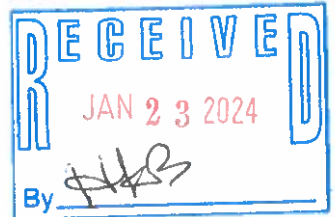




CITY OF WILLOWICK PLAN REVIEW BOARD
APPLICATION FOR PERMIT TO OCCUPY FOR
BUSINESS, COMMERCIAL, INDUSTRIAL, ETC.
YOU MUST FILL OUT ENTIRE APPLICATION
440-516-3000



PERMIT FEE: \$60.00
DATE: 01/18/2024

Location of Occupancy: 29050 Lakeshore Blvd Willowick, OH 44095 Business Name: Kentucky Fried Chicken

Business Owner's Name & Address: FRSK, LLC DBA KFP FOODS, 1141 Overbrook Rd, Ste 400

CITY/STATE/ZIP: Leawood, KS 66011

Telephone Number: 913-469-1112 Fax Number: _____ Federal ID Number: _____
Or Social Security Number

OWNER OF PROPERTY/NAME/ADDRESS/TELEPHONE NUMBER: LE Trio, LLC, 1536 Alturas Dr., Suite 300 Burlingame, CA 94010

SUBMIT NEW DETAILED FLOOR PLAN: _____ SQ. FT. HABITABLE FLOOR AREA FOR OCCUPANCY: 3,104

Building Size: 3,104 sq ft Total Number Of Employees: 19

Intended Number of Occupants: _____ Total Number of Seating: 69

Site Plan With Number of Paved Parking Spaces 20 Hours Of Operation: Sun-Thurs: 10am-11pm Fri-Sat: 10am-12am

Letter of Intent: Attached Previous Use: _____ Proposed Use: _____

NAME OF PRINCIPAL OR CONTACT PERSON FOR NEW BUSINESS: Kelsey Moore

Home Address/City/Zip: 1141 Overbrook Rd, Ste 400 Leawood, KS 66011 Telephone Number: 913-356-6334

I hereby certify that the above questions have been answered correctly by me and that the premises will be used for the purpose stated above. Any change in the purpose of occupancy will not be made without approval from Lake County Building, Willowick Fire & Willowick Zoning Department. A final approval by The Willowick Building Dept. (440)516-3000 or a representative thereof, must be complied with before opening of business. I do hereby further agree to maintain the above premises in compliance with the ordinances of the City of Willowick.

Applicant's Signature: Kelsey Moore Date: 01/18/2024

Officer use only:

Zoning District: _____ Authorized Occupants: _____

TEMPORARY APPROVED BY: _____ Date: _____

Zoning Dept. Inspected by: _____ DATE: _____

Zoning Permit # _____ Zoning Permit Fee \$ _____

Fire Dept. Inspected By: _____ Date: _____

CITY OF WILLOWICK-APPLICATION FOR COMMERCIAL ESTABLISHMENT LICENSE REQUIRED AFTER APPROVAL
Note* A separate permit is required for all new signs from the Willowick Building Department.



Strictly Confidential

February 9, 2021

To whom it may concern -

KBP Investments, LLC ("KBP", "we" or "our") was formed in 1999 and is the largest KFC franchisee in the United States currently operating approximately 780 restaurants representing 18% of the domestic KFC system. KBP operates restaurants in more than 20 states including a strong presence in Ohio. We are one of the top 10 largest QSR franchisees of any brand in the United States.

KBP has completed more than 50 acquisitions in the past seven years and has closed all acquisitions in which we have signed a letter of intent and engaged in negotiations with a seller regarding an asset purchase agreement.

We have a dedicated team of deal professionals led by me that focuses its entire attention on growing KBP's business via strategic acquisitions. We have built this team to ensure that we execute transactions in an efficient manner saving KBP as well as its counterparties both time and money.

In selecting KBP as an acquisition partner, you ("Owner") will get the following:

- A buyer who is the largest KFC franchisee & top 10 QSR franchisee across all brands in the US
- An in-house acquisition team with the technical expertise and necessary third-party resources required to navigate the complex aspects of the restaurant acquisition process
- An approved KFC growth partner that has had the full support of the KFC brand
- A well-capitalized buyer with no financing contingency
- Direct interaction with key decision makers
- Devoted and experienced deal professionals that are not distracted by operational responsibilities that may cause delays or costs in the transaction process

We are pleased to present the following letter of intent (this "LOI") to acquire your three restaurants and underlying real estate (the "Assets") as detailed on Exhibit A from Greg Federico Inc. and John Federico Inc. (the "Selling Entity") on the following terms (the "Proposed Transaction"):

- 1) **Purchase Consideration** – Based on our review of the information provided to date, subject to the terms and conditions set forth herein and in the APA (as defined below), KBP proposes paying ("Purchase Price") in cash at the closing of the Proposed Transaction (the "Closing") to acquire the Assets on a cash, liability, debt, and lien-free basis.



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- 2) **Financing** – KBP has adequate resources to finance the Proposed Transaction and will have no financing contingency to consummate the Proposed Transaction.
- 3) **Employees** – Subject to KBP’s customary employment qualifications and standards, KBP will offer to hire all relevant store level employees at their current wage rate. KBP will have the ability to meet with salaried employees 4 weeks ahead of the Closing to introduce our organization and facilitate a smooth transition.
- 4) **Asset Purchase Agreement** – KBP will draft an Asset Purchase Agreement (the “APA”) containing representations & warranties, covenants, conditions to close, indemnification provisions and a Purchase Price adjustment consistent with transactions of this size in the quick service restaurant industry. This LOI assumes the Assets are in reasonable condition and repair and fit for their intended purpose of operating a fully functional KFC (and where applicable co-brand) quick service restaurant. The purchase price assumes the assets are free of any material title or environmental issues. The parties will prorate items to the extent identifiable at the Closing, including, but not limited to, real estate taxes and rebates. The APA will stipulate that the transaction with you will close simultaneous to the closing of the East Region Corp. transaction and should the East Region Corp. transaction not proceed for any reason, KBP will have the option to terminate the APA with you without recourse.
- 5) **KFC Approval** – KBP is an approved growth partner of KFC and we anticipate no issue in obtaining KFC approval to the Proposed Transaction. We encourage you to speak with KFC regarding our ability to continue to grow should you desire.
- 6) **Time to Closing** – KBP intends to close the transaction within 60 days of signing the APA.
- 7) **Brokerage Fees** – KBP will not be responsible for any brokerage fees paid as a part of the Proposed Transaction, and KBP has not and will not incur any such fees.
- 8) **Ordinary Course of Conduct** – We anticipate that, between the signing of this LOI and the Closing, Owner and the Selling Entities will operate the restaurants in the ordinary course of business consistent with past practice and that no action will be taken (or not be taken) to adversely impact title, operations, or the facilities and equipment of the Assets. We also expect that between the signing of this LOI and the Closing that Owner and the Selling Entities will continue to undertake local marketing and sales initiatives generally consistent with how the business has operated over the previous 12 months. Additionally, management of the operations from a human capital perspective will be in conducted in accordance with past practice, including promotions, demotions, terminations, compensation, and bonuses. Owner and the Selling Entities will not transfer employees or equipment to any other business within or outside the restaurant industry after the signing of this LOI.
- 9) **Franchise Compliance** – The offer outlined in this LOI assumes that each of Owner, the Selling Entities and the Assets are, and through the Closing will remain, in compliance with applicable law and with all aspects of any applicable YUM franchise agreements, including, but not limited to, asset, equipment, technology and facility obligations.



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- 10) **Exclusivity** – From the date that this LOI is duly executed until forty-five (45) days thereafter, Owner and the Selling Entities shall not, and shall cause all other affiliates, owners, officers, directors, employees, advisors and other agents of each of the Selling Entities not to, directly or indirectly, (i) take any action to solicit, facilitate, encourage or initiate any inquiries or any proposals or offers from any person or group of persons other than KBP and its representatives that may constitute, or could reasonably be expected to lead to, the direct or indirect acquisition of the Assets (including, without limitation, by license or lease or by a direct or indirect acquisition of the Selling Entities) or any part thereof (an “**Alternative Transaction**”), (ii) enter into, continue to initiate or engage in discussions or negotiations with any person or group of persons other than KBP and its representatives with respect to, or disclose any non-public information or data relating to the Assets to any person or group of persons other than KBP and its representatives, or afford access to any other person or group of persons except KBP and its representatives, in each case, with respect to any proposal or offer that constitutes, or could reasonably be expected to result in, an Alternative Transaction or (iii) approve, endorse, recommend or enter into any acquisition agreement, purchase agreement, merger agreement or similar definitive agreement, or any letter of intent, memorandum of understanding or agreement in principle, or any other agreement relating to an Alternative Transaction. Owner shall immediately notify KBP in writing if Owner, any Selling Entity or any of their respective officers, directors, employees, advisors or other agents receive, or any of them is made aware of, any inquiry, proposal, solicitation or offer for, or which could reasonably be expected to lead to, an Alternative Transaction. The parties acknowledge and agree that irreparable damage would occur in the event that this paragraph is not performed in accordance with the terms hereof and that the KBP shall be entitled to specific performance of the terms hereof (without the need to prove actual damages or post any bond), in addition to any other remedy in this LOI, at law or in equity.
- 11) **Expenses** – Except as set forth in the APA, each party shall bear their own transaction expenses (to include attorney’s fees); provided, however, that Owner shall reimburse KBP and its affiliates for any out-of-pocket expenses (including, without limitation, all fees and expenses of legal counsel, accountants, consultants and other advisors) incurred in connection with the Proposed Transaction (including KBP’s due diligence review and other efforts to enter into the APA) should Owner or any Selling Entity violate paragraph 10 herein.
- 12) **Confidentiality** – Except (i) as required by law, (ii) for attorneys and consultants as each party may desire to engage in connection with the Proposed Transaction and (iii) for any discussions with KFC regarding the Proposed Transaction, without the prior written consent of the other parties hereto, no party (whether directly or indirectly through one or more of its officers, directors, employees or agents) will make any public comment, statement or communication with respect to, or otherwise disclose or permit disclosure of the existence of discussions regarding, the Proposed Transaction or any of the terms, conditions or other aspects of the Proposed Transaction proposed by this LOI. Each party hereto will be responsible for breaches hereunder by its officers, directors, employees, agents or representatives.



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- 13) **Limited Binding Effect; Governing Law; Counterparts** – This LOI is only for the purpose of setting forth a basis upon which KBP may agree to proceed toward the Proposed Transaction. As such, except with respect to this paragraph and paragraphs 10, 11 and 12 (collectively, the “Binding Paragraphs”), this LOI does not represent a binding offer, commitment or agreement with respect to the proposed terms set forth herein. Furthermore, the parties understand KBP is under no obligation to acquire the Assets, to consummate any transaction with Owner or any of the Selling Entities or to continue any discussions or negotiations with respect to the foregoing. The Binding Paragraphs shall be governed and construed by the laws of the State of Delaware, without giving effect to any choice of law or conflicts of laws provisions or rule of any jurisdiction that would cause the substantive laws of any other jurisdiction to apply. Each of the parties hereby irrevocably and unconditionally consents to submit to the exclusive jurisdiction of the Delaware Court of Chancery or, if such court lacks jurisdiction, the courts of the State of Delaware and of the United States of America located in Delaware for any actions, suits or proceedings arising out of or relating to the Binding Paragraphs. This LOI may be executed in one or more counterparts, including by PDF, each of which shall be deemed to be an original, but all of which together constitute one instrument. This LOI may not be assigned by any party hereto without prior written consent of the other parties and may not be amended or modified except by an instrument in writing signed by each of the parties hereto.

We believe that the Assets present a compelling investment opportunity and we are enthusiastic about the prospect of pursuing the Proposed Transaction. If you have any questions on this proposal, please feel free to contact me at (816) 309-2638.

Regards,

A handwritten signature in black ink, appearing to read 'Barry Dubin'.

Barry Dubin
KBP Investments, LLC

Accepted and Agreed to:

Greg Federico Inc.

John Federico Inc.

By: A handwritten signature in black ink, appearing to read 'Greg Federico'.

Date: 2/11/21



Exhibit A: List of Assets

Store #	Store Name	Address	City	State	Type	2020 Sales	2019 Sales	TTM Royalty %	Building Prototype	Next Remodel Yr	Franchise Renewal	Lease/Fee
F702002	Willoughby	34400 Euclid Ave	Willoughby	OH	KFC	1,393,366	1,253,859	4.0%	Am. Showman	2027	1/21/2027	Fee
F702001	Lakeshore	17585 Lakeshore Blvd.	Cleveland	OH	KFC	1,103,206	972,910	4.0%	Am. Showman	2027	6/30/2027	Fee
F555003	Willowick	29050 Lakeshore Blvd.	Willowick	OH	KFC	1,448,396	1,256,742	4.0%	Am. Showman	2027	6/1/2027	Fee

