

ITEM 11
FRANCHISOR'S OBLIGATIONS

Except as listed below, Wendy's need not provide any assistance to you.

PRE-OPENING OBLIGATIONS

Before the opening of the Franchised Business, Wendy's is required by the Franchise Agreement to provide the following assistance and services to you:

1. Wendy's will review your request for the development of a Wendy's Restaurant at a particular location and will either accept, accept conditionally, or reject your request (Franchise Agreement - Sections 1, 3 and 5). Generally, Wendy's does not own and lease the Restaurant premises to you.
2. If you are opening your first Wendy's Restaurant, Wendy's will conduct an initial training program at a location Wendy's designates (Franchise Agreement - Section 3).
3. Wendy's will provide to you prototypical plans and specifications for the construction of a standard Wendy's Restaurant and for the exterior and interior design and layout, fixtures, equipment, and signs (Franchise Agreement - Section 3).
4. Wendy's will conduct, as Wendy's deems advisable, periodic inspections of the Restaurant and Restaurant premises during construction to determine whether you are complying with the approved plans and specifications (Franchise Agreement - Section 3).
5. Wendy's will inspect and approve the Restaurant for opening before the opening of the Restaurant (Franchise Agreement - Section 3).
6. Wendy's will provide, at Wendy's discretion, pre-opening and opening supervision and assistance (Franchise Agreement - Section 3).
7. Wendy's will provide you one copy of the Operational Procedures Manual, which is defined in this document as the "Manual" (Franchise Agreement - Section 3).
8. Wendy's or one of our approved suppliers will provide an initial set of reporting forms for your use in the operation of your Wendy's Restaurant (Franchise Agreement - Section 3).
9. Wendy's will identify the equipment, signs, fixtures, estimated opening inventory and supplies necessary to begin operations, and make available to you the specifications for these items (except for specifications for those food and paper products which Wendy's considers proprietary), and a list of approved suppliers (Franchise Agreement - Sections 3 and 6). Wendy's does not generally provide, deliver or install any of these items, except bakery goods and bun freezers which are available from the Bakery in certain geographical areas.

CONTINUING OBLIGATIONS

During the ongoing operation of the Franchised Business, under the Franchise Agreement Wendy's will provide the following assistance and services to you:

1. Wendy's will provide, as Wendy's deems advisable, periodic and continuing advisory assistance to you as to the operation, merchandising, and promotion of the Restaurant (Franchise Agreement - Section 3).
2. Wendy's may conduct, as Wendy's deems advisable, periodic inspections of the Restaurant, and evaluations of the products sold and services rendered by the Franchised Business (Franchise Agreement - Section 3).

3. Wendy's (or Wendy's designee) will maintain, to the extent required by the Franchise Agreement, a system-wide advertising program, administered by WNAP (Franchise Agreement - Section 3).
4. Wendy's may provide to you bulletins, brochures, and reports regarding the Wendy's system, and operations under the Wendy's System (Franchise Agreement-Section 3).

ADVERTISING AND PROMOTION

WNAP is responsible for, and administers, national advertising for the Wendy's System as follows:

1. WNAP was established to collect and administer funds contributed by Wendy's and by Wendy's franchisees. WNAP is intended to maximize general public recognition, acceptance, and use of the system; and WNAP is not obligated to make expenditures for you which are equivalent or proportionate to your contribution, or to ensure that you benefit directly or pro rata from expenditures by WNAP.
2. WNAP, all contributions to it, and any earnings by it, will be used exclusively to meet any and all costs of maintaining, administering, directing, conducting, and preparing advertising, marketing, public relations, and/or promotional programs and materials, and any other activities which WNAP believes will enhance the image of the System.
3. You must contribute to WNAP by separate checks (or via e-royalty automated draft) made payable to WNAP. The amounts of your contributions are listed in Item 6. Other franchisees may contribute at different rates depending on whether they are participating in the United Systemwide Advertising Program and the form of agreement under which they operate. All sums paid by you to WNAP will be maintained in a separate WNAP account solely for the benefit of WNAP.
4. WNAP is audited on an annual basis and financial statements of WNAP are available for your review.
5. Wendy's will, for each of the Restaurants operated by Wendy's under the System, make contributions to WNAP on the same basis as assessments required of comparable franchisees within the System. Occasionally, outside vendors or suppliers also make contributions to WNAP.
6. The Trustees of WNAP are actively involved in administering the national advertising program. No less than 50% of the Trustees are Wendy's franchisees ("Franchisee Trustees"). Ten of the thirteen Franchisee Trustees are elected by franchisees throughout the Wendy's system, based on the ten Operational Divisions across the U.S. The remaining Franchisee Trustees are appointed by Wendy's. As long as WNAP exists, Wendy's will not exercise its rights to amend WNAP's Articles of Incorporation or Code of Regulations in any manner which would eliminate or materially alter the rights and benefits of Wendy's franchisees related to their participation in the governance of WNAP. If Wendy's creates a successor entity to WNAP, Wendy's franchisees will have the same rights and benefits as presently exist with respect to their participation in the governance of WNAP.
7. During the last fiscal year, approximately 82.0% of the total monies expended by WNAP were spent on media placement, approximately 14.0% on production, approximately 0.5% on administration, and approximately 3.5% on other expenses. These "other expenses" were primarily for research and public relations. Also, some of the administration expenses noted above were paid to Wendy's to cover wages for employees working on WNAP matters. Wendy's believes that these payments were paid in compliance with the WNAP Charter.

All advertising and promotion by you must be in a media, type and format as Wendy's may approve in writing, must be conducted in a dignified manner, and must conform to the standards and requirements as Wendy's may specify. You may not use any advertising or promotional plans or materials unless and until you submit samples to Wendy's and obtain Wendy's prior written approval, if these plans and materials have not been prepared or previously approved by Wendy's.

Wendy's has the right, in Wendy's discretion, to designate any geographic area for purposes of establishing an Advertising Cooperative ("Cooperative"). Currently, Wendy's uses the Designated Market Areas as defined by the Nielsen Company, which is a nationally recognized television ratings service. Wendy's also has the power to require a Cooperative to be changed, dissolved, or merged. If a Cooperative has been established for the geographic area in which your Restaurant is located at the time you begin operations under the Franchise Agreement, you must become a member of that Cooperative under the terms of the then-existing Cooperative Agreement. If a Cooperative for the geographic area in which your Restaurant is located is established during the term of this Agreement, you must immediately become a member of that Cooperative, and take all steps necessary to become a member. If Wendy's has a company owned Restaurant(s) within the designated geographic area, then Wendy's will also be a member of the Cooperative. You will not be required to be a member of more than one Cooperative for your individual Restaurant. The following provisions will apply to each Cooperative:

1. Each Cooperative must be organized and governed in a form and manner, and must begin operations on a date approved in advance by Wendy's in writing. Cooperatives must operate from written governing documents approved by Wendy's, which are available for your review. The members of the Cooperative are responsible for the administration of the Cooperative.
2. Each Cooperative must be organized for the purpose of administering and planning local advertising programs and developing standardized advertising materials for use by the members in local advertising, subject to Wendy's written approval.
3. No promotional or advertising plans or materials may be used by a Cooperative or furnished to its members without Wendy's prior written approval. All plans and materials must be submitted to Wendy's in accordance with the procedure set forth in the Franchise Agreement.
4. Wendy's may require the members of the Cooperative to make contributions to the Cooperative in those amounts as are determined by Wendy's. Your contribution to the Cooperative will be calculated on a percentage-of-sales basis (see Item 6). A small number of franchisees, who signed their franchise agreements many years ago, may not need to contribute to the Cooperative.
5. Each member franchisee must submit to the Cooperative on or before the twentieth (20th) day of each month based on gross sales, for the preceding calendar month, its contribution, together with other statements or reports as may be required by Wendy's or by the Cooperative with Wendy's prior approval. Cooperatives generally prepare annual or periodic financial statements which are available for review by the member franchisees.
6. Wendy's, in its sole discretion, may grant to any franchisee an exemption for any length of time from the requirement of membership in a Cooperative, upon written request of the franchisee stating reasons supporting the exemption. Wendy's decision concerning the request for exemption will be final.

Advertising conducted by WNAP and the Cooperatives may be disseminated through various types of media approved by WNAP and Wendy's, including print, radio or television. Coverage of the media is

local, regional, and national in scope. Advertising for WNAP is prepared by Wendy's in-house and by outside advertising agencies. Advertising for Cooperatives is occasionally prepared by local agencies selected by the Cooperatives, but must be approved in writing by Wendy's before and after production before it may be used. For both WNAP and the Cooperatives, fees not spent in the fiscal year are carried forward and spent in the next fiscal year. Neither WNAP nor the Cooperatives use any funds for advertising that is principally a solicitation for the sale of franchises.

Except as described above, Wendy's is not obligated to spend any amount on advertising in the area where you are located.

COMPUTER SYSTEMS

Wendy's primary tool for communicating with its franchisees is electronically, through Wendy's internet system, referred to as WeNet. As a Wendy's franchisee, you must be able to access WeNet. You are therefore required to have access to a personal computer ("PC") with internet capability and your computer must meet Wendy's minimum requirements (Franchise Agreement – Section 6). Wendy's current minimum computer requirements and internet specifications are listed below. While these are the minimum requirements you must utilize, you will get better results with the optimal specifications, also listed below. By having a system which includes these optimal specifications, you will be in a better position to take advantage of new technology which will be introduced by Wendy's from time to time.

PC Specifications

Personal Computer	Minimum Specifications	Optimal Specifications
Processor (CPU)	Pentium 4 - 2.0 GHz (Intel preferred)	Intel Core 2 Duo 1.8 GHz
Memory (RAM)	512 MB (expandable)	1 MB (expandable)
Video Card	256 MB (expandable)	256 MB (expandable)
Hard Drive	40.0 GB - IDE	80.0 GB - SATA
Operating System	Windows XP Home or XP Professional	Windows Vista - Business Edition
Internet Browser	Microsoft Internet Explorer 6.0 or higher	Microsoft Internet Explorer 7.0
Internet Connection ¹	Persistent, non-dial IP Broadband connectivity	Persistent, non-dial IP Broadband connectivity ²
DVD-ROM	16X	16X
Monitor	Standard with PC	Standard with PC
Mouse	Standard with PC	Standard with PC
Keyboard	Standard with PC	Standard with PC
Speakers/Sound Card	Standard with PC	Standard with PC

In addition to the specifications stated above, Wendy's highly recommends the following computer applications in order to take full advantage of current technology:

Highly Recommended	Specifications
Anti-Spyware	Ad Aware/Spybot S & D
Virus Software	Norton/McAfee
External Hardware	Speakers and/or headphones
Parallel Ports ³	One (1)

USB Ports ⁴	Four (4)
Network Interface Card (NIC) ⁵	10/100 MB Base T Ethernet/LAN Card
Network Hub/Switch ⁶	4 port 10/100 hub
Software Versions	<ul style="list-style-type: none"> • Java Runtime Environment (JFRE) 1.4.2_04 • Acrobat Reader
Firewalls	Available with Virus Software or hardware firewall between broadband connection and PC.

¹ Internet connections can allow your central office, back office computer and stores to communicate with other computers outside your store. You may also send and receive e-mail. It is important that you always use a firewall and an antivirus program no matter what type of internet connection.

² Persistent, non-dial IP Broadband connections enable you to take advantage of services that 56k dial-up connections cannot support. Typical speeds for various connections are as follows: 56k dial-up; 50kbps; cable modem; 500 kbps, DSL; 256 kbps, Satellite; 400 kbps, T1; 1.0Mbps.

³ Parallel ports are generally used for connecting older printers and scanners

⁴ USB ports are now the standard type of port to connect most devices to a computer. New computers generally come with no less than 3 or 4 USB ports.

⁵ A NIC is the hardware needed to allow your computer to access broadband internet connections. Additionally, NICs can allow devices to communicate directly with one another. A NIC card is needed in every PC for this type of connection.

⁶ A 10/100 Ethernet switch can be considered a faster version of a 10/100 Ethernet hub. Ethernet switches allow your Ethernet cards to operate in Full Duplex mode instead of Half Duplex. Full Duplex means that you can be sending and receiving data at the same time. Switches also route traffic directly between ports instead of broadcasting traffic across all ports. This basically means that each port on a switch gets dedicated bandwidth instead of shared bandwidth. When transferring large files between multiple computers, this can make a big difference in how well your LAN operates. Consumer level switches now run only about 20% more than hubs making them a great deal for the speed. Switches are also being incorporated into many of the popular DSL/Cable modem routers being manufactured.

These specifications are for desktop PCs. In most cases, if you purchase a laptop PC you will have to sacrifice processor speed for the advantages of portability. WeNet has been tested with and is compatible with PCs. It has not been tested with Macintosh computers and therefore, we cannot assure their performance. Specifications are subject to change in order to keep up with new and improved technology.

Wendy's recommends that if you have budget concerns, you spend your dollars on more memory rather than a higher speed processor, because even a lower end processor will perform well with more memory. Also, if you are buying a store computer to run Panasonic back-office software, the recommended memory is 512MB.

We highly recommend a broadband connection to the internet (see footnote 2). Dial-up connectivity is acceptable; however, your connection speed to the internet will be limited by your telephone line. This is true regardless of your modem speed.

There is no requirement that you purchase or have access to a specific brand-name computer, provided the computer meets Wendy's minimum requirements. Wendy's may, from time to time, enter into arrangements with certain computer manufacturers to offer cost-saving programs to its franchisees and will make that information available to you. Currently, Wendy's has arranged for special pricing on WeNet-ready computers from Dell, Inc. These computers may be purchased with a 1, 2, 3 or 4 year warranty with on-site service. Dell can also provide on-site installation for an additional charge. There is no guarantee as to how long the Dell program will remain available or whether a different program with a different vendor

will become available. Wendy's is not, however, obligated to provide or to assist you in obtaining a computer system which meets Wendy's minimum requirements.

You may also choose to purchase a computer from another manufacturer such as IBM, Compaq or Hewlett-Packard. Prices will vary depending on the brand of computer you chose. In most cases, when you purchase a computer the manufacturer will offer a limited warranty and service support and will extend such support for an additional fee. The cost for this service will also vary from manufacturer to manufacturer.

During the term of your franchise agreement, you will be required, at your cost, to upgrade and/or update both the hardware components of your computer and software programs in order to meet Wendy's system-wide changes.

ELECTRONIC POINT OF SALE SYSTEMS

Wendy's requires that certain information about your Franchised Business, particularly sales information, be shared and in many cases this may result in your purchase or use of electronic cash registers. Although Wendy's does not presently require that you buy electronic cash registers, franchisees often use some type of electronic cash register in their franchised business. Wendy's may require the use of electronic cash registers in the future. Upon request, Wendy's will share with you information about systems used in the Wendy's system generally.

OPERATIONAL PROCEDURES MANUAL

The Table of Contents of the Operational Procedures Manual ("Manual") is attached to this offering circular as *Exhibit G*. As of the date of this circular, there are approximately 492 pages in the Manual. The approximate number of pages devoted to each subject is set forth in the Table of Contents. The Manual is updated annually with revisions noted in the front of the Manual.

TRAINING PROGRAMS

Before the opening of the Restaurant, you (or, if you are a corporation, partnership, or other business entity, the Operator for the Restaurant as previously approved by Wendy's) and your initial management employees and Restaurant crew must attend and complete, to Wendy's satisfaction, an initial training program. At Wendy's option, any management persons later employed by you must also attend and complete Wendy's training program, to Wendy's satisfaction. You and your management employees involved in the operation of the Restaurant must also attend additional courses, seminars, and other training programs as Wendy's may reasonably require.

All training programs will be at times and places as may be designated by Wendy's. Wendy's will be responsible for the cost of materials and instructors for the initial training program for you or your Operator only, if the Restaurant is your first Restaurant operating in the System. You are responsible for costs for other required and optional training courses, materials, seminars and programs for you, your Operator, management employees and crew. You or your employees will always be responsible for any and all other expenses incurred by you or them for all training courses, seminars, and programs, including the costs of transportation, lodging, meals, wages, and workers' compensation insurance.

Wendy's training and development programs are conducted on an as-needed basis and are provided under the auspices of Wendy's Training Department, currently directed by Ed Choe, Executive Vice

President, Restaurant Services, Wendy's North America. Mr. Choe's relevant employment history is described in Item 2.

The length and content of the initial training program varies depending on the position to be assumed and the experience level of the trainee. A typical initial training program for you or your Operator will be approximately 20-24 weeks in duration and will include both classroom and on-the-job training. Wendy's training is conducted on a regional, as-needed basis. Wendy's Regional Training Schools are currently located in Atlanta, Phoenix and Philadelphia under the direction of the Regional Senior Vice Presidents. The Regional Senior Vice Presidents' employment history is described in Item 2. A regional operations staff experienced in the food service industry and in the requirements of Wendy's also assists in the training. The regional staff may also assist in management and initial crew training, as well as the early phases of the Restaurant opening.

The instructional materials used during training include manuals, training guides, reference materials, lectures, DVDs and skill practices. DVD video format is currently being utilized in management and crew training. Web-based training may be available in the future. All required training must be completed before the opening of the Restaurant. Initial training is mandatory for new franchisees and Operators, unless those persons have previously successfully completed the initial training program and Wendy's decides that no additional training is necessary. During the last 12 months, approximately 99% of Wendy's new franchisees were already experienced in the Wendy's operating system and were not required to enroll in the initial training program.

The general subjects covered in Wendy's initial training program which is structured for you or your Operator include daily restaurant operations, personnel performance management, administrative tasks and general business skills, problem-solving methods, and food safety, and are described below. This table assumes a training program of approximately 20 - 24 weeks (approximately 1000 - 1200 total hours) for a franchisee or Operator. Your initial training program may vary depending on your level of experience and other relevant factors.

Subject	Approximate Hours of Classroom Training ¹	Approximate Hours of On-the-Job Training ¹	Time Begun	Location	How Often
Daily Restaurant Operations	28	320	See Note 2	Regional Basis	As Needed
Performance Management	48	100	See Note 2	Regional Basis	As Needed
Administrative Tasks and General Business Skills	32	75	See Note 2	Regional Basis	As Needed
Problem-Solving Methods	30	150	See Note 2	Regional Basis	As Needed
Food Safety	16	150	See Note 2	Regional Basis	As Needed

¹ The hours listed are an approximation over a 20-week period and will vary depending on your experience and other relevant factors. All training is to be completed before the opening of the Restaurant.

² It is the nature of the business and the training that all aspects of training are integrated, that is, there are no definitive starting and stopping times for each subject.

Wendy's also offers additional training programs. These programs vary in length and content and are typically conducted on an as-needed basis although some training programs, like for food safety, are mandatory. Wendy's currently charges only for expenses incurred for additional training, like material costs, equipment rental and meeting room costs. However, Wendy's reserves the right to charge an additional fee for this training. You are always responsible for your (and your employees') expenses for training, like transportation, lodging, meals, wages, and workers' compensation.

SITE SELECTION

Wendy's has the right to review and accept any site on which you propose to construct a Restaurant. You must submit a formal site package for a particular site along with all material and information requested by Wendy's so that Wendy's can evaluate your requested location. A Wendy's representative will usually visit your proposed site. In reviewing your requested location, Wendy's considers many demographic factors, like the location and neighborhood, nearby businesses (including other Wendy's Restaurants), traffic patterns, business generators, type of building to be constructed, population patterns and characteristics, and other factors. Generally, before Wendy's will accept the site, you must be an approved or preliminarily approved franchisee. Additionally, you must demonstrate to Wendy's satisfaction that you have the right and ability to acquire or possess the location.

Although there is no time limit for Wendy's to approve or disapprove of the proposed site, Wendy's attempts to act on your site request as soon as possible after receiving all requested information. If you and Wendy's cannot agree on a site, then no franchise will be granted to you. In that case, any fees (like the Application Fee of \$5,000) paid by you up to that point would not be refunded, but you would be free to submit a formal site package for an alternative site for Wendy's to review.

TIME PERIOD BETWEEN SIGNING OF AGREEMENT OR FIRST PAYMENT AND OPENING OF BUSINESS

Typically, the time period between the signing of the Franchise Agreement and the first payment of consideration for the franchise and the opening of your Restaurant ranges from approximately 60 to 180 days. The factors which may affect this time period include the ability to finalize a lease, financing, or building permits; zoning and local ordinances; weather conditions; shortages; delayed installation of fixtures, equipment or signs; and whether the Restaurant is to be a newly constructed, free-standing Restaurant.

ITEM 12 **TERRITORY**

You will operate your Wendy's Restaurant at a specific location approved by Wendy's and identified in the Franchise Agreement. You may not conduct your Wendy's Restaurant business at any other site without Wendy's prior written consent. If you wish to relocate your Wendy's Restaurant, Wendy's will consider your request based on its then-existing policies associated with relocation, as well as the fulfillment of various conditions. These conditions may include the profitability of your Wendy's Restaurants and other financial and operational considerations, as well as other factors. If Wendy's approves your request to relocate your Wendy's Restaurant, Wendy's may charge you for the expenses Wendy's has incurred with this relocation. Wendy's has no obligation to permit relocation.

You have no exclusive rights or territory associated with the operation of your Wendy's Restaurant. In addition, you do not have the right to acquire additional Wendy's Restaurants even if you meet Wendy's

financial and operational requirements pertaining to expandability. Wendy's has the sole right to grant, or refuse to grant, franchise rights to Wendy's Restaurants. Wendy's may establish other franchised or company owned Wendy's Restaurants and other outlets that compete with your location, (including both free-standing locations and non-traditional locations which may be situated in locations like shopping malls, airports, hospitals, train, subway and other rail and bus stations, government/military offices and office complexes, stadiums, amusement parks, zoos, convention centers, retail centers, car and/or truck stops or travel centers, gasoline or convenience stores and educational institutions or facilities). In addition, Wendy's may sell various menu items and other products identified by the Wendy's name, and other proprietary marks, through other channels of distribution.

There may be situations where Wendy's acquires an existing fast food restaurant and operates that restaurant on a temporary basis until its conversion to a Wendy's Restaurant is completed. Other than these limited situations, neither Wendy's nor any Wendy's affiliate, currently operates, franchises, or has present plans to operate or franchise any other business under a different trademark that sells goods or services similar to those to be offered by Wendy's Restaurants.

In the past, some of Wendy's franchisees acquired the right to develop and operate Wendy's Restaurants under different forms of franchise and development agreements. As a result, the terms of the individual franchise agreements signed by other franchisees for each Wendy's Restaurant and the terms of any territorial agreements given to those franchisees may differ significantly from the Franchise Agreement.