

ITEM 17
RENEWAL, TERMINATION, TRANSFER
AND DISPUTE RESOLUTION

This table lists important provisions of the Franchise Agreement and related agreements. You should read these provisions in the agreements attached to this offering circular.

Provision	Section in Franchise Agreement	Summary
a. Term of the franchise	Section 2.1 Lease Section 3	20 Years
b. Renewal or extension of the term	Section 2.2 Lease Section 4	10 Years, if you are in good standing and comply with renewal conditions.
c. Requirements for you to renew or extend	Section 2.2	Written notice, renovation and modernization may be required, current with all obligations/full compliance with Franchise Agreement, show evidence of right to occupy the Approved Location, sign then-current form renewal agreement/pay renewal fee, sign general release, and comply with training requirements/any other conditions Wendy's requires of all renewing franchisees. ¹
d. Termination by you	None	Not Applicable.
e. Termination by Wendy's without cause	None	Not Applicable.
f. Termination by Wendy's with cause	Section 14	Wendy's can terminate if you default.
g. "Cause" defined - defaults which can be cured	Section 14.3	Curable defaults include non-payment of fees; failure to meet Wendy's standards or procedures; misuse of Proprietary Marks, failure to construct Restaurant within time limits; failure to meet training requirements; or any other requirements of the agreement not listed in sections 14.1 and 14.2; typically you have 30 days to cure a default.

Provision	Section in Franchise Agreement	Summary
h. "Cause" defined - defaults which cannot be cured	Section 14.1 and 14.2	<p>Non-curable defaults include:</p> <p>Immediate termination/no notice: assignment for the benefit of creditors; bankruptcy; dissolution; levy/execution on assets</p> <p>Immediate termination upon notice: threat or danger to public health or safety.</p> <p>Termination five days after notice from Wendy's: cease operation or abandonment of Restaurant; convicted of a felony; unauthorized transfer; any involvement with a competitive business; unauthorized use of confidential information; falsifying records; repeated curable defaults</p>
i. Your obligations on termination/nonrenewal	Section 15	You must cease operation of Restaurant and use of all Proprietary Marks; you must pay all amounts due. You must de-identify Restaurant; Wendy's has an option to acquire the assets.
j. Assignment of contract by Wendy's	Section 13.1	No restrictions on Wendy's right to assign
k. "Transfer" by you - definition	Section 13.2	Includes transfer of Franchise Agreement, material assets or ownership in business entity
l. Wendy's approval of transfer by franchisee	Section 13.3	Wendy's has absolute right to approve all transfers but will not unreasonably withhold its consent
m. Conditions for Wendy's approval of transfer	Section 13.3	Franchisee/transferee must meet Wendy's established qualifications as listed; all monies owed to Wendy's and affiliates must be paid; remodel and upgrade Restaurant to conform to then-current Wendy's standards; completion of required training; compliance with Wendy's Transaction Policy; payment of Transfer Fee to Wendy's; sign the then-current form franchise agreement and fulfill ownership requirements; and Franchisee/transferee, any guarantors and transferor must sign a general release
n. Wendy's right of first refusal to acquire your business	Section 13.4 Exhibit B to the Lease	Wendy's has the right to match any bona fide offer for the franchisee's interest in the Franchise Agreement, assets or ownership interest.

Provision	Section in Franchise Agreement	Summary
o. Wendy's option to purchase your business	Section 15.4	At termination or expiration, Wendy's has a fair market value option
p. Your death or disability	Section 13.9	Personal representative must dispose of the interest in accordance with Section 13 of the Franchise Agreement. Must comply with all other terms of the Franchise Agreement.
q. Non-competition covenants during the term of the franchise	Section 16.2	No involvement with any competing business within the Designated Market Area of the Restaurant; no involvement with business selling chicken sandwiches or hamburgers or food similar to Wendy's within a 3-mile radius of any Wendy's restaurant operating in the United States.
r. Non-competition covenants after the franchise is terminated or expires	Section 16.3	No involvement in any business selling chicken sandwiches or hamburgers or food similar to Wendy's for 2 years within the Designated Market Area where the Restaurant is located.
s. Modification of the agreement	Section 23	No modifications unless mutually agreed to by the parties.
t. Integration/merger clause	Section 23	Only written terms of Franchise Agreement are binding. Any other promises may not be enforceable.
u. Dispute resolution by arbitration or mediation	Section 20	Non-binding mediation conducted by a mediator designated by Wendy's typically required
v. Choice of forum	Section 26	Litigation to be brought in Ohio (subject to state law).
w. Choice of law	Section 26	Ohio law applies (subject to state law)

¹Currently renewing Wendy's franchisees must sign the Franchise Agreement, the WNAP Addendum to Franchise Agreement, a General Release of All Claims, and Wendy's then current renewal addendum, and must pay Wendy's current renewal fee of \$2,500.00 per Restaurant.

ITEM 18
PUBLIC FIGURES

Wendy's does not use any public figure to promote the sale of its franchise.

ITEM 19
EARNINGS CLAIMS

As of the end of fiscal year 2006 (01/02/2006 to 12/31/2006), there were approximately 1241 domestic Wendy's Old Fashioned Hamburgers Restaurants owned by Wendy's; and approximately 4445 domestic Wendy's Old Fashioned Hamburgers Restaurants owned by Wendy's franchisees, which had been open at least 15 months and opened prior to the start of fiscal year 2006¹. Of those Restaurants owned by Wendy's, the average annual sales volume was \$1,408,696, with 524 Restaurants (42.2%) attaining or exceeding this average. Approximately 92.3% had sales volumes in excess of \$1 million; approximately 83.7% had sales volumes in excess of \$1.1 million; and, approximately 71.2% had sales volumes in excess of \$1.2 million.

Of those Restaurants owned by Wendy's franchisees, the average annual sales volume was \$1,283,713, with 2,034 Restaurants (45.7%) attaining or exceeding this average. Approximately 79.7% had sales volumes in excess of \$1 million; approximately 67.9% had sales volumes in excess of \$1.1 million; and, approximately 55.7% had sales volumes in excess of \$1.2 million.

In 2006, the highest and lowest annual sales volumes for domestic Restaurants owned by Wendy's were \$3,308,466² and \$613,754³ respectively; and the highest and lowest annual sales volumes for domestic Restaurants owned by franchisees were \$3,355,753⁴ and \$173,107⁵ respectively.

The Restaurant sales volumes for franchised restaurants are based on the monthly unaudited reports Wendy's received from franchisees. Wendy's has not independently verified or audited these unaudited monthly reports, and there are no assurances that generally accepted accounting principles were used by franchisees in preparing them.

As a rule, Wendy's does not furnish or authorize its representatives to furnish any oral or written information concerning the actual or potential sales, costs, income, or profits of any Wendy's Old Fashioned Hamburgers Restaurant, other than that which is presented through this Item 19. The one exception is that, during the fiscal year, Wendy's may furnish current sales volumes for both company and franchised restaurants as part of the local market planning process. This sales information updates and supports the national sales averages provided above, however it is limited to sales from restaurants in a specific local market.

AS A PROSPECTIVE FRANCHISEE, YOU MUST BEAR IN MIND THAT A NEWLY OPENED BUSINESS CANNOT BE EXPECTED TO ACHIEVE SALES VOLUMES SIMILAR TO THOSE OF AN ESTABLISHED BUSINESS. IN ADDITION, ACTUAL FINANCIAL RESULTS WILL VARY BY RESTAURANT AND TYPE OF RESTAURANT, AND WENDY'S CANNOT ESTIMATE OR PREDICT THE RESULTS OF ANY PARTICULAR RESTAURANT LOCATION.

IN PROVIDING THIS INFORMATION, WENDY'S DOES NOT REPRESENT THAT YOU CAN EXPECT TO ATTAIN ANY SPECIFIC LEVEL OR RANGE OF ACTUAL OR POTENTIAL SALES, COSTS, INCOME OR PROFIT FROM YOUR WENDY'S RESTAURANT. THE AVERAGE SALES VOLUME STATED IN THIS ITEM 19 SHOULD NOT BE CONSIDERED AS THE ACTUAL OR POTENTIAL SALES THAT MAY OR WILL BE REALIZED BY ANY OTHER FRANCHISEE. WENDY'S DOES NOT REPRESENT THAT YOU CAN EXPECT TO ATTAIN THESE SALES. Wendy's will make available to you, on reasonable request, the data used in preparing the statements listed in this Item 19.

¹ In Item 19, the number of Wendy's Restaurants owned by Wendy's (1241) and the number owned by Wendy's franchisees (4445) is different from the number of Wendy's Restaurants stated in item 1. In counting the Wendy's Restaurants for Item 19, Wendy's does not include: (i) new stores that were opened during the fourth quarter of 2005 or during the fiscal year 2006; (ii) stores that were closed for more than a week and reopened during the fourth quarter of 2005 or during the fiscal year 2006; and (iii) stores purchased by franchisees from Wendy's during the fourth quarter of 2005 or during the fiscal year 2006. The Restaurants listed in Item 19 only include those Wendy's Restaurants that were open and in continuous operation for a period of at least 15 months and open prior to the start of fiscal year 2006.

² Free standing (Honolulu)

³ Non-traditional location (Columbus, Ohio)

⁴ Airport location (Atlanta)

⁵ Mall location, mall is closing (Richardson, Texas)

(END OF ITEM 19)