

other than a CINNAHOLIC® Bakery within the Franchise Territory, including sales through catalogs, e-commerce, mail order, kiosks, mass merchandise, grocery stores, supermarkets, mom & pops, gourmet shops, warehouse clubs, and convenience and other stores, even if you sell these products at your Bakery. We may also operate or permit others to operate CINNAHOLIC® bakeries at non-traditional locations within your Franchise Territory such as sports stadiums, arenas, universities and schools, hospitals, airports, shopping malls, and the like.

**Regulatory Matters** In addition to laws and regulations that apply to businesses generally like workers' compensation, corporate, tax, you will be subject to various federal, state, and local government regulations including those relating to construction, site location, and the preparation and sale of food and liquor that apply to bakery operations, as well as public health, sanitation and safety codes and ordinances. If you sell liquor, beer, or wine at your Bakery, you must obtain a liquor license under state and local law. You may also have liability under Dram Shop laws for injuries relating to the sale and consumption of these substances. You must acknowledge in the Franchise Agreement that you are responsible for keeping apprised of, and complying with, all applicable laws, including the Americans with Disabilities Act, as amended. Before you buy a franchise, you are encouraged to investigate these regulations and other laws that may be applicable to your business. You should consider their impact on your business and any increased cost of doing business.

## ITEM 2 BUSINESS EXPERIENCE

### **President – Daryl Dollinger**~~Bryon Spencer Reid~~

~~September 2014—Current, President—Cinnaholic Franchising LLC. September 2014—Current, Vice President of Franchise Development—Great Wraps Franchising. January 2010—Current, Senior Vice President—Big Game Brands, LLC, January 2010—2013 Senior Vice President of Sales and Development—Raving Brands Holdings, April 2009—January 2010 Vice President of Franchise Sales—Raving Brands Holdings. Since February 2014 Mr. Dollinger has served as our President, in Atlanta, GA. Mr. Dollinger has served as President for Raving Brands, Inc. Doe Green's Gourmet Salads, Inc. Monkey Joe's Franchising, LLC. Raving Brands Holdings, Inc., and RB&S Venture LLC since June 2008. Mr. Dollinger has served as President for Big Game Brands LLC since April 2010. Since April 2010, Mr. Dollinger has served as Director of Operations, Brand Leader, and Secretary of Monkey Joe's Franchising LLC. From June 2008 until November 2009 Mr. Dollinger served as President of Boneheads Peachtree, LLC. From June 2008 until January 2009 Mr. Dollinger served as President for S&Q Shack LLC.~~

### **Founder—Shannon Radke**

January 2014 – current, Chief Product Officer/Director of Training—Cinnaholic Franchising, LLC, March 2010 – current, Founder in Berkeley, CA – Cinnaholic, LLC, 2007 – 2010, Administrative Assistant in San Ramon, CA —The Newtron Group, The Deerwood Corporation

### **Founder—Florian Radke**

January 2014 – current, Chief Marketing Officer—Cinnaholic Franchising, LLC, March 2010 – current, Founder in Berkeley, CA—Cinnaholic, LLC

## ITEM 3 LITIGATION

### **Pending Actions:**

~~In Re Raving Brands, Inc., Debtor through Paul H. Anderson, Jr. as Chapter 7 Trustee vs. Martin Sprock, Darryl Dollinger, Stephen Lamastra, Flying Biscuit Franchising, Inc., Monkey Joe's Franchising, LLC, Raving Brands Holdings, Inc., MH Group Holdings, LLC, Doc Green's Gourmet Salads, Inc., Doc Green's on Ponce, LLC, MSWG, LLC, Moe's SW Grill LLC, Mama Fu's Noodle House, Inc., Mama Fu's Peachtree, LLC, P.J.'s Coffee & Tea, Inc., Bonehead's Peachtree, LLC, and Corporate John Does 1-10, United States Bankruptcy Court for the Northern District of Georgia, Atlanta Division, Case No. 09-68410, Filed August 16, 2012.~~

~~The United States Bankruptcy Trustee has sued one of our officers and directors—namely Darryl Dollinger—among others. The lawsuit alleges there was corporate waste and breach of fiduciary duties by the defendants since they allegedly did not cause Raving Brands, Inc. (“RBI”), to charge franchisee operators for use of the www.ravingbrands.com website. Mr. Dollinger was a corporate officer at RBI. The lawsuit seeks damages and compensation for use of the web site from RBI and the other defendants. Fewer than five creditors have filed proofs of claim in the underlying bankruptcy case. The lawsuit also seeks to assign the liabilities of RBI to the defendants (including Dollinger) based on the theory that RBI and the other defendants are alter egos of each other. The Complaint also alleges that RBI and other defendants have violated the automatic stay provisions of the bankruptcy act by maintaining control over the www.ravingbrands.com web site after the entry of the bankruptcy case.~~

~~Mr. Dollinger and the other defendants have investigated the allegations and believe there are material inaccuracies in the Complaint and that substantial defenses exist. The case is in the discovery phase.~~

~~In Re The S&Q Shack, LLC, Debtor through Paul H. Anderson, Jr., as Chapter 7 Trustee vs. H. Martin Sprock, III, Daryl Dollinger, MIBI Investment, LLC, Robert Brand, J. Ruthertford Seydel, II, J. Randall Hollingsworth, Davis, Pickren, Seydel & Sneed f/k/a Davis, Pickren & Seydel, LLP, SP Investments, LLC, MSWG, LLC f/k/a Moe's Southwest Grill, LLC, P.J.'s Coffee & Tea, Inc., Planet Smoothie Franchises, LLC, Raving Brands Holdings, Inc. d/b/a Raving Brands Holdings, LLC, Raving Brands International, LLC, RB Investments, LLC, and Shane & H, LLC, United States Bankruptcy Court for the Northern District of Georgia, Atlanta Division, Case No. 09-67151 JEM, Filed August 24, 2012.~~

~~The United States Bankruptcy Trustee has sued Mr. Dollinger as well as other defendants. The lawsuit claims there were fraudulent transfers, constructively fraudulent transfers and wrongful distributions made in connection with the sale of an RBI affiliate, The S&Q Shack, LLC (“S&Q”), to Edmonds Capital Fund I, LLC. The lawsuit further alleges that S&Q forgave the debts some RBI affiliates may have owed S&Q. Specifically, the Complaint alleges Mr. Dollinger and the other defendants caused or benefitted from the distribution of the entire proceeds from the sale of the S&Q assets, thereby leaving no assets available to pay S&Q's creditors nor receivables that could be collected to pay S&Q's creditors. The lawsuit further claims Martin Sprock authorized Daryl Dollinger to make wrongful distributions of the proceeds from the S&Q sale to RBI, Mr. Sprock, and other defendants. The lawsuit seeks to recover the transfers made to ten defendants, including Mr. Dollinger, on the grounds that the defendants did not take such amounts for value or in good faith. The Complaint further demands that property be turned over to the bankruptcy estate by our affiliates and the other defendants.~~

~~Mr. Dollinger and the other defendants have investigated the allegations and believe there are material inaccuracies in the Complaint and that substantial defenses exist. The case is in the discovery phase.~~

## **Concluded Actions Against Officers:**

~~Richard Brown, Angela Brown Massey, Inc et al v Moe's Southwest Grill LLC, Mama Fu's Noodle House, LLC, Raving Brands Holdings, Inc et al, Superior Court of Fulton County Georgia, Civil Action No 2008 CV 155595 filed on August 21 2008 On October 14, 2008, this action was removed to federal court and the removed case is captioned Richard Brown, Angela Brown, Massey, Inc et al v Moe's Southwest Grill LLC Mama Fu's Noodle House, LLC, Raving Brands Holdings, Inc et al, United States District Court for the Northern District of Georgia, Atlanta Division Case No 1:08-CV-3209 ("Brown Action") The plaintiffs are individuals and entities that are current and former franchisees under the Moe's Southwest Grill franchise system, Mama Fu's franchise system and/or Doc Green's franchise system ( Brown Parties ) The defendants included our President, Mr Dollinger Brown Parties alleged that RBH MSWG Mama Fu's and Doc Green's and the principals of such entities (i) commingled their personal and corporate assets and disregarded their separate entities so that they were not distinguishable as legally separate entities or persons and (ii) distributed to some of the Holdings Parties the assets from the sale of the Moe's Southwest Grill franchise system for the alleged purpose of defrauding plaintiffs and hindering and delaying the collection of monies The Brown Parties sought a judgment (a) setting aside the distribution of the assets from the sale of the Moe's Southwest Grill franchise system and other relief On January 14 2011 the district court conducted a telephone conference with counsel As a result of the conference, on January 14, 2011 the district court entered signed an order administratively closing the case The order provided that any party can move to reopen the case and upon reopening, the district court would enter a scheduling order governing discovery and motion practice The case was terminated on January 16, 2011~~

~~K&A Ventures, Norman Kaplan Keith Franklin, Larry Franklin and Douglas Wall v Moe's Southwest Grill, LLC Raving Brands Holdings, Inc, H Martin Sprock, Daryl Dollinger, Richard Akam, Matthew Andrew and Darin Kraetsch Superior Court of California, County of Los Angeles, Central District, Case No BC 367509 filed on March 8 2007 ("California State Action") The plaintiffs were Moe's franchisees ( K&A Parties ) and the defendants included our President, Mr Dollinger K&A Parties, on behalf of several former Moe's franchisees assert causes of action alleging (i) unregistered sales of franchises, illegal earnings claims and untrue statements of fact in the California franchise registration in violation of the California Franchise Investment Law, (ii) the receipt of secret rebates, allowances, commissions and fees in violation of various California statutes relating to unfair competition, and (iii) false representations concealment and suppression of facts and common law fraud in connection with the sale and operation of Moe's franchises K&A Parties sought damages in excess of \$3,900,000 and a declaration that the mandatory arbitration clause in their franchise agreements is unconscionable and thus may not be enforced against them to require them to arbitrate their claims On April 10, 2007 the defendant's removed the California State Action to federal court and the removed case was captioned K&A Ventures, Norman Kaplan, Keith Franklin, Larry Franklin and Douglas Wall v Moe's Southwest Grill LLC, Raving Brands Holdings, Inc H Martin Sprock Daryl Dollinger Richard Akam Matthew Andrew and Darin Kraetsch, United States District Court for the Central District of California Case No CV07-2377JSL(AJWX) ("California Federal Action") On April 23 2007, the defendants filed a Petition to Compel Arbitration captioned Moe's Southwest Grill, LLC v K&A Ventures Norman Kaplan Keith Franklin Larry Franklin and Douglas Wall United States District Court for the Northern District of Georgia Atlanta Division Civil Action No 1:07 CV 0906 ("Georgia Federal Action") Pending the resolution of the Georgia Federal Action the plaintiffs in that case filed a motion to stay the California Federal Action and the motion was granted by the United States District Court for the Central District of California which is hearing the California Federal Action On August 31, 2007, the court in the Georgia Federal Action granted the motion to compel arbitration On April 11, 2008, the K&A Parties voluntarily dismissed the California Federal Action without prejudice~~

This is a document preview downloaded from FranchisePanda.com. The full document is available for free by visiting: <https://franchisepanda.com/franchises/cinnaholic>