CRISIS COMMUNICATIONS PROTOCOL

UFG Franchise Owners **FOR INTERNAL USE ONLY**

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OVERVIEW

The success of any business rests firmly on its reputation. Although each United Franchise Group brand and franchise location are responsible for their own operations, any negative news created by an unpredictable event that occurs at one location could have residual harmful effects on the entire ecosystem. Therefore, it is necessary for UFG to have an organized process in place so that each brand and franchise owner can manage the impact while protecting and enhancing its reputation.

This **Crisis Communications Protocol** was designed to provide United Franchise Group brands, owners, managers, and employees with an understanding of the principles of communication and processes for addressing issues and crises that may occur. By following this protocol, the UFG network will be able to:

- Quickly identify the severity of an incident
- Have a clear and consistent reporting process
- Understand which party is responsible for managing the response to an issue versus a crisis
- Understand the role of the Crisis Response Team (CRT)
- Respond appropriately to inquiries from local and national media
- Mitigate the impact of a crisis on the brand and/or local franchise and its reputation
- Position UFG and its affected owner(s) to recover as quickly as possible

CRISIS CLASSIFICATION

Issues vs. Crises

To respond appropriately to a situation, it's important to first understand what is considered an "issue" and what is considered a "crisis," as each has a different potential impact to the business and brand and therefore requires a different response. Below and on the following page, we have defined what constitutes an issue, Level 1, versus a crisis, Level 2, as well as the recommended response protocol.

Level 1: Issue	Level 2: Crisis	
Non-emergency incidents that can be handled by the local owner/manager	Serious incident with the potential to draw the attention of the community and local or national media	
Has a potential business impact, but isn't serious/life threatening	Has a potential threat to UFG's or the brand's reputation locally or nationally	
Likely will not have long-term risk to the brand's reputation	Examples include:Sexual misconduct (i.e., sexual	
 Examples include: Upset guest due to poor experience, unsatisfactory service, billing issue, etc. Theft or burglary (unarmed or no injuries) Power outage Natural disaster Minor fire 	 harassment, sexual assault) Robbery (armed or resulting in an injury) Other incident requiring law enforcement assistance Racial discrimination Protestors or employee walk-out Lawsuit Customer data beach Foodborne illness outbreak 	

CRISIS CLASSIFICATION

Responsibility

Level 1: Issue	Level 2: Crisis			
Owner or manager, with as-needed support/direction from the CRT	CRT, with ongoing communication/collaboration with owner			
Response Protocol				
Level 1: Issue	Level 2: Crisis			
Designate franchise-level leader (owner or manager)	Designate franchise-level leader (owner)			
If Corporate support is needed, complete Franchise Incident Report (page 11) and share with CRT	Immediately notify your brand CRT (see page 6); complete Franchise Incident Report (page 11)			
Franchise-level leader will manage issue response and any communication with location team members and/or customers, with reporting to CRT, if needed	CRT will manage crisis response and any communication/collaboration with owner			
Any media requests should be sent to the CRT immediately; Owners, managers, location team members, and field teams should not answer questions from media (refer to Onsite Media Response Policy on page 9)	Any media requests should be sent to the CRT immediately; Owners, managers, location team members, and field teams should not answer questions from media (refer to Onsite Media Response Policy on page 9)			

CRISIS RESPONSE TEAM (CRT)

The purpose of a Crisis Response Team (CRT) is to help streamline communication and ensure proper and timely handling of a crisis, so it remains contained and can be quickly resolved.

Primary Roles of the CRT

- Assess the severity of Level 2 crisis
- Provide overall management and oversight of Level 2 crisis
- Gather completed Franchise Incident Report and required documentation from franchise owner
- Notify all other appropriate parties at UFG Corporate and appropriate vendors (e.g. digital marketing agencies, etc.)
- Engage outside consultants, as needed (e.g., communications, human resources, legal counsel, regulatory compliance)
- Manage ongoing internal communications among the CRT and any other stakeholders (e.g., franchise owner, outside counsel)
- Develop, review, and approve all internal announcements and public statements in response to crisis
- Field all inquiries from media and respond, as necessary

Following is an outline of each brand's CRT. For brand-specific incidents, please notify your brand's CRT as well as the UFG Marketing Team via **incidents@ufgcorp.com**.

CRISIS RESPONSE TEAM (CRT)

Cannoli Kitchen

- Austin Titus, President
- Rick Case, VP of Operations

Exit Factor

- Jessica Fialkovich, President
- Melissa Nunez, Director of Operations

Fully Promoted

- Andrew Titus, President
- Michelle Longueira, VP of Operations
- Tyler Sherwood, Marketing & Technology Manager

Graze Craze

- Cory Hibbard, President
- Ryan Papillo, VP of Operations
- Meagan Corey, Marketing Manager

Signarama

- A.J. Titus, President
- Donna Wichman, VP of Operations
- Mandy Roan, Director of Marketing

The Great Greek

- Bob Andersen, President
- Chuck McAulay, VP of Marketing

Transworld Business Advisors

- Bill Luce, President
- Mariana Pasol, VP of Operations
- Renee Bram, Director of Marketing

Vast Coworking (Intelligent Office, Office Evolution, Venture X)

- Jason Anderson, President
- Paula Mercer, Vice President
- Amanda Jimenez, Marketing Director
- Rubin Beckner, Director of Marketing
- Brand VP of Ops, if incident is brand specific:
 - Darcy Masciotro, VP of Operations for Intelligent Office
 - Tammy Senter, VP of Operations for Venture X
 - Brad Johansson, VP of Operations for Office Evolution

REPORTING INCIDENTS TO THE CRT

Upon learning of a Level 2 crisis, the franchise owner, manager, or supervisor on duty should immediately notify their brand CRT and submit a Franchise Incident Report (page 11) as soon as possible to **incidents@ufgcorp.com**. This email address directs all materials to the UFG Marketing Team who will then disperse them to all relevant parties to ensure the appropriate CRT contacts are notified with the same information at the same time. Upon submitting the information, a member of the UFG and/or brand CRT will reach out to the franchise promptly.

Should you have technical difficulties submitting materials to this email, please contact the Chief Marketing Officer and Director of Marketing and they will ensure details are shared with the appropriate CRT.

ONSITE MEDIA RESPONSE POLICY

If media calls or enters your location asking questions or requesting an interview about either a Level 1 issue or a Level 2 crisis, please follow the onsite media response policy below. Remember that owners, location team members, and field teams should <u>not</u> answer questions from media.

If a reporter calls:

Stay calm and professional on the phone. Thank them for the call and say:

"I'm not the right person to speak to you, but I'm happy to take your information and we will have someone contact you as soon as possible."

If a reporter walks into a storefront:

Stay calm and professional. Politely ask them to leave by saying:

"I'm not the right person to speak to you, but I'm happy to take your information and we will have someone contact you as soon as possible."

If a TV cameraperson walks into the storefront:

Stay calm and professional. Always assume that the camera is recording. Politely ask them to leave by saying:

"I'm not the right person to speak to you, but if you could please step out of the store with the camera, I'm happy to take your information and we will have someone contact you as soon as possible."

More than likely, reporters will resist your request to leave the store and/or wait for a follow-up call. Stay calm and professional, and repeat your request. If they continue to resist your request to leave the store, you have the right to contact the authorities to have them removed. Be clear, concise, and positive.

Information to gather from the media:

- Media outlet
- Contact name
- Phone
- Email
- Reason for their call or visit
- Do they have any specific questions they'd like answered?
- What is their deadline to receive a response to their questions?

SOCIAL MEDIA RESPONSE POLICY

When a Level 1 issue or a Level 2 crisis occurs, local franchises and Corporate may encounter negative comments on a variety of social media platforms.

Local franchises should <u>never</u> delete a post on social media or block a user unless it clearly violates the terms of engagement for the page (e.g., harassment, racial discrimination, sexual content, inappropriate language).

Level 1 Issue – Respond at the Franchise Level

If you receive a complaint about a poor experience, billing issue, or other Level 1 issue, you may respond using the sample response below to take the conversation offline. Please note that this is a sample response only and will require revisions based on the specific post. Franchise owners that work with a digital marketing agency should first consult with them to determine a process for monitoring and responding to social media posts.

Hi, [Name] – We are so sorry to hear about your experience and appreciate you bringing this to our attention. Please email [Email address] and someone from our team will be in touch.

Level 2 Crisis – Notify CRT Immediately

If you receive a complaint about sexual misconduct, racial discrimination, or other Level 2 crisis, please notify the CRT immediately for assistance.

UNITED FRANCHISE GROUP "The Global Leader for Entrepreneurs"

Franchise Incident Report

This report should be completed by the franchise owner, manager, or supervisor on duty in the case of a Level 2 crisis, whether being reported by a customer or a team member.

Franchise Incident Reports must be submitted, along with all other required documents, **immediately (and no more than 24 hours)** upon receiving the complaint to <u>incidents@ufgcorp.com</u>. This is an internal document; Do not give to or make copies for anyone.

Brand:	
Report completed by:	Today's date:
Location Information	
Owner:	Manager on duty:
Address/City/State/ZIP:	
Incident Details	
Date of incident:	Date incident reported to corporate:
Who is the allegation against? Please include their name, i	Team member / Guest if known:
Who is the other party involved? Please include their name, i	Team member / Guest if known:
Describe the incident: Please be as detailed as possible based on needed.	n your knowledge of the alleged incident. Attach additional pages as

Additional Details

Were the police called?	Yes / No / Unknown			
If no, does the customer or team membe	r intend to file a police report?	Yes / No / Unknown		
Has media been contacted?	Yes / No / Unknown			
If no, does the guest or team member in	Yes / No / Unknown			
Has media contacted the Store?	Yes / No / Unknown			
If yes, please include the name and contact information for the reporter(s), as well as the outlet(s) they work for, below and the CRT will follow up with them directly. ** Do not share				

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any details of the alleged incident with media. **
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Has anyone posted on social media? Yes / No If yes, please attach links to the posts or, if they are private posts, please attach screenshots.

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Do you have video footage of the incident? Yes / No
If yes, please attach the footage. ** Under NO circumstances should you share recorded
footage with anyone other than the authorities and the CRT. **
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Other Required Documents

Upon submitting the Franchise Incident Report, please attach the following:

- Statement from customer involved in incident
 * Statements should be written or emailed. If the customer declines to submit a statement, please note under Incident Details above.
- □ Statement of team member involved in incident
- □ Statements from any team members who witnessed the alleged incident or spoke with the involved customer or team member regarding the event
- □ *If the allegation is against a team member* Employee file (including most recent criminal background check)

Please direct any questions regarding completing the Franchise Incident Report to the CRT by emailing <u>incidents@ufgcorp.com</u>.