOTAL 20,913

Exhibit C

[Intentionally Omitted]

Exhibit D

List of Terminated Franchisees

EXHIBIT D

NATHAN'S FAMOUS
LIST OF FORMER FRANCHISEES

The name, last known address, and telephone number of the parties that have ceased to do business pursuant to a Franchise Agreement, Nathan's Branded Menu Program License Agreement, Area Development Agreement or a Participation Agreement for a co-brand within a Nathan's Famous restaurant during our last fiscal year (March 29, 2026), or who has not communicated with us within ten weeks of the date of this disclosure document, is as follows.

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

Agree Type	Restaurant Name	Address	City	State	Zip	Phone
Concession	Flipz Burgers	1801 N. Hobart	Pampa	TX	79065	(806) 280-0448
Concession	Baseball Heaven	350 Sills Road	Yaphank	NY	11980	(631) 205-5109
Concession	Bruster's Real Ice Cream	4790 Flat Shoals	Decatur	FL	30334	(770) 323-9966
Concession	Bruster's Real Ice Cream	4655 Gulfstarr Drive	Destin	FL	32541	(850) 269-2920
Restaurant	Southwest Florida International Airport	11000 Terminal Access Road	Fort Myers	FL	33913	(239) 482-3507
Restaurant	Showcase Cinema De Lux Patriot Place	24 Patriot Place	Foxborough	MA	02025	(800) 315-4000
Restaurant	Showcase Cinema De Lux Randolph	73 Mazzeo Drive	Randolph	MA	02368	(800) 315-4000
Concession	Burger Express	215 Roosevelt Ave	Carteret	NJ	07008	(732) 859-2847
Concession	Middlesex College	2600 Woodbridge Avenue	Edison	NJ	08837	(973) 463-9555
Restaurant	Woodbury Commons	524 Red Apple Court, Space FC10	Central Valley	NY	10917	(845) 988-1061
Concession	Valerio Gas Station	1038 Route 11	Champlain	NY	12919	(518) 298-8438
Concession	Dunkin Donuts/ Nathan's Famous	281 Walt Whitman Rd	Huntington	NY	11746	(631) 872-8676
Restaurant	Food Truck	328 W. Linden Street	Allentown	PA	18104	(610) 433-4114
Concession	Windcreek Bethlehem Casino Resort	511 E. 3rd Street	Bethlehem	PA	18015	(610) 751-0257
Restaurant	Myrtle Beach 8th Avenue	301 8th Avenue	Myrtle Beach	SC	29577	(843) 503-3230
Restaurant	Nathan's Famous	1818 Bagwell Circle	Rock Hill	SC	29732	(803) 355-3647

Exhibit E

List of State Administrators

LIST OF STATE ADMINISTRATORS

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

CALIFORNIA Commissioner of Financial Protection and Innovation Department of Financial Protection and Innovation 320 West Fourth Street, Suite 750 Los Angeles, California 90013-2344 (213) 576-7500 / Toll Free: (866) 275-2677 Email: ASK.DFPI@dfpi.ca.gov Website: http://www.dfpi.ca.gov	**NEW YORK** NYS Department of Law Investor Protection Bureau 28 Liberty St. 21st Fl New York, NY 10005 (212) 416-8222
HAWAII Commissioner of Securities Department of Commerce & Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, Hawaii 96813 (808) 586-2722	**NORTH DAKOTA** North Dakota Insurance & Securities Department 600 East Boulevard Avenue, Dept. 401 Bismarck, North Dakota 58505 (701) 328-2910
ILLINOIS Illinois Office of the Attorney General Franchise Bureau 500 South Second Street Springfield, Illinois 62706 (217) 782-4465	**RHODE ISLAND** Department of Business Regulation Securities Division, Building 69, First Floor John O. Pastore Center 1511 Pontiac Avenue Cranston, Rhode Island 02920 (401) 462-9527
INDIANA Secretary of State Franchise Section 302 West Washington, Room E-111 Indianapolis, Indiana 46204 (317) 232-6681	**SOUTH DAKOTA** Division of Insurance Securities Regulation 124 South Euclid Avenue, 2nd Floor Pierre, South Dakota 57501 (605) 773-3563
MARYLAND Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, Maryland 21202-2020 (410) 576-6360	**VIRGINIA** State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street, 9th Floor Richmond, Virginia 23219 (804) 371-9051
MICHIGAN Michigan Attorney General's Office Corporate Oversight Division, Franchise Section 525 West Ottawa Street G. Mennen Williams Building, 1st Floor Lansing, Michigan 48913 (517) 335-7567	**WASHINGTON** Department of Financial Institutions Securities Division P.O. Box 41200 Olympia, Washington 98504-1200 (360) 902-8760
MINNESOTA Minnesota Department of Commerce 85 7th Place East, Suite 280 St. Paul, Minnesota 55101 (651) 539-1600	**WISCONSIN** Division of Securities 4822 Madison Yards Way, North Tower Madison, Wisconsin 53705 (608) 266-2139

Exhibit F

Agents for Service of Process

AGENTS FOR SERVICE OF PROCESS

We intend to register this disclosure document as a "franchise" in some or all of the following states, if required by the applicable state law. If and when we pursue franchise registration (or otherwise comply with the franchise investment laws) in these states, we will designate the following state offices or officials as our agents for service of process in these states. There may be states in addition to those listed below in which we have appointed an agent for service of process. There may also be additional agents in some of the states listed.

CALIFORNIA Commissioner of Financial Protection and Innovation Department of Financial Protection and Innovation 320 West Fourth Street, Suite 750 Los Angeles, California 90013-2344 (213) 576-7500 / Toll Free: (866) 275-2677 Email: ASK.DFPI@dfpi.ca.gov Website: http://www.dfpi.ca.gov	**NEW YORK** New York Secretary of State One Commerce Plaza 99 Washington Avenue Albany, NY 12231 (518) 473-2492
HAWAII Commissioner of Securities Department of Commerce & Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, Hawaii 96813 (808) 586-2722	**NORTH DAKOTA** North Dakota Insurance & Securities Department 600 East Boulevard Avenue, Dept. 401 Bismarck, North Dakota 58505 (701) 328-2910
ILLINOIS Illinois Attorney General 500 South Second Street Springfield, Illinois 62706 (217) 782-4465	**RHODE ISLAND** Director of Department of Business Regulation Department of Business Regulation Securities Division, Building 69, First Floor John O. Pastore Center 1511 Pontiac Avenue Cranston, Rhode Island 02920 (401) 462-9527
INDIANA Secretary of State Franchise Section 302 West Washington, Room E-111 Indianapolis, Indiana 46204 (317) 232-6681	**SOUTH DAKOTA** Division of Insurance Director of the Securities Regulation 124 South Euclid Avenue, 2nd Floor Pierre, South Dakota 57501 (605) 773-3563
MARYLAND Maryland Securities Commissioner 200 St. Paul Place Baltimore, Maryland 21202-2020 (410) 576-6360	**VIRGINIA** Clerk of the State Corporation Commission 1300 East Main Street, 1st Floor Richmond, Virginia 23219 (804) 371-9733
MICHIGAN Michigan Attorney General's Office Corporate Oversight Division, Franchise Section 525 West Ottawa Street G. Mennen Williams Building, 1st Floor Lansing, Michigan 48913 (517) 335-7567	**WASHINGTON** Director of Department of Financial Institutions Securities Division – 3rd Floor 150 Israel Road, Southwest Tumwater, Washington 98501 (360) 902-8760
MINNESOTA Commissioner of Commerce Minnesota Department of Commerce 85 7th Place East, Suite 280 St. Paul, Minnesota 55101 (651) 539-1600	**WISCONSIN** Division of Securities 4822 Madison Yards Way, North Tower Madison, Wisconsin 53705 (608) 266-2139

Exhibit G

Operating Manual (Table of Contents)

PRODUCT SPECIFICATIONS & PROCEDURES: NATHAN'S FAMOUS, INC.

Section:**RECEIVING & STORAGE**	Subject No: TOC	Date: 11/95
Subject: Table of Contents	Page: 1	Approved

RECEIVING AND STORAGE

Subject **Subject Number**

Receiving I
Rotation Procedures
Inspections
Scheduling Deliveries

Storage II
Refrigerator Specifications
Freezer Specifications

Dry Storage III

Temperature Danger Zone IV

Dating System V

Breaking Cycles VI

Rotation Procedures VII

PRODUCT SPECIFICATIONS & PROCEDURES: NATHAN'S FAMOUS, INC.

Section: **FRANKFURTERS**	Subject No: TOC	Date: 5/99
Subject: Table of Contents	Page: 1	Approved:

FRANKFURTERS

Subject **Subject Number**

Product Description..... I

Frankfurter
Frank Roll

Receiving and Storage..... II

Frankfurter
Frank roll

Product Preparation Procedures..... III

Frankfurter

Operating Procedures..... IV

Set up procedures
Cleaning/closing procedures
Grill temperature chart
Standards of cleaning

Finished Frankfurter Appearance..... V

Service Procedures..... VI

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PRODUCT SPECIFICATIONS & PROCEDURES: NATHAN'S FAMOUS, INC.

Section: **FRENCH FRIES**	Subject No: TOC	Date: 4/05
Subject: Table of Contents	Page: 1	Approved:

FRENCH FRIES

Subject Subject Number

Product Description..... I

French Fries
Corn Oil

Product Preparation II
Preparation
Cooking Service Procedures
Potential Product Problems :Trouble shooting Guide

Corn Oil Maintenance III
Routine Maintenance
Filtering Procedures
Boiling out fryers

Troubleshooting Guide

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PRODUCT SPECIFICATIONS & PROCEDURES: NATHAN'S FAMOUS, INC.

Section: **TOPPINGS**	Subject No: TOC	Date: 11/95
Subject: Table of Contents	Page: 1	Approved:

TOPPINGS

Subject **Subject Number**

Aged Cheddar Cheese Sauce..... I

Sauerkraut..... II

Chili..... III

Sauteed Onions..... IV

Sliced American Cheese..... V

Bacon..... VI

Operating Procedures..... VII

Topping Table Set Up
Topping Table Closing

Microwave Cooking Chart..... VII

Topping Portion Chart..... IX

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PRODUCT SPECIFICATIONS & PROCEDURES: NATHAN'S FAMOUS, INC

Section: **CONDIMENTS**	Subject No: TOC	Date: 1/03
Subject: Table of Contents	Page: 1	Approved:

CONDIMENTS

Subject	Subject Number
Ketchup, Mustard, and Relish Packets	**I**
Ketchup (Bulk)	**II**
Mustard (Bulk)	**III**
Relish (Bulk)	**IV**
Diced Onions	**V**
Romaine Lettuce	**VI**
Tomatoes	**VII**
Lemons	**VIII**
Mayonnaise	**IX**
Dipping Sauces	**X**
Sugar/Sugar Substitutes	**XI**
Salt and Pepper Packets	**XII**
Saltines	**XIII**

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PRODUCT SPECIFICATIONS & PROCEDURES: NATHAN'S FAMOUS, INC

Section: **CONDIMENTS**	Subject No: TOC	Date: 1/03
Subject: Table of Contents	Page: 2	Approved:

Subject **Subject Number**

Creamers..... XIV

Tartar Sauce..... XV

Pickle Chips XVI

Thousand Island Dressing XVII

Barbecue Sauce XVIII

Ranch Dressing XIX

Caesar Dressing XX

Operating Procedures..... XXI

Setting up Condiment Table
Closing Procedures
Condiment Pump Cleaning

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PRODUCT SPECIFICATIONS & PROCEDURES: NATHAN'S FAMOUS, INC

Section: BEVERAGES	Subject No: TOC	Date: 1/03
Subject: Table of Contents	Page: 1	Approved:

BEVERAGES

Subject	Subject Number
Soda	I
Brixing Soda/ Adjusting Flow rate	
Iced Tea	II
Lemonade	III
Jet Spray maintenance	
Milk	IV
Coffee	V
Decaffeinated Coffee	VI
Hot Chocolate	VII
Hot Tea	VIII

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PRODUCT SPECIFICATIONS & PROCEDURES: NATHAN'S FAMOUS, INC

Section: **FRIED CHICKEN**	Subject No: TOC	Date: 11/95
Subject: Table of Contents	Page: 1	Approved

FRIED CHICKEN

Subject **Subject Number**

Product Description of Fried Chicken..... I

Receiving and Storage II

Frying Instructions III

Assembly and Service Procedures IV

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Section: **CHICKEN BREAST**	Subject No: TOC	Date: 2/05
Subject: Table of Contents	Page: 1	Approved

CHICKEN BREAST

Subject **Subject Number**

Char-broiled Chicken..... I

Product Description
Receiving and Storage
Cooking Procedure
Assembly and Service
Variations of Char-broiled Chicken Sandwiches
Assembly of Chicken Pitas

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PRODUCT SPECIFICATIONS & PROCEDURES: NATHAN'S FAMOUS, INC.

Section: **HOT DOG NUGGETS AND CHICKEN TENDERS**	Subject No: TOC	Date: 2/02
Subject: Table of Contents	Page: 1	Approved

NUGGETS & TENDERS

Subject **Subject Number**

Hot Dog Nuggets I

Product Description
Receiving and Storage
Frying Instructions
Assembly and Service Problems

Chicken Tenders..... II

Product Description
Receiving and Storage
Frying Instructions
Assembly and Service Problems
Krispy Chicken Tender Platter
Krispy Chicken Pita

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PRODUCT SPECIFICATIONS & PROCEDURES: NATHAN'S FAMOUS, INC.

Section: **SEAFOOD**	Subject No: TOC	Date: 11/95
Subject: Table of Contents	Page: 1	Approved

SEAFOOD

Subject — Subject Number

Fried Clam Strips I
- Product Description
- Receiving and Storage
- Frying Procedure
- Finished Appearance
- Production Schedule
- Assembly and Service

Fish Filet II
- Product Descrption
- Receiving and Storage
- Frying Procedure
- Finishing Procedure
- Production Schedule
- Assembly and Service

Fried Shrimp III
- Product Description
- Receiving and Storage
- Frying Procedure
- Finished Appearance
- Production Schedule
- Assembly and Service

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PRODUCT SPECIFICATIONS & PROCEDURES: NATHAN'S FAMOUS, INC.

Section: **HAMBURGERS**	Subject No: TOC	Date: 11/95
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HAMBURGERS

Subject — Subject Number

Product Description I

Receiving and Storage Procedures II

Cooking Assembly and Service Procedures III

- Super Cheeseburger
- Hamburger with Cheese
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Production Schedule IV

Roll Warming Procedure (stores without roll toasters) V

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PRODUCT SPECIFICATIONS & PROCEDURES: NATHAN'S FAMOUS, INC.

Section: **MISCELLANEOUS**	Subject No: TOC	Date: 2/02
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MISCELLANEOUS

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General Service Procedures	**I**
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Sandwich Rolls	**III**
Soups	**IV**
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Corn on the Cob	**VI**
Chicken Wings	**VII**
Wing Sauce (Hot)	**VIII**
Chipotle Bourbon Wing Sauce	**IX**
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Mozzarella Sticks	**XII**
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PRODUCT SPECIFICATIONS & PROCEDURES: NATHAN'S FAMOUS, INC.

Section: **MISCELLANEOUS**	Subject No: TOC	Date: 2/02
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MISCELLANEOUS

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Exhibit H

Audited Financial Statements of Nathan's Famous Systems, Inc. (for Fiscal Years 2026, 2025 and 2024)

FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORT

NATHAN'S FAMOUS SYSTEMS, INC.
(a wholly-owned subsidiary of Nathan's Famous, Inc.)

As of March 29, 2026 and March 30, 2025 and
for the periods ended March 29, 2026, March 30, 2025 and March 31, 2024

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Independent Auditors' Report

To the Board of Directors and Shareholders of
Nathan's Famous Systems, Inc.

Opinion

We have audited the financial statements of Nathan's Famous Systems, Inc. (the "Company"), which comprise the balance sheets as of March 29, 2026 and March 30, 2025, and the related statements of earnings, changes in stockholder's equity, and cash flows for the fifty-two weeks ended March 29, 2026 and March 30, 2025, and the related notes to the financial statements (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of March 29, 2026 and March 30, 2025, and the results of its operations and its cash flows for the fifty-two weeks then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Prior Period Financial Statements

The financial statements of the Company as of and for the fifty-three weeks ended March 31, 2024, were audited by Marcum LLP, whose report dated July 19, 2024, expressed an unmodified opinion on those statements.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' 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 auditors' 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 the Company's internal control. Accordingly, no such opinion is expressed.

- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

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

CBIZ CPAs P.C.

New York, New York
July 23, 2026

Nathan's Famous Systems, Inc.

BALANCE SHEETS

ASSETS	**March 29, 2026**	March 30, 2025
CURRENT ASSETS:		
Cash	**$ 26,087**	$ 20,087
Accounts receivable, net (Note C)	**19,813,292**	14,038,524
Inventories	**736,975**	1,118,875
Prepaid expenses	**288,882**	226,297
Total current assets	**20,865,236**	15,403,783
PROPERTY AND EQUIPMENT, NET (Note D)	**162,392**	199,702
RECEIVABLES FROM AFFILIATES, NET (Note H)	**22,296,364**	28,461,983
DEFERRED INCOME TAXES, NET (Note F)	**426,815**	522,064
OTHER ASSETS, NET	**-**	13,714
TOTAL ASSETS	**$ 43,750,807**	$ 44,601,246
LIABILITIES AND STOCKHOLDER'S EQUITY		
CURRENT LIABILITIES:		
Accounts payable	**$ 7,533,186**	$ 5,951,026
Accrued expenses and other current liabilities (Note E)	**2,452,916**	2,150,461
Deferred franchise fees	**185,330**	301,984
Total current liabilities	**10,171,432**	8,403,471
DEFERRED FRANCHISE FEES	**480,041**	662,648
OTHER LIABILITIES	**716,524**	926,534
TOTAL LIABILITIES	**11,367,997**	9,992,653
CONTINGENCIES (Note G)		
STOCKHOLDER'S EQUITY:		
Common stock, $.01 par value; 1,000 shares authorized; 100 shares issued and outstanding	**1**	1
Additional paid-in capital	**999,999**	999,999
Retained earnings	**31,382,810**	33,608,593
	32,382,810	34,608,593
TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY	**$ 43,750,807**	$ 44,601,246

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

Nathan's Famous Systems, Inc.

STATEMENTS OF EARNINGS

	Fifty-two weeks ended March 29, 2026	Fifty-two weeks ended March 30, 2025	Fifty-three weeks ended March 31, 2024
Revenues:			
Branded Products sales	**$ 105,768,290**	$ 91,827,691	$ 86,489,134
License royalties	**37,417,314**	37,418,139	33,580,751
Franchise fees and royalties	**4,253,203**	4,079,707	4,208,269
Royalties from affiliate (Note H)	**500,325**	508,553	484,105
Advertising fund revenue (Note H)	**2,115,952**	2,137,415	2,141,680
Total revenues	**150,055,084**	135,971,505	126,903,939
Costs and expenses:			
Cost of sales	**99,351,863**	82,461,775	75,965,860
Management fee from affiliate (Note H)	**9,708,335**	9,382,912	9,791,343
Credit loss expense	**125,631**	272,986	156,693
Depreciation	**130,547**	146,386	144,528
Advertising fund expense	**2,260,209**	2,175,697	2,058,615
Total costs and expenses	**111,576,585**	94,439,756	88,117,039
Income before provision for income taxes	**38,478,499**	41,531,749	38,786,900
Provision for income taxes	**9,704,282**	10,117,717	9,549,975
NET INCOME	**$ 28,774,217**	$ 31,414,032	$ 29,236,925

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

Nathan's Famous Systems, Inc.

STATEMENTS OF CHANGES IN STOCKHOLDER'S EQUITY

Fifty-two weeks ended March 29, 2026, Fifty-two weeks ended March 30, 2025
and Fifty-three weeks ended March 31, 2024

	Common stock		Additional paid-in capital	Retained earnings	Total stockholder's equity
	Shares	Amount			
Balance, March 26, 2023	100	$ 1	$999,999	$33,144,360	$34,144,360
Cumulative effect of adoption of ASU 2016-13	-	-	-	(186,724)	(186,724)
Non-cash dividend distributed to affiliate	-	-	-	(30,000,000)	(30,000,000)
Net income	-	-	-	29,236,925	29,236,925
Balance, March 31, 2024	100	$ 1	$999,999	$32,194,561	$33,194,561
Non-cash dividend distributed to affiliate	-	-	-	(30,000,000)	(30,000,000)
Net income	-	-	-	31,414,032	31,414,032
Balance, March 30, 2025	100	$ 1	$999,999	$33,608,593	$34,608,593
Non-cash dividend distributed to affiliate	**-**	**-**	**-**	**(31,000,000)**	**(31,000,000)**
Net income	**-**	**-**	**-**	**28,774,217**	**28,774,217**
Balance, March 29, 2026	**100**	**$ 1**	**$999,999**	**$31,382,810**	**$32,382,810**

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

Nathan's Famous Systems, Inc.

STATEMENTS OF CASH FLOWS

	Fifty-two weeks ended March 29, 2026	Fifty-two weeks ended March 30, 2025	Fifty-three weeks ended March 31, 2024
Cash flows from operating activities			
Net income	**$ 28,774,217**	$ 31,414,032	$ 29,236,925
Adjustments to reconcile net income to net cash provided by operating activities			
Depreciation	**130,547**	146,386	144,528
Provision for credit losses	**125,631**	272,986	156,693
Deferred income taxes	**95,249**	(57,936)	186,522
Changes in operating assets and liabilities			
Accounts receivable	**(5,900,399)**	393,469	(219,807)
Inventories	**381,900**	(446,657)	(261,971)
Prepaid expenses and other current assets	**(62,585)**	17,920	103,125
Receivables from affiliates, net	**(24,834,381)**	(32,131,376)	(28,231,027)
Other assets, net	**13,714**	20,571	20,573
Accounts payable, accrued expenses and other current liabilities	**1,884,615**	598,184	(650,937)
Deferred franchise fees	**(299,261)**	(217,004)	(376,863)
Other liabilities	**(210,010)**	116,096	73,785
Net cash provided by operating activities	**99,237**	126,671	181,546
Cash flows from investing activities			
Purchases of equipment	**(93,237)**	(119,671)	(175,796)
Net cash used in investing activities	**(93,237)**	(119,671)	(175,796)
Net increase in cash	**6,000**	7,000	5,750
Cash, beginning of year	**20,087**	13,087	7,337
Cash, end of year	**$ 26,087**	$ 20,087	$ 13,087
Non-cash financing activities:			
Non-cash dividend distributed to affiliate	**$ 31,000,000**	$ 30,000,000	$ 30,000,000

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

Nathan's Famous Systems, Inc.

NOTES TO FINANCIAL STATEMENTS

March 29, 2026, March 30, 2025 and March 31, 2024

NOTE A - DESCRIPTION AND ORGANIZATION OF BUSINESS

Nathan's Famous Systems, Inc. (the "Company" or "Systems") is a wholly-owned subsidiary of Nathan's Famous Operating Corporation ("NFOC"), which is a wholly-owned subsidiary of Nathan's Famous, Inc. ("NFI"). NFOC is the operator of four restaurants and Systems is the franchisor of 221 locations operating in 19 states and 11 foreign countries. The Company was incorporated on December 8, 1993 in the State of Delaware.

The Company has various license agreements with outside third parties to produce packaged hot dogs and other products according to the Company's proprietary recipes and/or spice formulation and to use "Nathan's Famous" and related trademarks to sell these products on an exclusive basis in the United States to supermarkets, grocery channels and other outlets.

The Company has established a Branded Product Program, in which approved food service operators may offer Nathan's hot dogs and other proprietary items for sale within their facilities. The Company sells the products directly to various distributors who are permitted to sell these proprietary products to retailers upon approval by the Company. As of March 29, 2026, the Branded Product Program distributed product in all 50 states, the District of Columbia, Puerto Rico, Canada, the U.S. Virgin Islands, Guam and Mexico.

The Company has established a Branded Menu Program which provides qualified foodservice operators the ability to offer an expanded Nathan's Famous menu than that offered by the Branded Product Program. The operator is required to sign a 5-year license agreement and pay a fee to Systems. The Company may offer alternatives to the term of the typical Branded Menu Program agreement. Systems does not collect a royalty directly from the operator and the operator is not required to report sales to Systems as required by the standard franchise arrangements.

In fiscal 2021, the Company opened its first virtual kitchens (existing kitchens with no Nathan's Famous branded storefront presence, used to fill online orders). At March 29, 2026, there were 476 virtual kitchens operating in 41 states and 3 foreign countries.

Pending Merger with Smithfield Foods, Inc.

On January 20, 2026, NFI entered into an Agreement and Plan of Merger (the "Merger Agreement") with Smithfield Foods, Inc., a Virginia corporation ("Buyer") and Boardwalk Merger Sub, Inc., a Delaware corporation and a wholly owned subsidiary of Buyer ("Merger Sub"). Pursuant to the Merger Agreement, and subject to the satisfaction of the conditions thereof, Merger Sub shall merge with and into NFI (the "Merger" and the effective time of the Merger, the "Effective Time"). As a result of the Merger, at the Effective Time, the separate corporate existence of the Merger Sub shall cease, NFI shall continue as the surviving corporation in the Merger (the "Surviving Corporation") and the Surviving Corporation shall become a wholly owned subsidiary of the Buyer. See NOTE I – MERGER for additional information.

Nathan's Famous Systems, Inc.

NOTES TO FINANCIAL STATEMENTS

March 29, 2026, March 30, 2025 and March 31, 2024

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following significant accounting policies have been applied in the preparation of the financial statements.

1. *Fiscal Year*

   The Company's fiscal year ends on the last Sunday in March, which will result in a 52 or 53 week reporting period. The fiscal years ended March 29, 2026 and March 30, 2025 were on the basis of a 52 week reporting period and the fiscal year ended March 31, 2024 was on the basis of a 53 week reporting period. All references to years relate to fiscal periods rather than calendar periods.

2. *Use of Estimates*

   The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates made by management in preparing the financial statements include customer rebates, the allowance for credit losses and the accounting for income taxes. On an ongoing basis, the Company evaluates its estimates based on historical experience, current conditions and other assumptions under the circumstances. Actual results could differ from those estimates.

3. *Inventories*

   Inventories, which are stated at the lower of cost or net realizable value, consist primarily of food, beverages, and paper supplies. Cost is determined using the first-in, first-out method.

4. *Property and Equipment, Net*

   Property and equipment, net, are stated at cost less accumulated depreciation. Depreciation is calculated on a straight-line basis over the estimated useful life of the related assets. The range of the estimated useful lives is 3 - 5 years.

5. *Fair Value of Financial Instruments*

   Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price).

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The fair value hierarchy, as outlined in the applicable accounting guidance, is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable. Observable inputs reflect assumptions market participants would use in pricing an asset or liability based on market data obtained from independent sources while unobservable inputs reflect a reporting entity's pricing based upon their own market assumptions.

The fair value hierarchy consists of the following three levels:

- Level 1 - inputs to the valuation methodology are quoted prices (unadjusted) for an identical asset or liability in an active market
- Level 2 - inputs to the valuation methodology include quoted prices for a similar asset or liability in an active market or model-derived valuations in which all significant inputs are observable for substantially the full term of the asset or liability
- Level 3 - inputs to the valuation methodology are unobservable and significant to the fair value measurement of the asset or liability and reflect the Company's own assumptions

The use of observable market inputs (quoted market prices) when measuring fair value and, specifically, the use of Level 1 quoted prices to measure fair value are required whenever possible. The determination of where an asset or liability falls in the hierarchy requires significant judgment. The Company evaluates its hierarchy disclosures quarterly and based on various factors, it is possible that an asset or liability may be classified differently from year to year.

At March 29, 2026 and March 30, 2025, we did not have any assets or liabilities that were recorded at fair value.

The carrying amounts of cash, accounts receivable, and accounts payable approximate fair value due to the short-term nature of those items.

6. Revenue Recognition - Branded Product Program

The Company recognizes sales from the Branded Product Program and certain products sold from the Branded Menu Program upon delivery to Nathan's customers via third party common carrier. Sales from the Branded Product Program are recognized at the net sales price, which includes estimates for customer rebates. Our estimates are based on historical experience, contractual provisions and other factors that we believe are reasonable under the circumstances. Historically, actual customer rebates have not differed materially from estimated amounts.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

7. *Revenue Recognition – License Royalties*

The Company earns revenue from royalties on the licensing of the use of its intellectual property in connection with certain products produced and sold by outside vendors. The use of the Company's intellectual property must be approved by the Company prior to each specific application to ensure proper quality and a consistent image. Revenue from license royalties is generally based on a percentage of sales, subject to certain annual minimum royalties, recognized on a monthly basis when it is earned and deemed collectible.

8. *Revenue Recognition – Franchising Operations*

In connection with its franchising operations, the Company receives initial franchise fees, international development fees, royalties, and in certain cases, revenue from sub-leasing restaurant properties to franchises.

The following services are typically provided by the Company prior to the opening of a franchised restaurant.

- Approval of all site selections to be developed.
- Provision of architectural plans suitable for restaurants to be developed.
- Assistance in establishing building design specifications, reviewing construction compliance and equipping the restaurant.
- Provision of appropriate menus to coordinate with the restaurant design and locations to be developed.
- Provision of management training for the new franchisee and selected staff.
- Assistance with the initial operations of restaurants being developed.

The services provided in exchange for these upfront restaurant franchise fees do not contain separate and distinct performance obligations from the franchising right and these initial franchise fees, renewal fees and transfer fees are deferred and recognized over the term of each respective agreement, or upon termination of the franchise agreement.

The services provided in exchange for these international development fees do not contain separate and distinct performance obligations from the franchising right and these international development fees are deferred and recognized over the term of each respective agreement, or upon termination of the franchise agreement. Certain other costs, such as legal expenses, are expensed as incurred.

The Company recognizes franchise royalties on a monthly basis, which are generally based upon a percentage of sales made by the Company's franchisees, including virtual kitchens, when they are earned and deemed collectible.

Nathan's Famous Systems, Inc.

NOTES TO FINANCIAL STATEMENTS

March 29, 2026, March 30, 2025 and March 31, 2024

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The Company recognizes royalty revenue from its Branded Menu Program directly from the sale of Nathan's products by its distributors or directly from the manufacturers.

Franchise fees and royalties that are subsequently deemed to be not collectible are recorded as credit losses until paid by the franchisee or until collectability is deemed to be reasonably assured.

The following is a summary of franchise openings and closings (excluding virtual kitchens) for the Nathan's franchise restaurant system for the fiscal years ended March 29, 2026, March 30, 2025 and March 31, 2024:

	March 29, 2026	March 30, 2025	March 31, 2024
Franchised restaurants operating at the beginning of the period	**230**	230	232
Franchised restaurants opened during the period	**23**	25	17
Franchised restaurants closed during the period	**(32)**	(25)	(19)
Franchised restaurants operating at the end of the period	**221**	230	230

Contract balances

The following table provides information about contract liabilities from contracts with customers:

	March 29, 2026	March 30, 2025
Deferred franchise fees (a)	**$ 665,371**	$ 964,632
Deferred revenues, which are included in "Accrued expenses and other current liabilities" (b)	**$1,315,276**	$1,392,067

(a) Deferred franchise fees of $185,330 and $480,041 as of March 29, 2026 and $301,984 and $662,648 as of March 30, 2025 and are included in Deferred franchise fees – current and long term, respectively.

(b) Includes $815,276 of deferred license royalties and $500,000 of deferred advertising revenue as of March 29, 2026 and $892,067 of deferred license royalties and $500,000 of deferred advertising revenue as of March 30, 2025.

Nathan's Famous Systems, Inc.

NOTES TO FINANCIAL STATEMENTS

March 29, 2026, March 30, 2025 and March 31, 2024

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Significant changes in deferred franchise fees for the fiscal years ended March 29, 2026 and March 30, 2025 are as follows:

	March 29, 2026	March 30, 2025
Deferred franchise fees at beginning of period	**$ 964,632**	$ 1,181,636
New deferrals due to cash received and other	**108,775**	153,500
Revenue recognized during the period	**(408,036)**	(370,504)
Deferred franchise fees at end of period	**$ 665,371**	$ 964,632

Significant changes in deferred revenues for the fiscal years ended March 29, 2026 and March 30, 2025 are as follows:

	March 29, 2026	March 30, 2025
Deferred revenues at beginning of period	**$ 1,392,067**	$ 1,374,742
New deferrals due to cash received and other	**2,484,378**	2,576,370
Revenue recognized during the period	**(2,561,169)**	(2,559,045)
Deferred revenues at end of period	**$ 1,315,276**	$ 1,392,067

Anticipated future recognition of deferred franchise fees

The following table reflects the estimated franchise fees to be recognized in the future related to performance obligations that are unsatisfied at the end of the period:

	Estimate for fiscal year
2027	$ 185,329
2028	99,481
2029	71,270
2030	54,075
2031	36,424
Thereafter	218,792
Total	$ 665,371

We have applied the optional exemption, as provided for under Topic 606 *"Revenue from Contracts with Customers"*, which allows us not to disclose the transaction price allocated to unsatisfied performance obligations when the transaction price is a sales-based royalty.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

9. *Revenue Recognition – National Advertising Fund*

The Company maintains a national advertising fund (the "Advertising Fund") established to collect and administer funds contributed for use in advertising and promotional programs for Company-owned and franchised restaurants.

The revenue, expenses and cash flows of the Advertising Fund are fully consolidated into the Company's Statements of Earnings and Statements of Cash Flows.

While this treatment impacts the gross amount of reported advertising fund revenue and related expenses, the impact is expected to approximately offset the increase to both revenue and expense, with minimal impact to income from operations or net income because the Company attempts to manage the Advertising Fund to breakeven over the course of the fiscal year. However, any surplus or deficit in the Advertising Fund will impact income from operations and net income.

10. *NFOC Store Royalties*

Restaurants owned by NFOC that operate under the Nathan's brand are charged a royalty of 4% of restaurant sales by the Company.

11. *Business Concentrations and Geographical Information*

The Company's accounts receivable consists principally of receivables from franchisees, including virtual kitchens, for royalties and advertising contributions, from sales under the Branded Product Program, and from royalties from retail licensees. At March 29, 2026, three Branded Product customers represented 25%, 17% and 11% of accounts receivable. At March 30, 2025, three Branded Product customers represented 18%, 14% and 12% of accounts receivable. At March 31, 2024, three Branded Product customer represented 21%, 15% and 13%, of accounts receivable.

For the fiscal year ended March 29, 2026, three Branded Product customers and one licensee represented 25%, 11%, 11% and 22%, respectively of total revenues. For the fiscal year ended March 30, 2025, three Branded Product customers and one licensee represented 22%, 10%, 9% and 26%, respectively, of total revenues. For the fiscal year ended March 31, 2024, three Branded Product customers and one licensee represented 20%, 10%, 10% and 25%, respectively, of total revenues.

Nathan's Famous Systems, Inc.

NOTES TO FINANCIAL STATEMENTS

March 29, 2026, March 30, 2025 and March 31, 2024

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The Company's primary supplier of hot dogs represented 99% of product purchases for each of the fiscal years ended March 29, 2026, March 30, 2025 and March 31, 2024.

The Company's revenues for the fiscal years ended March 29, 2026, March 30, 2025 and March 31, 2024 were derived from the following geographic areas:

	March 29, 2026	March 30, 2025	March 31, 2024
United States	**$ 146,612,023**	$ 132,107,910	$ 121,499,148
International	**3,443,061**	3,863,595	5,404,791
Total revenues	**$150,055,084**	$135,971,505	$126,903,939

The Company's revenues for the fiscal years ended March 29, 2026, March 30, 2025 and March 31, 2024 were derived from the following:

	March 29, 2026	March 30, 2025	March 31, 2024
Branded Products sales	**$105,768,290**	$ 91,827,691	$ 86,489,134
License royalties	**$ 37,417,314**	$ 37,418,139	$ 33,580,751
Royalties	**$ 3,845,167**	$ 3,709,203	$ 3,756,657
Franchise fees	**408,036**	370,504	451,612
Total franchise fees and royalties	**$ 4,253,203**	$ 4,079,707	$ 4,208,269
Royalties from affiliate	**$ 500,325**	$ 508,553	$ 484,105
Advertising fund revenue	**$ 2,115,952**	$ 2,137,415	$ 2,141,680
Total revenues	**$150,055,084**	$135,971,505	$126,903,939

12. Advertising

The Company administers an advertising fund on behalf of its franchisees to coordinate the marketing efforts of the Nathan's Famous Franchise System. Under these system arrangements, the Company collects and disburses fees paid by manufacturers, franchisees and NFOC's company-owned stores for national and regional advertising, promotional and public relations programs. Contributions to the advertising fund are based on specified percentages of net sales, generally ranging up to 2.5%.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

13. Income Taxes

The Company files consolidated Federal and state income tax returns with NFI. The Company also files separate tax returns in a number of states where required. Systems determines its provision for income taxes using the separate return method. The allocation of tax expense is based on what Systems' current and deferred tax expense would be had it filed separate tax returns. Current Federal and state tax liabilities are recorded through the receivable from affiliate accounts.

The Company's current provision for income taxes is based upon its estimated taxable income in each of the jurisdictions in which it operates, after considering the impact on taxable income of temporary differences resulting from different treatment of items for tax and financial reporting purposes. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and any operating loss or tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the year in which those temporary differences are expected to be recovered or settled. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income in those periods in which temporary differences become deductible. Should management determine that it is more likely than not that some portion of the deferred tax assets will not be realized, a valuation allowance against the deferred tax assets would be established in the period such determination was made.

14. Uncertain Tax Positions

The Company has recorded liabilities for underpayment of income taxes and related interest and penalties for uncertain tax positions based on the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. The Company may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities based on the technical merits of the position. The tax benefits recognized in the financial statements from such position should be measured based on the largest benefit that has a greater than fifty percent likelihood of being realized upon ultimate settlement. The Company recognizes accrued interest and penalties associated with unrecognized tax benefits as part of the income tax provision.

See NOTE F for further discussion of our income taxes.

Nathan's Famous Systems, Inc.

NOTES TO FINANCIAL STATEMENTS

March 29, 2026, March 30, 2025 and March 31, 2024

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

15. New Accounting Standards Not Yet Adopted

In December 2023, the FASB issued ASU 2023-09, "*Income Taxes (Topic 740): Improvements to Income Tax Disclosures"* which updates income tax disclosure requirements primarily by requiring specific categories and greater disaggregation within the rate reconciliation table and disaggregation of income taxes paid, net of refunds, by jurisdiction. All entities are required to apply the guidance prospectively, with the option to apply it retrospectively. For entities other than public business entities, the amendments are effective for annual reporting periods beginning after December 15, 2025 which for us is our fiscal 2027 beginning on March 30, 2026. The adoption of ASU 2023-09 is expected to impact disclosures only and not have an impact on our financial statements.

The Company does not believe that any other recently issued, but not yet effective accounting standards, when adopted, will have a material effect on the accompanying financial statements.

NOTE C – ACCOUNTS RECEIVABLE, NET

Accounts receivable, net, consist of the following:

	March 29, 2026	March 30, 2025
Branded product sales	**$16,274,168**	$10,533,824
Franchise and license royalties	**4,150,770**	3,901,159
Other	**165,226**	245,311
	20,590,164	14,680,294
Less: allowance for credit losses	**(776,872)**	(641,770)
Accounts receivable, net	**$19,813,292**	$14,038,524

Our provision for credit losses is based on the current expected credit losses model. The Company is exposed to credit losses through its trade accounts receivable. Trade accounts receivable are generally due within 30 days and are stated at amounts due from franchisees, including virtual kitchens, retail licensees, customers under the Branded Product Program, and customers and manufacturers under the Branded Menu Program, net of an allowance for credit losses. Accounts that are outstanding longer than the contractual payment terms are generally considered past due.

NOTE C – ACCOUNTS RECEIVABLE, NET (continued)

An allowance for credit losses is determined by pooling the Company's trade accounts receivable based on similar risk characteristics and delinquency status under an aging method at the measurement date. The Company considers both qualitative and quantitative information when developing the estimate including assessments of collectability based on historical trends, the financial condition of the Company's franchisees, licensees, Branded Product Program customers and Branded Menu Program customers, including any known or anticipated bankruptcies, and an evaluation of current economic conditions, as well as the Company's expectations of conditions in the future.

The Company provides for expected credit losses through a charge to earnings. After the Company has used reasonable collection efforts, it writes off accounts receivable through a charge to the allowance for credit losses.

Changes in the Company's allowance for credit losses for the fiscal years ended March 29, 2026 and March 30, 2025 are as follows:

	March 29, 2026	March 30, 2025
Beginning balance	**$ 641,770**	$ 402,260
Provision for expected credit losses	**125,631**	272,986
Write offs and recoveries	**9,471**	(33,476)
Ending balance	**$ 776,872**	$ 641,770

NOTE D - PROPERTY AND EQUIPMENT, NET

Property and equipment, net, consists of the following:

	March 29, 2026	March 30, 2025
Equipment	**$ 605,263**	$ 672,793
Exhibition booth	**198,454**	198,454
Total property and equipment	**803,717**	871,247
Less accumulated depreciation	**(641,325)**	(671,545)
Property and equipment, net	**$ 162,392**	$ 199,702

Nathan's Famous Systems, Inc.

NOTES TO FINANCIAL STATEMENTS

March 29, 2026, March 30, 2025 and March 31, 2024

NOTE E – ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

Accrued expenses and other current liabilities consist of the following:

	March 29, 2026	March 30, 2025
Accrued customer rebates	**$ 1,129,805**	$ 742,292
Unexpended advertising funds	**2,342**	2,342
Deferred revenue	**1,315,276**	1,392,067
Other	**5,493**	13,760
Total accrued expenses and other current liabilities	**$ 2,452,916**	$ 2,150,461

NOTE F - INCOME TAXES

The provision for income taxes for the fiscal years ended March 29, 2026, March 30, 2025 and March 31, 2024 consists of:

	March 29, 2026	March 30, 2025	March 31, 2024
Federal			
Current	**$ 7,585,490**	$ 8,292,438	$ 7,535,465
Deferred	**83,924**	(53,744)	92,270
	7,669,414	8,238,694	7,627,735
State			
Current	**2,023,543**	1,883,215	1,892,778
Deferred	**11,325**	(4,192)	29,462
	2,034,868	1,879,023	1,922,240
	$ 9,704,282	$ 10,117,717	$ 9,549,975

The Company's effective tax rate for the fiscal years ended March 29, 2026, March 30, 2025 and March 31, 2024 is 25.22%, 24.36%, and 24.62%, respectively. The effective tax rate varied from the U.S. Federal income tax rate of 21% primarily due to the variable impact of state income taxes.

NOTE F - INCOME TAXES (continued)

Significant components of deferred tax assets and deferred tax liabilities are as follows:

	March 29, 2026	March 30, 2025
Deferred tax assets:		
Deferred revenue	**$ 163,681**	$ 236,899
Allowance for credit losses	**192,557**	159,259
Other	**135,300**	176,668
Total gross deferred tax assets	**$ 491,538**	$ 572,826
Deferred tax liabilities:		
Depreciation expense	**$ 40,324**	$ 49,631
Deductible prepaid expenses	**24,399**	1,131
Total gross deferred tax liabilities	**$ 64,723**	$ 50,762
Net deferred tax assets	**$ 426,815**	$ 522,064

A valuation allowance is provided when it is more likely than not that some portion, or all, of the deferred tax assets will not be realized. We consider the level of historical taxable income, scheduled reversal of temporary differences, tax planning strategies and projected future taxable income in determining whether a valuation allowance is warranted. Based upon these considerations, management believes that it is more likely than not that the Company will realize the benefit of its deferred tax asset.

The following is a tabular reconciliation of the total amounts of unrecognized tax benefits, excluding interest and penalties, for the fiscal years ended March 29, 2026 and March 30, 2025:

	March 29, 2026	March 30, 2025
Unrecognized tax benefits, beginning of year	**$ 531,555**	$ 464,483
Increases based on tax positions taken in current year	**34,754**	126,776
Decreases of tax positions taken in prior years	**(204,785)**	(59,704)
Unrecognized tax benefits, end of year	**$ 361,524**	$ 531,555

NOTE F - INCOME TAXES (continued)

The amount of unrecognized tax benefits included in Other Liabilities at March 29, 2026 and March 30, 2025 was $361,524 and $531,555, respectively, all of which would impact the Company's effective tax rate, if recognized. As of March 29, 2026 and March 30, 2025, the Company had approximately $355,000 and $395,000, respectively, accrued for the payment of interest and penalties. For the fiscal years ended March 29, 2026, March 30, 2025 and March 31, 2024 the Company recognized interest and penalties in the amounts of $9,000, $49,000 and $41,000, respectively. During the fiscal year ending March 28, 2027, the Company will seek to settle additional uncertain tax positions with the tax authorities. As a result, it is reasonably possible the amount of unrecognized tax benefits, excluding the related accrued interest and penalties, could be reduced by up to $50,000 primarily to the lapse of statutes of limitations which would favorably impact the Company's effective tax rate, although no assurances can be given in this regard.

The earliest tax years that are subject to examination by taxing authorities by major jurisdictions are as follows:

Jurisdiction	Fiscal Year
Federal	2023
New York State	2023
New York City	2023
New Jersey	2022
California	2022

NOTE G – CONTINGENCIES

The Company is from time to time involved in ordinary and routine litigation. Management presently believes that the ultimate outcome of these proceedings, individually or in the aggregate, will not have a material adverse effect on the Company's financial position, cash flows or results of operations. Nevertheless, litigation is subject to inherent uncertainties and unfavorable rulings could occur. An unfavorable ruling could include money damages and, in such event, could result in a material adverse impact on the Company's results of operations for the period in which the ruling occurs.

Guarantee of Credit Agreement

On July 10, 2024 (the "Effective Date"), NFI entered into a five-year unsecured Credit Agreement (the "Credit Agreement") among the Company, as borrower, direct and indirect subsidiaries of the Company, as guarantors, the lenders from time to time party thereto ("the Lenders") and Citibank, N.A., as administrative agent, swing line lender, L/C issuer and a Lender (capitalized terms used and not otherwise defined herein shall have the meanings set forth in the Credit Agreement).

NOTE G – CONTINGENCIES (continued)

The Credit Agreement provides for a term loan facility of $60,000,000 and a revolving credit facility of up to $10,000,000. The Credit Agreement also provides that NFI has the right from time to time during the term of the Credit Agreement to request the Lenders for incremental revolving loan borrowing increases of up to an additional $10,000,000 in the aggregate, subject to, among other items, the Lenders agreeing to lend any such additional amounts and compliance with terms specified in the Credit Agreement. The Credit Agreement matures on July 10, 2029. The obligations under the Credit Agreement are fully and unconditionally guaranteed by Systems and the other subsidiaries of NFI.

NFI borrowed $60,000,000 in Term Loan borrowings on the Effective Date to refinance and redeem its outstanding 2025 Notes. NFI will use any Revolving Loan borrowings under the Credit Agreement for working capital and general corporate purposes. As of March 29, 2026, there were no outstanding borrowings under the Revolving Loan.

Term Loan and Revolving Loan borrowings under the Credit Agreement will bear interest at a rate per annum, at NFI's option, of (a) for Base Rate Loans, the Base Rate plus the Applicable Rate of 0.00% or (b) for Term SOFR Loans, Term SOFR plus the Applicable Rate of 1.40% for one (1), three (3) or six (6) month periods, as selected by NFI in its Loan Notice. NFI will be subject to a commitment fee of 0.20% per annum on the daily amount of the undrawn portion of the Revolving Committed Amount. The interest rate on the Term Loan borrowings at March 29, 2026 was 5.175%.

The Credit Agreement also provides that NFI is required to be in compliance with a Consolidated Fixed Charge Ratio not to exceed 1.20 to 1.00 and a Consolidated Net Leverage Ratio not to exceed 3.00 to 1.00, in each case, as of the end of each fiscal quarter. NFI was in compliance with the covenants of the Credit Agreement at March 29, 2026.

The outstanding Term Loan borrowings under the Credit Agreement are payable in equal quarterly installments of 1.0% of the original principal amount of the Term Loan, or $600,000, which began on September 30, 2024 with the balance payable on the final maturity date. NFI made mandatory principal repayments on the Term Loan of $2,400,000 during fiscal 2026 and $1,200,000 during fiscal 2025. Subsequent to the year ending March 29, 2026, on March 31, 2026, NFI paid its next quarterly mandatory debt principal repayment of $600,000.

NOTE G – CONTINGENCIES (continued)

The outstanding Term Loan borrowings and the Revolving Loan borrowings under the Credit Agreement are voluntarily prepayable by NFI without penalty or premium, provided, that each of the following shall require a mandatory prepayment of outstanding Term Loan borrowings and Revolving Loan borrowings by NFI as follows: (i) 100% of any Net Cash Proceeds in excess of $2 million individually or in the aggregate over the term of the Credit Agreement in respect of any Extraordinary Receipt provided that NFI shall be permitted to reinvest such Net Cash Proceeds in accordance with the Credit Agreement, (ii) 100% of any Net Cash Proceeds of an Equity Issuance, (iii) 100% of any Net Cash Proceeds from a Debt Issuance and (iv) 100% of any Net Cash Proceeds from the Disposition of certain assets individually, or in the aggregate, in excess of $2 million in any fiscal year provided that NFI shall be permitted to reinvest such Net Cash Proceeds in accordance with the Credit Agreement.

The Credit Agreement provides that certain Change of Control events constitute an Event of Default. Such an Event of Default entitles the Lenders to, among other things, cause all outstanding debt obligations under the Credit Agreement to become immediately due and payable. Pursuant to the Merger Agreement, the Buyer at the Effective Time shall pay all outstanding debt obligations under the Credit Agreement.

NOTE H - RELATED PARTY TRANSACTIONS

The Company is affiliated through common ownership by NFOC with Nathan's Famous Services, Inc. ("Services"). Services provides administrative, professional, real estate and managerial services to the Company, for which the Company was charged management fees of $9,708,335, $9,382,912, and $9,791,343 for the fiscal years ended March 29, 2026, March 30, 2025 and March 31, 2024, respectively.

The Company also receives a royalty from NFOC based on 4% of restaurant sales for those restaurants operated by NFOC. This royalty amounted to $500,325, $508,553, and $484,105 for the fiscal years ended March 29, 2026, March 30, 2025 and March 31, 2024, respectively.

The Company also receives Advertising fund revenue from NFOC based on 0.5% of restaurant sales for those restaurants operated by NFOC. This Advertising fund revenue amounted to $62,538, $63,580, and $60,515 for the fiscal years ended March 29, 2026, March 30, 2025 and March 31, 2024, respectively.

At March 29, 2026 and March 30, 2025, the Company had receivables from affiliates, net, of $22,296,364 and $28,461,983, respectively, which arose primarily from the operating activities of the Company. From time to time, the Company declares and distributes noncash dividends to NFOC and reduces the amounts of receivables from affiliates, net. The Company declared and distributed dividends to NFOC in the amount of $31,000,000, $30,000,000 and $30,000,000 during the fiscal years ended March 29, 2026, March 30, 2025 and March 31, 2024, respectively. The receivables from affiliates, net, are not expected to be satisfied in cash from the Company's affiliates and are presented as long-term in the accompanying balance sheets. Receivables from affiliates are offset against declared dividends as a right of setoff exists under ASC 210-20-45-1.

Nathan's Famous Systems, Inc.

NOTES TO FINANCIAL STATEMENTS

March 29, 2026, March 30, 2025 and March 31, 2024

NOTE H – RELATED PARTY TRANSACTIONS (continued)

The Company's product purchases, which are primarily for the Company's Branded Product Program, are billed to and paid by NFI or other affiliates. The accounts payable associated with such purchases are included as a reduction of receivables from affiliates, net, in the accompanying balance sheets as such amounts serve to reduce the amounts owed to the Company by NFI and other affiliates and are not expected to be paid in cash by the Company to NFI or other affiliates.

NOTE I – MERGER

On January 20, 2026, NFI entered into an Agreement and Plan of Merger (the "Merger Agreement"), by and among NFI, Smithfield Foods, Inc., a Virginia corporation ("Buyer") and Boardwalk Merger Sub Inc., a Delaware corporation and wholly owned subsidiary of Buyer ("Merger Sub").

Pursuant to the Merger Agreement, and upon the terms and subject to the conditions thereof and in accordance with the General Corporation Law of the State of Delaware ("DGCL"), Merger Sub shall merge with and into NFI (the "Merger," and the effective time of the Merger, the "Effective Time"). As a result of the Merger, at the Effective Time, the separate corporate existence of Merger Sub shall cease, NFI shall continue as the surviving corporation in the Merger (the "Surviving Corporation") and the Surviving Corporation shall become a wholly owned subsidiary of Buyer. After the Merger, NFI will cease to be publicly traded.

At the Effective Time, as a result of the Merger and without any action on the part of Buyer, Merger Sub, NFI or the holders of any of the following securities: (i) each share of common stock of NFI, par value $0.01 per share ("NFI Shares"), issued and outstanding immediately prior to the Effective Time, other than shares to be cancelled in accordance with the terms of the Merger Agreement and shares owned by holders that have exercised their appraisal rights under the DGCL, shall be converted into the right to receive cash in an amount equal to $102.00 without interest (the "Per Share Merger Consideration"), less any applicable withholding tax, payable to the holder in accordance with the terms of the Merger Agreement, (ii) each share of common stock of Merger Sub issued and outstanding immediately prior to the Effective Time shall be converted into and become one fully paid, non-assessable share of common stock, par value $0.01 per share, of the Surviving Corporation, and (iii) any NFI Shares owned or held in treasury by NFI and any NFI Shares owned by Buyer, Merger Sub or any of their respective affiliates immediately prior to the Effective Time shall automatically be cancelled and shall cease to exist and no consideration shall be delivered in exchange for such cancellation or retirement. From and after the Effective Time, all NFI Shares converted into the right to receive the Per Share Merger Consideration shall no longer be issued and outstanding and shall automatically be cancelled and cease to exist.

NOTE I – MERGER (continued)

Immediately prior to the Effective Time, (i) each option to purchase NFI Shares outstanding under a NFI Stock Plan (each a "NFI Stock Option"), whether or not vested and exercisable, that is outstanding and unexercised immediately prior to the Effective Time, shall be automatically converted into the right to receive from Buyer or the Surviving Corporation an amount in cash (subject to applicable withholding taxes) equal to the product obtained by multiplying (A) the excess, if any, of the Per Share Merger Consideration over the per share exercise price of such NFI Stock Option, by (B) the aggregate number of NFI Shares that were issuable upon exercise of such NFI Stock Option immediately prior to the Effective Time and (ii) each restricted stock unit of NFI granted and outstanding pursuant to a NFI Stock Plan (each a "NFI RSU") shall be deemed to have been earned and become fully vested (in the case of any performance based award, with the applicable performance metrics at the target level), shall be canceled and extinguished as of the Effective Time and, in exchange, each former holder of any such NFI RSU shall have the right to receive from Buyer or the Surviving Corporation an amount in cash equal to the product obtained by multiplying (A) the number of NFI Shares subject to such NFI RSU by (B) the Per Share Merger Consideration (such amount, the "RSU Award Payment"). Any dividend equivalents earned prior to the Effective Time will be paid in cash as soon as administratively practicable following settlement of NFI RSUs. From and after the Effective Time, each NFI RSU shall no longer represent the right to receive NFI Shares by the former holder thereof, but shall only entitle such holder to the payment of the RSU Award Payment. The Compensation Committee of NFI Board will adopt resolutions to provide that all NFI Stock Options and NFI RSUs shall terminate conditioned upon, and effective immediately prior to, the Effective Time and the holders thereof will be entitled only to the amount, if any, specified herein in respect thereof.

NFI has also agreed not to, among other things, (i) solicit, initiate, knowingly encourage or knowingly facilitate any alternative competing transaction, (ii) participate in any discussions or negotiations with any third party with respect to any alternative competing transaction, (iii) approve or recommend any alternative competing transaction, (iv) enter into any letter of intent, memorandum of understanding, agreement in principle, acquisition agreement, merger agreement, share purchase agreement, asset purchase agreement, share exchange agreement, option agreement or other similar definitive agreement relating to an alternative competing transaction or (v) propose or agree to do any of the foregoing.

Notwithstanding the foregoing customary "no-shop" restrictions, if prior to obtaining NFI Stockholder Approval (as defined in the Merger Agreement) NFI receives an unsolicited written Acquisition Proposal (as defined in the Merger Agreement) from a third party and NFI Board determines in good faith that (x) such Acquisition Proposal constitutes or could be reasonably expected to result in a Superior Proposal (as defined in the Merger Agreement) and (y) the failure to take the actions set forth in clauses (i) and (ii) of this paragraph would be inconsistent with its fiduciary duties under law, NFI may, in response to such Acquisition Proposal, (i) furnish NFI information and access to the third party making such Acquisition Proposal and (ii) participate in discussions or negotiations with such third party with respect to such Acquisition Proposal, or otherwise cooperate with or assist or participate in, or facilitate, any such discussions or negotiations.

NOTE I – MERGER (continued)

The consummation of the Merger is subject to certain closing conditions, including but not limited to (a) receipt of NFI Stockholder Approval, (b) that no law or governmental order prohibits, restrains, enjoins or makes illegal the consummation of the Merger, (c) that any waiting period (and any extension thereof) applicable to the Merger and the other transactions under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 have terminated or expired and (d) that the parties have obtained CFIUS Clearance (as defined in the Merger Agreement) for the Merger. Each of Buyer's, Merger Sub's, and NFI's obligation to consummate the Merger is also subject to certain additional conditions, including (i) subject to certain materiality standards, the accuracy of the representations and warranties of the other party or parties, (ii) performance in all material respects by the other party or parties of its or their obligations under the Merger Agreement and (iii) with respect to Buyer's and Merger Sub's obligations to consummate the Merger, the absence of a NFI Material Adverse Effect (as defined in the Merger Agreement) with respect to NFI.

The Merger Agreement also contains certain termination provisions for NFI and Buyer, including the right of NFI, in certain circumstances, to terminate the Merger Agreement and accept a Superior Proposal. NFI will be required to pay Buyer a termination fee in cash equal to $10,581,814 if the Merger Agreement is terminated (a) by Buyer because NFI Board changed its recommendation of the Merger, (b) by Buyer or NFI if the approval of NFI's stockholders is not obtained at the Stockholders' Meeting and NFI Board previously changed its recommendation of the Merger or (c) (i) by Buyer or NFI following June 22, 2026, subject to extension to October 20, 2026 in accordance with the Merger Agreement (the "End Date"), (ii) by Buyer or NFI because of failure to obtain the approval of the stockholders at the Stockholders' Meeting or (iii) by Buyer because of certain breaches of the Merger Agreement by NFI, only if, in the case of clauses (i) to (iii), an Acquisition Proposal has been made publicly and within nine (9) months of the termination date NFI consummates or enters into a definitive agreement for an Acquisition Proposal.

Upon the election of NFI, NFI and Smithfield Packaged Meats Corp., an affiliate of Buyer ("SPMC"), will enter into an amendment to the licensing and supply letter agreement, dated as of December 5, 2012 (the "Licensing Agreement"), by and between Nathan's Famous Systems, Inc., a subsidiary of NFI, and SPMC, which will extend the term of the Licensing Agreement for an additional four years to March 2, 2036 from the current expiration date of March 2, 2032, and Buyer will be required to pay NFI a termination fee in cash equal to $7,407,270 if the Merger Agreement is terminated (a) because of a CFIUS Turndown (as defined in the Merger Agreement) and NFI is not in material breach of the Merger Agreement at the time of termination or (b) following the End Date if, at such time, (i) a government order or other government action would have prevented the consummation of the Merger (solely as it relates to CFIUS) or the parties have not received CFIUS Clearance, (ii) certain other closing conditions have been satisfied, (iii) NFI's breach of the provisions of the Merger Agreement to obtain certain consents and approvals is not the primary cause of a government order or other government action that would prevent the consummation of the Merger and (iv) NFI is not in material breach of the Merger Agreement at the time of termination.

Nathan's Famous Systems, Inc.

NOTES TO FINANCIAL STATEMENTS

March 29, 2026, March 30, 2025 and March 31, 2024

NOTE I – MERGER (continued)

On January 20, 2026, NFI entered into letter agreements (each a "Retention Agreement") with each of Eric Gatoff, Chief Executive Officer of NFI and Robert Steinberg, the Chief Financial Officer of NFI. Under the Retention Agreements, each such individual is entitled to a cash retention bonus payment if (1) such individual is actively employed by NFI or a subsidiary as of closing under the Merger Agreement and has not given notice of his intent to resign or (2) the individual is terminated by NFI for any reason and closing under the Merger Agreement later occurs. The retention bonus payment amount is $3,250,000 for Mr. Gatoff and $1,050,000 for Mr. Steinberg. As consideration for the retention bonus payment, Mr. Gatoff agreed to non-competition provisions that apply for one (1) year following the termination of his employment by NFI for any reason. No bonus payments had been made as of the most recent balance sheet date.

NOTE J – SUBSEQUENT EVENTS

The Company has evaluated subsequent events through July 23, 2026, the date the financial statements were available to be issued. Based upon this review, other than as described below, the Company did not identify any subsequent events that would have required adjustment or disclosure in the financial statements.

On June 10, 2026 the Company declared and distributed non-cash dividends to NFOC in the amount of $24,000,000, which will reduce its receivables from affiliates, net by the same amount.

Exhibit I

Franchisee Compliance Certification

EXHIBIT I

Franchisee Compliance Certification

As you know, you and Nathan's Famous Systems, Inc. (the **"Franchisor"**) are preparing to enter into a Franchise Agreement for the establishment and operation of a *Nathan's Famous* restaurant (a "**Restaurant**" or "**Franchise**"). The purpose of this Questionnaire is to determine whether any statements or promises were made to you that the Franchisor has not authorized and that may be untrue, inaccurate, or misleading. Please review each of the following questions and statements carefully and provide honest and complete responses to each.

1. The following dates and information are true and correct:

a. _____, 202____ Initials: _____	The date of my first face-to-face meeting with any person to discuss the possible purchase of a Franchise
b. _____, 202____ Initials: _____	The date on which I received Franchisor's Franchise Disclosure Document ("**FDD**").
c. _____, 202____ Initials: _____	The date when I received a fully completed copy (other than signatures) of the Franchise Agreement (collectively, the "**Agreement**"), and Addenda (if any), and all other related documents I later signed
d. _____, 202____ Initials: _____	The date on which I signed the Franchise Agreement

2. Have you received and personally reviewed the Franchise Agreement, and each Addendum and related agreement attached to it?

   Yes _____ No _____

3. Do you understand all of the information contained in the Agreements and each Addendum and related agreement provided to you?

   Yes _____ No _____

   If no, what parts of the Agreements, Addenda, and/or related agreement do you not understand? (Attach additional pages, as needed.)

   _____
   _____
   _____
   _____

4. Have you received and personally reviewed the FDD that was provided to you?

   Yes _____ No _____

Franchise Applicant's Initials_____

5. Did you sign a receipt for the FDD indicating the date you received it?

   Yes _____ No _____

6. Do you understand all of the information contained in the FDD and any state-specific Addendum to the FDD?

   Yes _____ No _____

   If No, what parts of the FDD and/or Addenda do you not understand? (Attach additional pages, as needed.)

   _____
   _____
   _____
   _____
   _____
   _____

7. Have you discussed the benefits and risks of establishing and operating a Franchise with an attorney, accountant, or other professional advisor?

   Yes _____ No _____

   Have you had the FDD and Agreements reviewed by an attorney, accountant, or other professional advisor?

   Yes _____ No _____

   If No to either question, do you wish to have more time to do so?

   Yes _____ No _____

8. Do you understand that the success or failure of your Franchise will depend in large part upon your skills and abilities, competition from other businesses, interest rates, inflation, labor and supply costs, lease terms and other economic and business factors?

   Yes _____ No _____

9. Do you understand that no agreement or addendum is effective until it is also signed and dated by the Franchisor?

   Yes _____ No _____

10. Do you understand that there are no promises, representations (other than in the FDD) agreements, "side deals," or other arrangements, written or oral, that are not in the Agreements, addenda, and other agreements attached to the FDD?

    Yes _____ No _____

Franchise Applicant's Initials_____

11. If you have answered "No" to any one of questions 8-10, please provide a full explanation of each No answer in the following blank lines. (Attach additional pages, as needed, and refer to them below.) If you have answered "Yes" to each of questions 8-10, please leave the following lines blank.

_____

_____

_____

_____

_____

12. Has any employee or other person speaking for the Franchisor made any statement or promise concerning the revenues, profits or operating costs of a Franchise operated by the Franchisor or its franchisees, that is contrary to the information contained in the FDD?

Yes _____ No _____

13. Has anyone speaking on the Franchisor's behalf made any statement or promise regarding the amount of money you may earn in operating the Franchise that is contrary to the information contained in the FDD?

Yes _____ No _____

14. Has anyone speaking on the Franchisor's behalf made any statement or promise concerning the total amount of revenue the Franchise will generate, that is contrary to the information contained in the FDD?

Yes _____ No _____

15. Has anyone speaking on the Franchisor's behalf made any statement or promise regarding the costs you may incur in operating the Franchise that is contrary to or different from, the information contained in the FDD?

Yes _____ No _____

16. Has anyone speaking on the Franchisor's behalf made any statement or promise concerning the likelihood of success that you should or might expect to achieve from operating a Franchise?

Yes _____ No _____

17. Has anyone speaking on the Franchisor's behalf made any statement, promise or agreement concerning the advertising, marketing, training, support service or assistance that the Franchisor will provide to you that is contrary to, or different from, the information contained in the FDD?

Yes _____ No _____

18. Have you entered into any binding agreement with the Franchisor concerning the purchase of this franchise before today?

Yes _____ No _____

Franchise Applicant's Initials_____

19. Have you paid any money to the Franchisor concerning the purchase of this Franchise before today?

Yes _____ No _____

20. If you have answered "Yes" to any one of questions 12-19, please provide a full explanation of each Yes answer in the following blank lines. (Attach additional pages, as needed, and refer to them below.) If you have answered "No" to each of questions 12-19, please leave the following lines blank.

_____
_____
_____
_____
_____
_____

21. Do you understand that all disputes and claims you may have under the Agreement and any other agreement with the Franchisor must be heard in the courts of New York (if they cannot be informally resolved or by mediation)?

Yes _____ No _____

22. Do you understand that the Agreement provides that you can only collect compensatory damages on any claim under or related to the Agreements and not any consequential or punitive damages?

Yes _____ No _____

23. Do you understand that the Agreements includes a waiver of jury trials?

Yes _____ No _____

24. I have spoken with current and former *Nathan's* licensees, and I chose which licensees, and how many licensees, to speak with.

Yes _____ No _____

25. During my negotiations and evaluations leading up to my decision to buy a *Nathan's* Franchise, I communicated with the following individuals from Nathan's Famous Systems, Inc. or its affiliates, or independent brokers:

Name	Address
1. _____	
2. _____	
3. _____	
4. _____	

[Insert additional names and addresses below if needed]

Franchise Applicant's Initials_____

Your responses to these questions are important to us and we will rely on them.

By signing this Questionnaire, you are representing to us that you have responded honestly, accurately, and completely to each of the above questions.

Important note*: This questionnaire is not for use in the states of Hawaii, Maryland, Minnesota, South Dakota, North Dakota, and Virginia (and should not be signed if you are a resident of those states or will operate a Franchise in those states.*

FRANCHISE APPLICANT

_____
Signed

_____
Printed Name

_____, 202___
Date

.

Franchise Applicant's Initials_____

EXHIBIT J

STATE SPECIFIC DISCLOSURES

EXHIBIT J-1

Hawaii Disclosure

The following paragraphs are to be added in the state cover page:

THESE FRANCHISES WILL HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF SECURITIES, DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS OR A FINDING BY THE COMMISSIONER OF SECURITIES, DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE 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, WHICHEVER OCCURS FIRST, A COPY OF THE DISCLOSURE DOCUMENT, AND THIS ADDENDUM, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

THIS ADDENDUM AND THE DISCLOSURE DOCUMENT CONTAIN 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 FRANCHISEE.

The name and address of the Franchisor's agent in this state authorized to receive service of process is: Commissioner of Securities, Department of Commerce and Consumer Affairs, Business Registration Division, Securities Compliance Branch, 335 Merchant Street, Room 203, Honolulu, Hawaii 96813.

In recognition of the requirements of the Hawaii Franchise Investment Law, Hawaii Rev. Stat. §§ 482E, et seq., the Franchise Disclosure Document for Nathan's Famous Systems, Inc. in connection with the offer and sale of franchises for use in the State of Hawaii shall be amended to include the following:

1. Item 20 "List of Outlets," shall be amended by the addition of the following paragraph:

This proposed registration is effective/exempt from registration or will shortly be on file in California, Hawaii, Illinois, Indiana, Kentucky, Maryland, Michigan, Minnesota, Nebraska, New York, North Dakota, Rhode Island, South Dakota, Texas, Utah, Virginia, Washington, and Wisconsin. No states have refused, by order or otherwise, to register these franchises. No states have revoked or suspended the right to offer these franchises. The proposed registration of these franchises has not been involuntarily withdrawn in any state.

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

3. Each provision of this Addendum to the Disclosure document shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Hawaii Franchise Investment Law, Hawaii Rev. Stat. §§ 482E, et seq., are met independently without reference to this Addendum to the Disclosure document.

EXHIBIT J-2

Maryland Disclosure

In recognition of the requirements of the Maryland Franchise Registration and Disclosure Law, MD. Code Ann. Bus. Reg. §§ 14-201 et seq., the Franchise Disclosure Document for Nathan's Famous Systems, Inc. for use in the State of Maryland shall be amended to include the following

1. **Item 17 is amended by adding the following language after the table**:

   (a) You may sue in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law (the "**Maryland Law**"). Any claims arising under the Maryland law must be brought within 3 years after the grant of the franchise.

   (b) The provision in the license agreements which provide for termination upon bankruptcy of the franchisee may not be enforceable under Federal Bankruptcy Law (11 U.S.C. Section 1010 et seq.)

2. **Exhibit I to the Franchise Disclosure Document (Franchisee Compliance Certification) is amended by adding the following language**:

   All representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration Law.

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

4. Each provision of this addendum shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law are met independently, without reference to this addendum.

EXHIBIT J-3

Michigan Disclosure

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 PROVISIONS 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 RENEWAL 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 FRANCHISED 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 (see note below*) 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.

*** * * ***

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

---

* A federal court held that this provision of the Michigan law was preempted by the Federal Arbitration Act and therefore is not enforceable.

* * * *

THE NAME AND ADDRESS OF THE FRANCHISOR'S AGENT IN THIS STATE AUTHORIZED TO RECEIVE SERVICE OF PROCESS IS: MICHIGAN DEPARTMENT OF COMMERCE, CORPORATION AND SECURITIES BUREAU, 6546 MERCANTILE WAY, P.O. BOX 30222, LANSING, MICHIGAN 48910.

* * * *

ANY QUESTIONS REGARDING THIS NOTICE SHOULD BE DIRECTED TO:

DEPARTMENT OF THE ATTORNEY GENERAL'S OFFICE
CONSUMER PROTECTION DIVISION
ATTN: FRANCHISE
670 G. MENNEN WILLIAMS BUILDING
LANSING, MICHIGAN 48913

EXHIBIT J-4

Minnesota Disclosure

In recognition of the requirements of the Minnesota Franchises Law, Minn. Stat. §§ 80C.01 through 80C.22, and of the Rules and Regulations promulgated thereunder by the Minnesota Commissioner of Commerce, Minn. Rules §§ 2860.0100 through 2860.9930, the Franchise Disclosure Document for Nathan's Famous Systems, Inc. for use in the State of Minnesota shall be amended to include the following:

1. The "Special Risk to Consider About This Franchise" cover page shall be amended to include the following risk factor:

> **Supplier Control**. You must purchase all or nearly all of the inventory or supplies that are necessary to operate your business from the franchisor, its affiliates, or suppliers that the franchisor designates, at prices the franchisor or they set. These prices may be higher than prices you could obtain elsewhere for the same or similar goods. This may reduce anticipated profit of your franchise business.

2. Item 13, "Trademarks," shall be amended by the addition of the following paragraph at the end of the Item:

> Minnesota considers it unfair to not protect the franchisee's right to use the trademarks. Refer to Minnesota Statute 80C.12 Subd. 1(G). The franchisor will protect the franchisee's rights to use the trademarks, service marks, trade names, logotypes, or other commercial symbols or indemnify the franchisee from any loss, costs, or expenses arising out of any claim, suit, or demand regarding the use of the name.

3. Item 17, "Renewal, Termination, Transfer and Dispute Resolution," shall be amended by the addition of the following paragraphs:

> With respect to franchises governed by Minnesota law, the franchisor will comply with Minnesota Statute 80C.14 Subd. 3-5, which require (except in certain specified cases):
>
> - that a franchisee be given 90 days notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the franchise agreement, and
>
> - that consent to the transfer of the franchise will not be unreasonably withheld.
>
> Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.
>
> The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minnesota Rule 2860.4400(J) also, a court will determine if a bond is required.
>
> The Limitations of Claims section must comply with Minnesota Statute 80C.17 Subd. 5.
>
> NSF checks are governed by Minnesota Statute 604.113, which puts a cap of $30 on service charges.
>
> Minnesota Statute 80C.21 and Minnesota Rule 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce (1) any of

the franchisee's rights as provided for in Minnesota Statute 80C or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

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

5. **THESE FRANCHISES HAVE BEEN REGISTERED UNDER THE MINNESOTA FRANCHISE ACT. REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECCOMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF COMMERCE OF MINNESOTA OR A FINDING BY THE COMMISSIONER THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE, AND NOT MISLEADING**.

6. **THE MINNESOTA FRANCHISE ACT MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WHICH IS SUBJECT TO REGISTRATION WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, AT LEAST 7 DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST 7 DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION, BY THE FRANCHISEE, WHICHEVER COMES FIRST, A COPY OF THIS PUBLIC OFFERING STATEMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THIS FRANCHISE. THIS PUBLIC OFFERING STATEMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR AN UNDERSTANDING OF ALL RIGHTS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.**

7. Each provision of this addendum shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Minnesota Franchises Law or the Rules and Regulations promulgated thereunder by the Minnesota Commission of Commerce are met independently without reference to this addendum to the disclosure document.

EXHIBIT J-5

Virginia Disclosure

1. The Cover Page shall be amended by the addition of the following risk factor:

THE FRANCHISEE WILL NOT RECEIVE AN EXCLUSIVE TERRITORY. PLEASE REFER TO ITEM 12 OF THIS DISCLOSURE DOCUMENT FOR DETAILS.

2. In recognition of the restrictions contained in Section 13.1564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for Nathan's Famous Systems, Inc. for use in the Commonwealth of Virginia shall be amended as follows:

Nothing in the Branded Menu Program License Agreement shall be interpreted or construed in a manner inconsistent with the requirements of Va. Code § Sec. 13.1-564, which provides that "[i]t shall be unlawful for a franchisor to cancel a franchise without reasonable cause or to use undue influence to induce a franchisee to surrender any right given to him by any provision contained in the franchise."

EXHIBIT K-1

Hawaii Branded Menu Program License Agreement Amendment

In recognition of the requirements of Hawaii Franchise Investment Law, Hawaii Rev. Stat. §§ 482E, et seq., the parties to the attached Nathan's Famous Systems, Inc. Branded Menu Program License Agreement (the "Agreement") agree as follows:

1. Section 8, under the heading "Default/Termination," shall be amended by the addition of the following new paragraph e., which shall be considered an integral part of the Agreement:

> e. Notwithstanding anything to the contrary in this Section 8, NFSI shall comply with Hawaii law which currently requires that NFSI compensate Operator upon termination or refusal to renew the franchise for the fair market value, at the time of the termination or expiration of the License, of any inventory, supplies, equipment and furnishings which were purchased from NFSI or a supplier designated by NFSI. Personalized materials which have no value to NFSI need not be compensated for. If NFSI refuses to renew a License for the purpose of converting Operator's business to one owned and operated by NFSI, NFSI, in addition, must compensate Operator for the loss of goodwill. NFSI may deduct reasonable costs incurred in removing, transporting and disposing of Operator's inventory, supplies, equipment and furnishings pursuant to these requirements, and may offset any moneys due NFSI.

2. This Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Hawaii Franchise Investment Law, Hawaii Rev. Stat. §§ 482E, et seq., are met independently without reference to this Amendment.

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Hawaii Branded Menu Program License Agreement amendment on the same date as the Branded Menu Program License Agreement was executed.

Nathan's Famous Systems, Inc.	_____ **Operator**
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____, 202_	Date: _____, 202_

EXHIBIT K-2

Maryland Branded Menu Program License Agreement Amendment

In recognition of the requirements of the Maryland Franchise Registration and Disclosure Law, MD. Code Ann. Bus. Reg. §§ 14-201 et seq., the parties to the attached Nathan's Famous Systems, Inc. Branded Menu Program License Agreement (the "Agreement") agree as follows:

1. Section 8 of the Agreement provides that the license may automatically terminate upon Operator's bankruptcy. This provision may not be enforceable under Federal bankruptcy law (11 U.S.C. Section 101 et. seq.), but the parties agree to enforce this provision to the maximum extent the law allows.

2. The following language is added to the end of Section 10.h of the Agreement:

However, Maryland law will apply to claims arising under the Maryland Franchise Registration and Disclosure Law.

3. The following language is added to the end of Section 10.i of the Agreement:

However, Operator may bring an action in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

4. The following language is added to the end of Section 10.k of the Agreement:

However, the limitation of such claims shall not act to reduce the three (3) year statute of limitations afforded to Operator for bringing a claim under the Maryland Franchise Registration and Disclosure Law.

5. Sections 11.a – 11.c are deleted in their entirety from the Agreement.

6. The following language is added as a new Section 11.e of the Agreement:

e. All representations requiring Operator to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

7. Each provision of this amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law are met independently without reference to this amendment.

8. 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.

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have duly executed, and delivered this Maryland Branded Menu Program License Agreement amendment on the same date as the Branded Menu Program License Agreement was executed.

Nathan's Famous Systems, Inc.

By: _____

Name: _____

Title: _____

Date: _____, 202_

_____

Operator

By: _____

Name: _____

Title: _____

Date: _____, 202_

EXHIBIT K-3

Minnesota Branded Menu Program License Agreement Amendment

In recognition of the requirements of the Minnesota Franchises Law, Minn. Stat. §§ 80C.01 through 80C.22, and of the Rules and Regulations promulgated thereunder by the Minnesota Commissioner of Commerce, Minn. Rules §§ 2860.0100 through 2860.9930, the parties to the attached Nathan's Famous Systems, Inc. Branded Menu Program License Agreement (the "Agreement") agree as follows:

1. Section 4 of the Agreement, under the heading "Trademark Use," shall be amended by the addition of the following new paragraph e.:

e. Minnesota considers it unfair to not protect the franchisee's right to use the trademarks. Refer to Minnesota Statute 80C.12 Subd. 1(G). The franchisor will protect the franchisee's rights to use the trademarks, service marks, trade names, logotypes, or other commercial symbols or indemnify the franchisee from any loss, costs, or expenses arising out of any claim, suit, or demand regarding the use of the name.

2. Sections 7 and 8 of the Agreement, under the headings "Term" and "Default/Termination" shall be supplemented by the addition of the following language:

With respect to franchises governed by Minnesota law, the franchisor will comply with Minnesota Statute 80C.14 Subd. 3-5, which require (except in certain specified cases):

- that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the franchise agreement, and

- that consent to the transfer of the franchise will not be unreasonably withheld.

3. Section 9 of the Agreement, under the heading "Assignment," shall be supplemented by the addition of the following new paragraph:

Minnesota law provides franchisees with certain transfer rights. In sum, Minn. Stat. § 80C.14 (subd. 5) currently requires that consent to the transfer of the franchise may not be unreasonably withheld.

4. Section 10 of the Agreement, under the heading "General Provisions ", shall be amended by the following language, which shall be considered an integral part of the Agreement:

Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.

The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minnesota Rule 2860.4400(J) also, a court will determine if a bond is required.

The Limitations of Claims section must comply with Minnesota Statute 80C.17 Subd. 5.

NSF checks are governed by Minnesota Statute 604.113, which puts a cap of $30 on service charges.

Minnesota Statute 80C.21 and Minnesota Rule 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring

the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statute 80C or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

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

6. Each provision of this Agreement shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Minnesota Franchises Law or the Rules and Regulations promulgated thereunder by the Minnesota Commissioner of Commerce are met independently without reference to this addendum to the Agreement.

IN WITNESS WHEREOF, the parties hereto have duly executed, and delivered this Minnesota Branded Menu Program License Agreement amendment on the same date as the Branded Menu Program License Agreement was executed.

Nathan's Famous Systems, Inc.	_____ **Operator**
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____, 202_	Date: _____, 202_

State Effective Dates Page

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
Indiana	Pending
Maryland	Pending
Michigan	Pending
Minnesota	Pending
New York	Pending
North Dakota	Pending
South Dakota	Pending
Virginia	Pending
Washington	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.

Exhibit L

Acknowledgment of Receipt

ITEM 23
RECEIPT

This Disclosure Document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If Nathan's Famous Systems, Inc. (NFSI) offers you a franchise, it must provide this Disclosure Document to you: (a) 14 calendar days before you sign a binding agreement with, or make a payment to, us or an affiliate in connection with the proposed franchise sale, or (b) under New York law, if applicable, at the earlier of (i) your first personal meeting to discuss the franchise, or (ii) 10 business days before you sign a binding agreement with, or make payment to us or an affiliate in connection with the proposed franchise sale, or (c) under Iowa requirements at the earlier of the first personal meeting, or 14 days before signing the franchise or other agreement or the payment of any consideration that relates to the franchise relationship, or (d) Michigan requires that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If NFSI 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 and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and to the appropriate state agency listed in Exhibit K.

NFSI is the franchisor, located at One Jericho Plaza - Wing A, 2nd Floor, Jericho, New York 11753. NFSI's telephone number is 1-800-NATHANS. The franchise sellers are Eric Gatoff and Oliver Powers at Nathan's Famous Systems, Inc., One Jericho Plaza - Wing A, 2nd Floor, Jericho, New York 11753 (tel.: 1-800-NATHANS). Any additional individual franchise sellers involved in offering the franchise are _____ .

The issuance date of this Franchise Disclosure Document is July 23, 2026.

Nathan's Famous Systems, Inc. authorizes the respective state agencies identified on Exhibit F to receive service of process for it in the particular state.

I received a Franchise Disclosure Document dated July 23, 2026 that included the following Exhibits:

A. Branded Menu Program License Agreements
   A-1 "Nathan's"
   A-2 "Arthur Treacher's"
B. List of Franchisees/Licensees
C. List of Company-owned Restaurants
D. List of Terminated Franchisees
E. List of State Administrators
F. Agents for Service of Process
G. Operating Manual (Table of Contents)
H. Audited Financial Statements of Nathan's Famous Systems, Inc. (for Fiscal Years 2026, 2025 and 2024)
I. Franchisee Compliance Certification
J. State-Specific Amendments to the Disclosure Document
K. State-Specific Amendments to the Various Agreements
L. Acknowledgment of Receipt

_____ _____

Date Prospective Franchisee's Signature

_____

Printed Name

ITEM 23
RECEIPT

This Disclosure Document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

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K. State-Specific Amendments to the Various Agreements
L. Acknowledgment of Receipt

_____ _____

Date Prospective Franchisee's Signature

_____

Printed Name

Please sign, date, and return this copy to NFSI.