Island Oasis Blender Program Franchisee Q&A

The following has been provided to answer the most frequently asked questions about the Island Oasis Blender program.

Table of Contents

General Program Questions
1. Why are we installing the Island Oasis Blender?
2. How quickly can we get more products into the system that will support the blender platform?
3. Did we see cannibalization in other beverages as a result of the blender going in?

Equipment Options/Guidelines
4. Does my restaurant have to purchase an Island Oasis Blender?
5. What are the Equipment Guidelines for Frozen Beverages?
6. What is the difference between a Hybrid and Full Replacement?
7. What are the dimensions of an Island Oasis Blender?
8. Are we planning to phase out the Taylor machine (since it’s not required in many markets?)
9. Are we evaluating a faster fully-automated blender (similar to some of our competition) as volume increases rather than adding more IO Blender units?

Enrollment
10. Do I need to order an Island Oasis for all of my PCs?
11. Why do you need to be a level 4 user to enroll?
12. I am logged in as the level 4 user and do not see all of my stores in my network. Why?
13. What email address will my confirmation email be sent to?
14. There is more than one franchisee. Can the confirmation email be sent to both of us?
15. What if I want to update my contact information in the Enrollment Tool but I’ve already submitted my information?
16. How do I view my submitted orders?
17. Can I change my service provider after I submit?
18. What if I need to make changes to my order even though I’ve already enrolled?

Blender Installation Process
19. Who is FM?
20. When will I be contacted by FM after my order is submitted?
21. What is a Rough-In?
22. What is the process for installing the blender?
23. Can I self-install my Blender?
24. Can I do my own Rough-In work?
25. Why do specific vendors have to handle the installation process?
26. Is FM’s plumbing and electrical work guaranteed?
27. Will electrical and plumbing work be done on the same day?
28. I chose to install 2 blenders, but FM says I can only fit one. How will my order be updated?
29. If a franchisee has water treatment installed for their espresso machine, is that appropriate for the blender?
30. Does the blender require filtered water?
31. If a new water line, drain and electrical are needed for the relocation of an existing piece of equipment will you do the work, if a Franchisee wants you to?
32. Does hard water negatively affect the blender?
33. Will FM move equipment as part of the rough-in phase if the site survey identifies equipment must be moved?
34. What is the sign off procedure for the rough in work with FM?
35. Post rough-in completion, if a booster is identified as required, is it done on this visit or does it require another visit?
36. How long does it take to get the SOW out once the Survey occurs?

**Equipment Warranties/Service Providers**
37. What is the difference between Taylor and Island Oasis with regards to warranties?
38. Where can I find more information on the service providers, Taylor and Island Oasis?
39. Why is Taylor an option as a service provider for my Island Oasis Blender?
40. Where can I find more information on warranties?
41. Can we extend the warranty after the years?
42. What is the anticipated useful life of the blender?
43. Is there a second-hand market for Taylor Machines?
44. What are the wear/replacement parts of the blender, and when will these parts be available at the NDCP?

**Operations**
45. What is the impact on speed of service with the Island Oasis Blender?
46. What is included in the Launch kit?
47. What is the number of beverages that can be made from one bag of liquid cane?
48. The blender program will support “Frozen Dunkaccino” Will I receive any of these products automatically?
49. Do I need to order these items from the NDCP prior to the blender installation?
50. I am already in the blender program as a market test participant. Will I be receiving a starter kit?
51. What do I do if I am contacted by the installer for the blender installation and I have not received my auto shipment of product from the NDCP?
52. My restaurant is a small footprint design and has space constraints. Is there a separate process for product delivery that accommodates this issue?
53. Can we get a larger ice bin on top of the Blender?
54. Can almond milk be used in Frozen Dunkaccino recipe?

**Training**
55. What training will be available?
56. What is a Seed Store location and why do I have to choose one?

**Finance**
57. What is the cost of an Island Oasis Blender?
58. What other costs will I incur?
59. Are there financing options available?
60. Are the permit costs included in the estimates given during the DAC presentation?
61. Can I purchase an Island Oasis blender direct through Taylor?
62. Is there any compensation available for stores that just ordered a Taylor Coolatta machine and for space constraints will need to replace them with an Island Oasis machine?
New Stores and Remodels
63. What is the process for New Stores?
64. What is the process for remodels?
65. Do I have to buy a Taylor machine for my new store?

Contacts
66. If I have questions about what blender options I should select, who can help me?
67. I submitted my order but haven’t received any follow up. Who can I contact?
68. What number do I call if I have an operational issue with my blender?
69. Who do I call if I have specific questions about the survey or rough-in services provided by FM?
70. Who do I call if I have specific questions about the blender installation services provided by Taylor or IO?
71. Who do I call if I have specific questions about the DCP delivery of the blender, startup kit and other products?
72. Who do I contact if I need to order wear/replacement parts for the Blender?

General Program Questions

1. Why are we installing the Island Oasis Blender?
   With the Island Oasis Blender, we see tremendous opportunity in expanding our frozen beverage platform to cater to the needs of our guests, and expand our beverage authority in the QSR industry.

2. How quickly can we get more products into the system that will support the blender platform?
   We are working with our Culinary Team to accelerate the pipeline of products as quickly as possible but, at this point, we cannot commit to other beverages for summer 2015 beyond our current products (2 varieties of Smoothies, Frozen Dunkaccino and Coolatta Lite).

3. Did we see cannibalization in other beverages as a result of the blender going in?
   Not in the Miami test. Miami saw growth in both rooftop sales and beverage sales and new Frozen Beverages didn’t cannibalize any other beverages.

Equipment Options/ Guidelines

4. Does my restaurant have to purchase an Island Oasis Blender?
   Yes, if your restaurant is currently selling Coolatta beverages then each restaurant will minimally need one Island Oasis Blender to support the expansion of the Frozen Beverage platform.

5. What are the Equipment Guidelines for Frozen Beverages?
   • All restaurants in the U.S. will need to install an Island Oasis blender.
In the Northeast region and the Mid-Atlantic region (outside of Philadelphia, Baltimore and Washington DC DMAs), restaurants will install one Island Oasis blender and keep their Taylor Coolatta machines. We will evaluate sales volume with this arrangement through the first wave of product introductions.

All other markets will follow these guidelines:

<table>
<thead>
<tr>
<th>Recommendation For</th>
<th>Options</th>
<th>Equipment Requirement</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Stores</td>
<td>Option # 1</td>
<td>One Taylor machine and one Island Oasis machine</td>
</tr>
<tr>
<td></td>
<td>Option # 2</td>
<td>Two Island Oasis machines</td>
</tr>
<tr>
<td>Stores below $1,000 in weekly base Coolatta sales (July 2014)</td>
<td>Option # 3</td>
<td>One Island Oasis machine with plumbing, electrical and 24” of adjacent space assigned for a second future machine</td>
</tr>
<tr>
<td>Stores with very low top line sales or confirmed space constraints.</td>
<td>Option # 4</td>
<td>One Island Oasis machine</td>
</tr>
</tbody>
</table>

6. What is the difference between a Hybrid and Full Replacement?
The Hybrid option is when a restaurant keeps their current Taylor Coolatta machine and adds an Island Oasis Blender, whereas a Full Replacement is when the Taylor Coolatta machine is removed from the restaurant and multiple Island Oasis blenders are installed in its place.

7. What are the dimensions of an Island Oasis Blender?
Each blender is 31” High by 18” Wide by 27” Deep, and requires 2 linear feet of counter space which includes space for liquid cane rack and other smallwares.

8. Are we planning to phase out the Taylor machine (since it’s not required in many markets?)
The addition of the Island Oasis blender enables the restaurant to expand its current Frozen Beverage category and support the pipeline of products that are forthcoming in the upcoming years. As the category expands the Brand will continue to investigate the long-term future of the existing Taylor machine.

9. Are we evaluating a faster fully-automated blender (similar to some of our competition) as volume increases rather than adding more IO Blender units?
The Equipment team and the Equipment Task Force will continue to work with our current and future vendors to look for ways to fully automate the process. During the development phase of the IO the Equipment team did look at what our competition uses but due to the high cost and large foot print we opted to go with the best fit and value for our Franchisee’s.
10. Do I need to order an Island Oasis for all of my PCs?
Yes, all restaurants currently selling Coolatta beverages must install an Island Oasis Blender.

11. Why do you need to be a level 4 user to enroll?
Level 4 access is the “owner level” access rights to Franchisee Central as is required to be able to access the Island Oasis Enrollment Center. We are restricting access to the Enrollment Center to Franchise “owners” who are authorized to make the commitment(s) to support this program on behalf of their franchise.

12. I am logged in as the level 4 user and do not see all of my stores in my network. Why?
If there are multiple owners associated with a PC, occasionally the PC is linked to another owners login credentials. If this issue occurs, contact your OM or Navigator to report the issue and it will be investigated and resolved in a timely manner.

13. What email address will my confirmation email be sent to?
Approximately 24 hours after an order is submitted in the Island Oasis Blender Enrollment Center, a confirmation email will be sent to the “communication” email address that is on file for the PC and will include all the details of the submitted order.

14. There is more than one franchisee. Can the confirmation email be sent to both of us?
Only one confirmation email will be sent to the “communication” email address that is on file for the PC, but a franchisee can log back into the Enrollment Center at any time to view the details of their submitted orders.

15. What if I want to update my contact information in the Enrollment Tool but I’ve already submitted my information?
If you have not already submitted your order, you can go back in to the Island Oasis Blender Enrollment Tool and update your contact information on the “Contact Details” page. Once your order is submitted, the data is locked and you must contact FM at 855-509-9376.

16. How do I view my submitted orders?
Logging into the Enrollment Center will allow you to view the submitted orders and track their progress along with process of Orders, Financing and Deployment.

17. Can I change my service provider after I submit?
No. You will need to select your service provider during the enrollment process.

18. What if I need to make changes to my order even though I’ve already enrolled?
If your Site Survey has not already occurred, any requests for changes to an order should be directed to Navigator who will then escalate the request to the Enrollment Center Support Team

### Blender Installation Process

19. Who is FM?

FM (Facilities Maintenance) also referred to as FSM (First Service Networks), is a national 3rd party contractor that specializes in large national rollouts of equipment and services. They qualify and manage teams of local and regional tradesman who will survey our restaurants and perform the site work (plumbing, electrical, etc.) necessary to install our blender platform. FM has extensive experience working with other national QSR/Retail brands such as Target, Starbucks, McDonalds, and 7-11.

20. When will I be contacted by FM after my order is submitted?

Initial contact will be based on timing of installation in your DMA. If you are in Phase 1 of the installation schedule (prior to Summer 2015), you should receive email confirmation from FM within 48 hours of completed enrollment. Phase 2 locations will receive email confirmation at a later date sometime in March/April 2015. Actual survey, rough-in, and install date will vary depending on your location.

21. What is a Rough-In?

“Rough-In” is all of the site work required to prepare your restaurant for the installation of the blender platform. It includes selection of location for the equipment, plumbing, drain, electrical, and all required permitting. In some cases this may also include installation of a water booster pump which is required if pressure is less than 65PSI.

22. What is the process for installing the blender?

After completion of all rough-in/site work (electrical, plumbing, etc) by FM, IO/Taylor will schedule your install date. This date will likely be 2-4 weeks in the future in order to allow enough time for the Island Oasis Blender(s), Blender Launch Kit, and Products to be delivered to your restaurant in advance of the date. Delivery of these items will be arranged by the NDCP and some of the items may ship with your regularly scheduled DCP delivery. In addition, Taylor/IO will call franchisee contact again 48 hours in advance of install to confirm date and readiness. Install will be completed between 10AM and 5PM, and typical install takes approximately 1 hour.

23. Can I self-install my Blender?

No. Self-installation voids the manufacturer’s warranty. Upon arrival to your restaurant, please ensure the blender box is only opened by the Taylor or IO installer.
24. Can I do my own Rough-In work?
No. Rough-in work must be done by FM in order to execute the national launch, manage the launch logistics, and to ensure proper site work is complete in advance of blender installation.

25. Why do specific vendors have to handle the installation process?
- Having the vendors (FM/Taylor/IO) handle the complete installation process for the Island Oasis blender is a critical step in ensuring a timely implementation of the blender platform across all of our restaurants.
- Franchisees cannot perform rough-in work themselves, as any rework needed to be done by FM will significantly slow down the entire installation process for that particular restaurant and the rest of the system, which is under a tight timeline to complete installations.
- The franchisee could also incur additional costs related to the installation for any necessary rework/alterations to their restaurant.
- Fees for standard rough-in are already included in the cost for the blender installation. These costs are based on the system volume of restaurants and additional charges will apply at lower volumes.
- In addition, actual installation of the blender after rough-in is complete must be performed by Taylor or Island Oasis. Installation by anyone other than an authorized Taylor or IO service provider will void the manufacturer's warranty on the blender.
- Placement of the Island Oasis blender is determined during the Site Survey by FM, the ideal location for install will be identified in accordance to the restaurants work circle for frozen beverages and overall restaurant layout.

26. Is FM’s plumbing and electrical work guaranteed?
Yes, the terms and conditions of the FM warranty, as well as the Certificate of Insurance will be posted on the enrollment site.

27. Will electric and plumbing work be done on the same day?
Although different FM contractors will do this work, FM will coordinate all work to be done on the same day.

28. I chose to install 2 blenders, but FM says I can only fit one. How will my order be updated?
During the Site Survey process FM will assess for the best area to fit in the total number of blenders that were ordered, if they suggest that only one can fit we ask that you creatively look at your restaurant layout to see if there are any other creative options for the full install as ordered. If there is an exception it will be funneled up to the internal working team and an adjustment will be made to the initial order to reflect the final order.

29. If a franchisee has water treatment installed for their espresso machine, is that appropriate for the Blender?
The espresso machine uses a sediment filter and is a point of use filter only, so it would not be used for the blender.
30. Does the blender require filtered water?
   No, however if the restaurant has a water treatment system, FM will hook into that treated water supply.

31. If a new water line, drain and electrical are needed for the relocation of an existing piece of equipment will you do the work, if a Franchisee wants you to?
   Yes. FM contractor will quote the job, but a Franchisee can use their own plumber or electrician for any relocation work.

32. Does hard water negatively affect the blender?
   Hard Water over time can cause build up on any piece of equipment.

33. Will FM move equipment as part of the rough-in phase if the Site Survey identifies equipment must be moved?
   No. Any pieces of equipment that require removal to support the rough-in process will need to be managed by the Franchisee

34. What is the sign off procedure for the rough in work with FM?
   There is no official sign off. The completion date will be uploaded in the tool this will be our confirmation of completion.

35. Post rough in completion, if a booster is identified as required, is it done on this visit or does it require another visit?
   No this will require a return trip and adjustment to the scope of work with Fee sign off. A new email with adjusted quote is generated and sent to Fee.

36. How long does it take to get the SOW out once the Survey occurs?
   Survey results will be sent to Franchisee via email within 48 hours once survey is complete.

**Equipment Warranties/ Service Providers**

37. What is the difference between Taylor and Island Oasis with regards to warranties?
   Both have the same terms and conditions, and the same pricing. The only difference is which service provider (Taylor or IO) will provide any necessary warranty service.

38. Where can I find more information on the service providers, Taylor and Island Oasis?
   Service provider information is available on the enrollment site. In addition more information is available directly from the service providers as follows:
39. Why is Taylor an option as a service provider for my Island Oasis Blender?
Island Oasis blenders are manufactured by Taylor giving us the option for both companies as national service providers.

40. Where can I find more information on warranties?
Warranty information is available on the enrollment site. This includes warranty terms and conditions, as well as costs. 2-year warranty is included in the initial price of the blender. 3-year warranty is available for additional $175. 4-year warranty is available for additional $350. 5-year warranty is available for additional $550.

41. Can we extend the warranty in the two years after the initial purchase?
Yes, anytime during the initial 24 month warranty period, the warranty can be extended but it is at a higher cost than purchasing the extension up front (approximately $35-$60 additional).

42. What is the anticipated useful life of the blender?
Depends heavily on amount of use, but in general useful life is 7-10 years

43. Is there a second-hand market for Taylor Machines?
No, typically there is not a market for these in used condition. Taylor will remove them from your restaurant for a fee of approximately $400. This covers removal, disposal, and management of refrigerant hazardous waste. Taylor machines cannot be returned to the NDCP.

44. What are the wear/replacement parts of the blender, and when will these parts be available at the NDCP?
- Wear items consist of the following and these will be available through 3-Wire:
  - Blender pitcher (Replacement in 1-2 years; approx. cost $120)
  - Lid/Rim for pitcher (Replacement as needed; approx. cost $7)
  - Shaver blade (Replacement 1 year depending on use; approx. cost $190)
  - Ice Hopper (Replacement as needed; approx. cost $275)
  - Ice Hopper Lid (Replacement as needed; approx. cost $90)

The following is a complete list of parts:
45. What is the impact on speed of service with the Island Oasis Blender?
   The difference in making a Coolatta in the current Taylor machine versus the new Island Oasis Blender is a 15 second difference.

46. What is included in the Launch kit?
   In addition to the blender(s) ordered, each Restaurant will receive automatically a launch kit of POP, smallwares and job aids, as well as the following items:

   - Liquid Cane BIB 2/2 gallon - 1 case (Item #267082)
- Frozen Yogurt 6/32oz- 1case (Item #504015)
- Strawberry banana concentrate 6/46oz- 1case (Item #260225)
- Frozen IQF strawberries 5/2lb units- 1case (Item #508235)

47. What is the number of beverages that can be made from one bag of liquid cane?
   A two gallon bag of liquid cane yields 170 small drinks. There are two, two-gallon bags of liquid cane in a case.

48. The blender program will support “Frozen Dunkaccino” Will I receive any of these products automatically?
   No. Frozen Dunkaccino utilizes all in house SKU’s and will not be provided with the starter kit. Liquid cane BIB is the only item that will be provided that supports this beverage

49. Do I need to order these items from the NDCP prior to the blender installation?
   No, the launch kit and products will be automatically shipped to each restaurant 1-2 weeks prior to your blender install date.

50. I am already in the blender program as a market test participant. Will I be receiving a starter kit?
   No. Only restaurants that are coming into the program will receive the auto shipment of product.

51. What do I do if I am contacted by the installer for the blender installation and I have not received my auto shipment of product from the NDCP?
   Please contact NDCP Members Services at 888-365-4327

52. My restaurant is a small footprint design and has space constraints. Is there a separate process for equipment and product delivery that accommodates this issue?
   Yes. To minimize the down time of the equipment, FM/NDCP/Installers will work to coordinate and complete all phases as close as possible to reduce down time.

53. Can we get a larger ice bin on top of the Blender?
   No this is not possible due to weight/calibration and overall height, and the fact we did not want a custom piece of equipment.

54. Can almond milk be used in Frozen Dunkaccino recipe?
   Yes, however, even with replacing the Whole Milk with Almond Milk, the guest would not be avoiding daily all together as there are milk solids in the Dunkaccino powder. We strongly recommend that crew members build the Frozen Dunkaccino according to the recipe - using Whole Milk.
55. What training will be available?
Depending upon your market, training will begin as early as December 15th and will continue through the roll-out of the program. Your local Learning Manager will have more details as the training sessions are identified and announced.

56. What is a Seed Store location and why do I have to choose one?
Seed Store location is a restaurant within your network that may be used for two purposes. FM will utilize the identified Seed Store to walk through the Site Survey process with the franchisee providing an understanding as to all aspects of the survey process, this date/time will be set up between FM and the franchisee. Secondly, the Seed Store may be used as a training location for your network where an Island Oasis blender will be installed and training will be conducted for the network in a centralized location.

Finance

57. What is the cost of an Island Oasis Blender?
Each blender will cost approximately $3888.00 including NDCP markup and warranty. Additional warranty term of up to 5 years is available at extra cost.

58. What other costs will I incur?
Total estimated cost of install is approximately $5000 which includes survey, rough-in (site work required – plumbing, electrical, permitting, etc.), and launch kit of smallwares, initial product shipment etc.

59. Are there financing options available?
Yes, DBI will be offering a simple, easy to use financing program and almost all franchisees will qualify for this program. Applying for this financing is easy; simply check off the DBI financing option within the enrollment tool when you order your equipment. More information about finance amounts, rates and fees is available via a link from the enrollment tool.

60. Are the permit costs included in the estimates given during the DAC presentation?
The costs of the permits are not in the estimated numbers, as they vary from state to state. The average range is between $50- $100.

61. Can I purchase an Island Oasis blender direct through Taylor?
No. Taylor has previously offered a direct purchase option on a limited basis for new restaurants. However, this requires a higher level of coordination and service by Taylor to ensure payment is received prior to shipment. Additionally, they’re not set up to handle the volume of orders for a national launch. This program will be re-evaluated at the end of the roll out to determine if it is viable moving forward and the appropriate cost structure. In the
interim, the blenders will need to be purchased through the NDCP (via the Blender Enrollment Site) for the roll out or through the NDCP or a consolidator for new/remodel restaurants.

62. Is there any compensation available for stores that just ordered a Taylor Coolatta machine and for space constraints will need to replace them with an Island Oasis machine? We are not offering any compensation to Franchisee's that have just ordered a Coolatta machine. Franchisee's that have machines on order can cancel their orders before they ship to avoid a restocking and freight charge.

New Stores and Remodels

63. What is the process for New Stores? New restaurants are having the appropriate amount of space and utilities drawn in to support the Island Oasis blender(s).

64. What is the process for remodels? Remodels drawings will have the appropriate amount of space and utilities drawn in to support the Island Oasis blender(s) and it will be a case by case decision whether or not to keep the current Taylor machine.

65. Do I have to buy a Taylor machine for my new store? New restaurants have been drawn to support the Island Oasis blender(s) and franchisee will have an option to purchase a Taylor machine and an Island Oasis blender or purchase multiple Island Oasis blenders to support the category.

Contacts

66. If I have questions about what blender options I should select, who can help me? Your local Operations Team can assist in guiding you through the options that are available within your area, please contact your OM for further guidance.

67. I submitted my order but haven’t received any follow up. Who can I contact? Logging into the Enrollment Center will allow you to view the submitted orders and track their progress along with process of Orders, Financing and Deployment.

68. What number do I call if I have an operational issue with my blender? Answer is based on your selection of a service provider during enrollment. You can select either Taylor or Island Oasis and service is provided by their local service agent. The installer will place a sticker on the blender during the install process which includes a phone number for this local service agent.
69. Who do I call if I have specific questions about the survey or rough-in services provided by FM?
   Contact FM Project Hotline at 855-509-9376 which is dedicated to our Blender rollout. This Hotline is staffed from 7am - 6pm Mountain time. After hours and on weekends, any calls received are handled by the appropriate FM Project Manager on duty.
   They can also be reached via email at ddblenders@firstnetworks.com

70. Who do I call if I have specific questions about the blender installation services provided by Taylor or IO?

   Taylor
   800-344-7745
   Patti@taylornewengland.com

   Island Oasis
   800-777-4752 X5250
   TGill@islandoasis.com

71. Who do I call if I have specific questions about the DCP delivery of the blender, startup kit and other products?
   Contact NDCP Member Services at 888-365-4327

72. Who do I contact if I need to order wear/replacement parts for the Blender?

   3-Wire
   855-427-8209 or
   www.dcppartsdirect.com

###