

| Provision | Section in License Agreement ("LA") / Multi-Restaurant Development Agreement ("MDA") | Summary |
|---|--|--|
| u. Dispute resolution by arbitration or mediation | LA §XXVI. MDA §§XXI., XXII | LA and MDA – Except for certain claims, all disputes must be arbitrated in Atlanta, Georgia |
| v. Choice of forum | LA §§XXV.B. MDA §§XXI., XXII | LA and MDA – Subject to applicable state laws, arbitration must be in Atlanta, Georgia and litigation must be in the state of our then current principal place of business |
| w. Choice of law | LA §XXV.A. MDA §XXI.A. | LA and MDA – Subject to applicable state laws, Georgia law applies except (i) the law of state in which the Restaurant or a majority of the development area is located shall govern confidentiality, nondisclosure and non-compete provisions contained in the Agreement and its Attachments, and (ii) to the extent governed by the Lanham Act or the American Arbitration Act |

ITEM 18
PUBLIC FIGURES

We do not use any public figure in our name or symbols or to endorse or recommend our business to prospective licensees.

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 if the information is included in the Disclosure Document. Financial performance information that differs from that included in Item 19 may be given only if: (1) a franchisor provides the actual records of an existing outlet you are considering buying; or (2) a franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances.

Factual Basis and Material Assumptions

You should consider the following factual basis and material assumptions in reviewing this Item 19:

1. As of December 31, 2018, we had 898 open and operating licensed Restaurants. Of these 898 Restaurants, 757 of these Restaurants were owned and operated by third-party licensees that are not owned or controlled by our principal shareholders or our affiliates (the “**Licensee-Owned Restaurants**”). The data utilized in Item 19 are based solely on the operating results of the 722 Licensee-Owned Restaurants that were open and operating during the entire 52-week period ending on December 30, 2018 (the “**Measured Restaurants**”). We did not include in the

analysis (i) 141 Restaurants that were owned or controlled by our principal shareholders or our affiliates and (ii) 35 Licensee-Owned Restaurants that were not open and operating for such entire 52-week period. During the 52-week period ending on December 30, 2018, two Restaurants that temporarily closed for a portion of the period and six Restaurants that permanently closed were excluded from the Measured Restaurants. No Restaurant permanently closed during its first 12 months of operation. All of the Measured Restaurants are free-standing Restaurants that offer substantially the same products and services as are currently utilized in all of the licensed Restaurants. If you have specific questions regarding any Restaurant you may contact any of the licensees listed in *Exhibit D-1*.

2. For purposes of this Item 19, the term “**Gross Revenue**” means all revenues received by a Restaurant as payment for all sales generated through the Restaurant, whether such payment is in cash, by exchange or for credit (and, if for credit, regardless of collection), including revenues received from the operation of vending machines or other mechanical devices, less any revenues taxes collected and transmitted to appropriate taxing authorities.
3. For purposes of this Item 19, the term “**EBITDA**” shall mean Gross Revenue less cost of goods sold, labor costs (excepting officer salaries), and all other operating expenses (excepting interest, taxes, depreciation and amortization).
4. This Item 19 was prepared utilizing data we received in the periodic sales reports provided to us by our licensees and through daily polling of Point of Sale (POS) data. We have not independently verified any of the data provided to us, but our licensees pay our licensing fees based on such reports. Additionally, we cannot verify that the information we receive from our licensees is prepared uniformly or that our licensees properly allocate costs to a particular category.
5. The cost and expense information in this Item 19 pertains only to the cost of goods sold, labor costs, and other operating expenses experienced by the Measured Restaurants for the period of January 1, 2018 to December 30, 2018. You may experience capitalized or other balance sheet expenditures that are not included in this cost and expense information, such as the cost of additional or replacement equipment, debt payments, and interest expenses. Costs and expenses in the operation of a Restaurant will vary from licensee to licensee and from location to location and will depend on seasonal, local and other factors, like the licensee’s efficiency in the utilization of products, the cost of transportation, and the fluctuation in market prices for food and other products.
6. Labor costs will vary from location to location and will depend on local factors, including (without limitation) local minimum wage laws and local labor market conditions. Also, with respect to labor costs, because you will need a certain number of employees to open and operate a Restaurant regardless of its gross revenues, Restaurants that have lower than average gross revenues probably will experience higher than average labor costs as a percentage of gross revenues.
7. This Item 19 utilizes data for the 52-week period beginning on January 1, 2018 and ending on December 30, 2018. The financial performance representation is an historical representation about the franchise system’s Restaurants.

Financial Performance Representations

Table 1 below contains an analysis of gross revenues and certain operating costs and expenses (cost of goods sold, labor costs and other operating expenses) of the Measured Restaurants for the 52-week period ending December 30, 2018. Table 1 is not a profit and loss statement. In Table 1 below, the Restaurants were divided into four categories based on the amount of gross revenues which are classified as: Top Quartile, Second Quartile, Third Quartile and Bottom Quartile. The average gross revenues and average operating costs and expenses for each of the categories was calculated by adding the gross revenues or certain operating costs and expenses, as applicable, of all Measured Restaurants within each quartile and dividing by the total number of Measured Restaurants within such quartile. The average gross revenues and costs and expenses in each quartile were then compared to the average gross revenues in such quartile and expressed as a percentage. Labor costs in Table 1 do not include officer's salaries and benefits for any Measured Restaurant that captures or recognizes that expense.

TABLE 1: Analysis of Gross Revenues and Operating Costs

| | Top 25% | | Second 25% | | Third 25% | | Bottom 25% | |
|---------------------------------------|--------------------|--------------|--------------------|--------------|--------------------|--------------|--------------------|--------------|
| | \$ | % | \$ | % | \$ | % | \$ | % |
| GROSS REVENUE | \$2,836,012 | 100% | \$2,204,503 | 100% | \$1,801,378 | 100% | \$1,276,117 | 100% |
| COST OF SALES | | | | | | | | |
| CHICKEN | 411,222 | 14.5% | 315,244 | 14.3% | 257,597 | 14.3% | 185,037 | 14.5% |
| PRODUCE | 48,212 | 1.7% | 37,477 | 1.7% | 32,425 | 1.8% | 22,970 | 1.8% |
| OTHER FOOD | 292,109 | 10.3% | 231,473 | 10.5% | 190,946 | 10.6% | 136,545 | 10.7% |
| PAPER AND PLASTIC SUPPLIES | 68,064 | 2.4% | 55,113 | 2.5% | 45,034 | 2.5% | 31,903 | 2.5% |
| BEVERAGES GENERAL | 85,080 | 3.0% | 66,135 | 3.0% | 57,644 | 3.2% | 44,664 | 3.5% |
| BREAD PRODUCTS | 36,868 | 1.3% | 28,659 | 1.3% | 23,418 | 1.3% | 16,590 | 1.3% |
| SUBTOTAL FOOD | \$941,556 | 33.2% | \$734,099 | 33.3% | \$607,064 | 33.7% | \$437,708 | 34.3% |
| CUSTOMER CONTROLLED - FOOD | 11,344 | 0.4% | 6,614 | 0.3% | 5,404 | 0.3% | 3,828 | 0.3% |
| CUST. CONTROLLED - PAPER | 25,524 | 0.9% | 19,841 | 0.9% | 16,212 | 0.9% | 11,485 | 0.9% |
| OIL & SHORTENING | 25,524 | 0.9% | 19,841 | 0.9% | 18,014 | 1.0% | 15,313 | 1.2% |
| TRANSPORTATION-IN | 5,672 | 0.2% | 4,409 | 0.2% | 3,603 | 0.2% | 2,552 | 0.2% |
| TOTAL COST OF GOODS SOLD | \$1,009,620 | 35.6% | \$784,803 | 35.6% | \$650,297 | 36.1% | \$470,887 | 36.9% |
| LABOR | \$657,955 | 23.2% | \$548,921 | 24.9% | \$459,351 | 25.5% | \$364,969 | 28.6% |
| GROSS PROFIT | \$1,168,437 | 41.2% | \$870,779 | 39.5% | \$691,729 | 38.4% | \$440,260 | 34.5% |
| OTHER OPERATING EXPENSES | | | | | | | | |
| TELEPHONE AND UTILITIES | 51,048 | 1.9% | 46,295 | 2.1% | 45,034 | 2.5% | 38,284 | 3.0% |
| PROFESSIONAL FEES | 42,540 | 1.3% | 26,454 | 1.2% | 27,021 | 1.5% | 16,590 | 1.3% |
| ADVERTISING EXPENSES | 102,096 | 3.7% | 81,567 | 3.7% | 66,651 | 3.7% | 45,940 | 3.6% |
| OTHER OPERATING EXPENSES | 235,389 | 8.5% | 171,951 | 7.8% | 153,117 | 8.5% | 117,403 | 9.2% |
| ROYALTIES | 170,161 | 6.0% | 130,066 | 5.9% | 106,281 | 5.9% | 63,806 | 5.0% |
| RENT AND OCCUPANCY EXP. | 178,669 | 6.6% | 160,929 | 7.3% | 153,117 | 8.5% | 136,545 | 10.7% |
| TOTAL OTHER OPERATING EXPENSES | \$779,903 | 27.5% | 617,261 | 28.0% | \$551,222 | 30.6% | \$418,566 | 32.8% |
| TOTAL EXPENSES | \$2,447,478 | 86.3% | \$1,950,985 | 88.5% | \$1,660,871 | 92.2% | \$1,254,423 | 98.3% |
| EBITDA FROM OPERATIONS | \$388,534 | 13.7% | \$253,518 | 11.5% | \$140,507 | 7.8% | \$21,694 | 1.7% |

Notes to Table 1:

1. The following table discloses the number and percentage of Measured Restaurants in each quartile above the average EBITDA disclosed in Table 1 for each quartile and the median EBITDA for each quartile:

| Quartile | Restaurant Count | Average EBITDA from Operations | # of Restaurants in Quartile Above Average EBITDA for Quartile | % of Restaurants in Quartile Above Average EBITDA for Quartile | Median EBITDA from Operations |
|-----------------|------------------|--------------------------------|--|--|-------------------------------|
| Top Quartile | 181 | \$388,534 | 88 | 49% | \$383,848 |
| Second Quartile | 180 | \$253,518 | 88 | 49% | \$243,678 |
| Third Quartile | 180 | \$140,507 | 86 | 48% | \$139,793 |
| Bottom Quartile | 181 | \$21,694 | 90 | 50% | \$19,377 |

Table 2 below provides summary data for the Measured Restaurants in each quartile and overall.

TABLE 2
Summary of Gross Revenues of Measured Restaurants

| Quartile | Rest-aurant Count | Minimum Gross Revenues | Maximum Gross Revenues | Average Gross Revenues | # of Rest-aurants Above Average Gross Revenues | % of Rest-aurants Above Average Gross Revenues | Median Gross Revenues |
|-----------------|-------------------|------------------------|------------------------|------------------------|--|--|-----------------------|
| TOTAL SYSTEM | 722 | \$474,975 | \$4,420,812 | \$2,029,576 | 348 | 48% | \$1,999,100 |
| Top Quartile | 181 | \$2,423,521 | \$4,420,812 | \$2,836,012 | 75 | 41% | \$2,717,976 |
| Second Quartile | 180 | \$2,001,639 | \$2,423,208 | \$2,204,503 | 90 | 50% | \$2,204,364 |
| Third Quartile | 180 | \$1,612,103 | \$1,996,561 | \$1,801,378 | 93 | 52% | \$1,805,322 |
| Bottom Quartile | 181 | \$474,975 | \$1,611,682 | \$1,276,117 | 106 | 59% | \$1,350,042 |

Additional Information Regarding Item 19

Some Restaurants have sold or earned this amount. Your individual results may differ. There is no assurance that you'll sell or earn as much.

Revenues, costs, and profits for a Restaurant can vary considerably due to a variety of factors, such as the length of time the Restaurant has been open; the Restaurant's location and the demographics of the population around the Restaurant; competition from other restaurants in the market; traffic flow, accessibility and visibility; economic conditions in the Restaurant's market; advertising and promotional activities; the business abilities and efforts of the management of the Restaurant; changes in eating habits and preferences; local, regional, and national economic conditions; and other factors. In addition, the acquisition of sites is highly competitive with other restaurant chains and retail businesses for suitable sites for the development of a Restaurant. You are urged to make your own independent investigation and evaluation of the potential performance of your Restaurant and to consult with appropriate financial, business and legal advisors in connection with the information provided.

Written substantiation for the financial performance representation will be made available to the prospective licensee upon reasonable request.

Other than the preceding financial performance representation, ZFL does not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Amy C. Pritchett, 1040 Founder's Boulevard, Suite 100, Athens, Georgia 30606, (706) 353-8107, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20 **OUTLETS AND FRANCHISEE INFORMATION**

For purposes of each of the following tables, we have listed each Outlet operated by Zax, our affiliate, as a Company-owned Outlet and not as a Franchised Outlet. We do not operate any Outlets.